

**SPECIAL MEETING  
BOARD OF MAYOR AND ALDERMEN**

**April 21, 2008  
Mayor and all Aldermen**

**6:00 PM  
Aldermanic Chambers  
City Hall (3<sup>rd</sup> Floor)**

Mayor Guinta called the meeting to order.

Mayor Guinta called for the Pledge of Allegiance, which was led by Alderman J. Roy.

A moment of silent prayer was observed.

The Clerk called the roll.

Present: Aldermen M. Roy, Gatsas, Sullivan, J. Roy, Osborne, Pinard,  
O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Ouellette, Domaingue

**Mayor Guinta** advised that the purpose of the meeting shall be discussions relating to the proposed FY2009 budget as follows:

- a) Health Department
- b) Police Department

**Mr. Tim Soucy**, Public Health Director, stated first of all I would like to thank you for the opportunity to present tonight. I want to introduce Gabriela Walder. For those of you who don't know her, Gabby is the Business Service Officer for the Health Department, and Anna Thomas who you all know is the Deputy Public Health Director. They are joining me today. I certainly want to thank the Board once again for the opportunity to present this evening, and we are going to get

started. Many of you know the Health Department has been around since 1885. Our mission is to improve the health of individuals, families and the community through disease prevention, health promotion, and protection from environmental threats. It's a very unique mission we are really the only ones in this community that have the capability to do that from a population based stand point. Our vision is to be a healthy community where the public can enjoy a high quality of health in a clean environment, have protection from public health threats, and can access high quality health care. You will recall the Manchester Health Department is seen as one of the premier local health departments in all of New England and was chosen as one of ten local health departments across the country to go through the first phase of accreditation of local public health departments, two facts that we are both very proud of. A little bit on our philosophy as we develop this year's budget; first of all we want to act responsibly and intentionally with tax payer dollars. Everything we do we want to be able to justify. We want to be able to produce outcomes as a result of the work that we do. There are two things that we concentrate on. We are very good at measuring output but now we are translating that output into outcomes. How do the actions of the Manchester Health Department actually improve the health of the community? It's one of our guiding principles as we move forward. We want to be customer and community focused. We have instilled a philosophy in our workforce at the Health Department, that is 'be the customer'. If you were the person on the other end of the phone or the person coming into the office, how would you want to be treated? Because we believe that instead of saying I don't know the answer to that, finding the answer for someone is the best way to treat our customers and be creative and look for alternative sources of funding. We certainly recognize that this is a very difficult budget year. We took all of that into consideration as we put our budget together, and we have been very creative, and we will talk about some of the sources of funding that we have come down with in the past. Our request for FY2009 is \$3,163,143. That breaks out, as you can see, our salary and benefits are about

92% of our budget. Workmen's compensation and CGL are two insurances that we obviously don't have any control over are two percent of our budget. Utilities for the Rines Center, gas and electricity, \$100,000; and I will get into a little bit more detail on what that means in a moment. Our operating budget on a \$3 million budget is \$82,000 and that's medical supplies, that's books, that's staff development, that's everything papers and pens, everything we need to run the Health Department is a total of \$82,000. How does our budget breakout? About 42% is what we are talking about tonight, city taxpayer dollars; 35% is the School Department chargeback and that's for our school nurses; and 23% of the Health Department budget is grant funded. I want to be very specific on that point. Nearly one in four positions at the Manchester Health Department are paid for by outside funding. We have done our due diligence in going out for additional funding to help support the Health Department so that we can minimize the impact on taxpayers, and I believe we have done a great job of that over the years, where nearly one in four positions are outside funded. Not only do we bring money into the Health Department to support Health Department operations but we bring money in through the Health Department to support the community, to improve the health of the community and to improve the quality of life for people in this community. This is just an example of some of the money that's been brought in over the past year to year and a half. The EPA funds us to do asthma work in the community. It's home based; it's a combination of our environmental health staff and some nursing consultants that go in and teach families how to manage asthma, to keep kids out of the emergency room, which is the most expensive way to get medical care in our community. CMC, Elliot Health Systems, and Dartmouth Hitchcock have provided over \$200,000 to assist the Health Department steer a project called the Manchester Sustainable Access Project, which is a project looking at how to improve access to primary care, oral health care and mental health services and how to integrate those. The endowment for health has given the largest grant every to the City of Manchester and that's over \$500,000 for this

same project and the Heritage United Way recently stepped up to the plate and also said this is a very important project for the community and have allocated \$100,000 out of next year's funding to support it. We receive money for tobacco prevention that we have a contract with Makin' it Happen, to get that out. We have received money for lead poisoning through HUD which goes through CIP. We have received money from the National Association of City and County Health Officials to help support our accreditation process. We receive almost \$450,000 in state and federal money to support the health care for the homeless project. The Manchester Health Department is actually considered a federally qualified health center because the health care for the homeless project is operated through us. We sub that work out with the mobile community health team at CMC. Once again, if we can provide care in a more appropriate setting it ultimately saves taxpayers money because people are not going to the emergency room for care. Once again, the VISTA program now being managed through the Health Department is an important part of our community and getting folks out there to assist in improving quality of life for Manchester's residence. So over \$1.6 million in the past year to year and a half has been brought into the community to improve quality of life and improve health as a result of the work of the Health Department. These are some of the issues that we are faced with this year. In our current FY2008 budget the Health Department took a 5.23% cut from FY2007. That equated to about \$164,000 so one of the issues is we are already beginning at a lower base than we had in FY2007 for this year which makes the FY2009 budget look even worse than it is. At the time I will tell you that this was an appropriate cut. We had a vacant pediatrician's position that we could not fill. We decided to divvy up the duties amongst Health Department staff and to not fund that position. That was the responsible thing to do, last year. We do not have that capacity to make those levels of cuts this year. It was the correct thing to do, it was the responsible thing to do last year, but we don't have that ability this year. The way our budget is, and I am going to use round numbers, please don't use

these...this is for an example only. Say our total budget is \$3 million, and \$1.5 million is on the City side, and \$1.5 million is a School Department chargeback. When we are asked to make a cut, let's say a 2% cut, that's on that total \$3 million figure but I can only make the cuts on the \$1.5 million on the city side. If I were to make the cuts on the school side, yes I am cutting expenses but I am also cutting the revenue coming back to the City, so I am essentially taking a double hit on the city side every time we are asked to make a cut to that total budget. Finally, when we look at one of the other major expenses in our budget, it's Rines Center expenses. You recall earlier, I said the Health Department pays for gas and electricity out of its budget. That is for the entire facility. This \$146,000 number not only reflects that but reflects the custodial costs and custodial supplies to support the entire Rines Center. The Welfare Department is housed at the Health Department; the art gallery; there is space held by the City Clerk's office; Manchester Fire Department has some space; Manchester Police Department has some space; Information Systems have some space. We assume the cost for the entire operation of the Rines Center. Now, does it make sense for all of the other departments to give us X number of dollars? While that might be nice, that doesn't help the overall budget. I just want you to be aware that the Health Department, once again, when we look at making cuts we are assuming additional costs of other City departments. So even though we only occupied, excluding all the common areas and the conference center, 50% of that building, we are indeed footing the bill for the entire maintenance and upkeep of that building. The Mayor's proposed budget, the 100% budget, leaves us \$246,000 short. There was an additional two percent cut on top of that which is about \$49,000. So you will see as we go through, the number that the Health Department is short as we move into or are requesting for FY2009 is a little over \$295,000. What are the implications of those levels of cuts? As you recall, we have very little room to make cuts except in personnel. The first implication is that we will have to eliminate the oral health program at the Health Department. That means the

elimination of two full-time dental hygienists and one part time dental assistant. The two dental hygienists are City funded. You will hear in a second about the dental assistant that is actually funded through Medicaid reimbursement so there is no cost to the City for that position; however, it doesn't make any sense to have a dental assistant if we don't have dental hygienists. The dental van, which many of you have seen at our Title I schools, was given to the City. It was a \$100,000 donation from the Kiwanis Club to the City of Manchester for the purchase and fit up of this van. That van will be taken off the road. If we don't have a program, that donation will not be used anymore. We also receive money from Cogswell Benevolent Trust that supports the upkeep of the van. Once again, we would have to talk to Cogswell as to what we actually do with those funds down the road, but these are investments that have been made by the community in this program and the program is potentially not there anymore. From a services standpoint what does it mean if we eliminate the oral health program? We operate in the five Title one schools right now which are the neediest in our community. There are 2,000 children eligible for oral health screenings, many of them we do go through. We have a sealant program for second and third graders which is another or 1,200 kids out of that 2,000 will be eligible for this. We provide case management for kids who need dental services, meaning we get them linked up with the Poisson Clinic or another dental care facility in the community and we actually provide restorative care on that van through volunteer dentists. Once again, it's all in an effort to improve the oral health of the kids of our community. A sealant program is an evidence-based public health practice. I will just tell you from a Medicaid reimbursement, Medicaid will pay \$30 to seal a tooth or \$91 to fill a tooth. So it's three times more expensive to treat these kids if we don't get them up front, one of the reasons we do a school-based, evidence-based, public health practice on a sealant program in our schools. Over the past year we have seen a 300% increase on the number of kids we were able to serve. We have increased the number of sealants being applied by about seven percent, and as a result from last year to this

year, we are seeing a nine percent decrease in untreated dental decay, meaning the program is working. Sealants and community water fluoridation are making a huge impact on this population. If we do not have this program, these are kids that will not get treatment. These are kids that will go on to develop additional oral health problems and ultimately cost the community more because they will be getting care in the most inappropriate setting. We will also lose money by eliminating this program. When we apply a sealant we bill Medicaid; that brings in up to \$20,000 a year and that sustains the dental assistant's position. We also have a state grant to support that program for \$20,000 so if this program goes away the City is out potentially \$40,000 in revenue. Moving on to our Community Health Division, we will have to eliminate 1.6 full time equivalents community health nurses, which is one full time and two part time positions. That is a 28% reduction in our nursing coverage. Some of the services that are going to be impacted: With fewer nurses we will have to cut back on our immunization clinics and I would question at this point whether we would have the ability to provide flu clinics next year. Just to give you an example in FY2007, which is the last complete year of data we have, we did 3,200 immunizations servicing over 1,500 people. We would have to reduce our HIV and STD clinics; once again, right now they are currently held twice a week. We would have to look at scaling those back because of our nursing coverage and that's an additional 1,500 client that access that service. One of the biggest concerns for me from a nursing standpoint is we receive reports of reportable diseases every day. These are the TB's, the hepatitis, the salmonellas, the mumps, the meningitis. Our nurses, as soon as that comes off the fax machine, begin an investigation. We did over 250 in FY2007 and I know that number is going to be higher for FY2008. Decreased nursing staff puts that at risk. These are diseases that are transferable from person to person. That puts the community at risk. With fewer nurses there is less opportunity to get right on these in a timely manner. Once again, our nurses are integral to our ability to respond to public health and safety emergencies in the

community. A couple of examples: We have something called a BDS which is a biohazard detection system. It's a system at the post office that worked to detect anthrax. We have plans, we have supplies, we have medications ready to dispense in the event this alarm goes off, meaning that anthrax has been introduced into our mail system. Without the nursing coverage to implement this plan, the plan doesn't do us a whole lot of good. One more example: After the Lake Avenue fire, the Red Cross called us and said they were setting up a shelter at the MPAL building and asked if we could send a nurse. Guess what? The nurse grabbed her jump bag and went over there and spent the day and into part of the evening with the folks from the Lake Avenue fire. We would have less opportunity to lead important community dialogues around public health issues, some of which are listed there. The City of Manchester takes in a number to grants from the state. These are just some of the examples of money that's provided to the City to support these programs; it's over \$300,000. Certainly if we have to reduce our nursing and our other coverage in the office, then I would be somewhat leery to say that sure the state is going to give us this money. If we are not providing the programs at the level they are funding us, I would make a strong argument that the state is going to want to withdraw all if not some of that funding. So once again the City is at a potential loss of over \$300,000 in revenue. In our Environmental Health Division we will need to eliminate one full time environmental health specialist, which is a 25% reduction in our field staff. Some of the services that are going to be impacted: We will be doing fewer restaurant inspections, less education. Last fiscal year we did over 3,000 restaurant inspections, re-inspections, and site visits. I would argue that that would go down by 750 proportionately. Anyone who heard Dr. Tarlow speak at the Chamber this year realizes the importance of a sound public health and environmental health program for promoting tourism. This is something that is important to the community and something that I certainly have issues with. Does it open the City up to potential liabilities? City Ordinance says we will inspect food service establishments once

ever six months. If I don't have the staff to be able to accomplish that then I am not sure...I would have to refer to legal counsel on that. Last fiscal year we received over 500 complaints; these are our constituents complaining and it may be about garbage, it may be about living conditions, it may be part of the NET team. Once again, with fewer staff I am going to have a much more difficult time in responding to these complaints and concerns responding to these in a timely manner. Once again as we look at how do we respond to emergencies in a community, ESF-8 is health and medical; it's a part of the City's emergency operations plan that the Health Department is responsible for. With fewer staff it makes it much more difficult to implement ESF-8 and to provide the appropriate level of services during an emergency. One of the biggest concerns with the elimination of an environmental health specialist is we will have to eliminate mosquito surveillance for this upcoming year. Meaning if someone calls and says where we are with West Nile or EEE, our answer is going to be we don't know. The state will not be doing testing in Manchester. We have done our own surveillance through our own staff. By eliminating a position we will no longer have the staff to conduct this surveillance. We bring in about \$175,000 in food service permits. Those permit fees are based upon our cost. What does it cost us to do the service, times the number of hours, by how often we are inspecting the restaurants. I would argue that if we are decreasing the frequency of being in the restaurants we are going to need to look at those permit fees because people are paying for that service. If we are not providing that service we are going to have to re-evaluate what we charge people for a permit fee and a 25% reduction would be a little over \$43,000. We have looked at our custodial services in order to make up the remaining difference. We have 1.5 custodians; we would eliminate the part time custodial and we would reduce the full time to half. This is a 66% reduction in our custodial staff. What will we do? We will essentially empty the garbage and we will clean the labs at the Health Department so that we are in compliance with CLEO which is our laboratory certification program through the federal

government. We will not be able to provide custodial service to Welfare, the Art Gallery or anywhere else in the building. We will not have staff for snow removal. We will not have staff for outside maintenance of the building and we will not have staff for routine building maintenance. These are the same folks that set up the conference center on a day to day basis so that when other community partners or other city agencies come in to use that center it's ready to go. We will no longer have the staff to do that and once again I would argue that the expenses would increase to the City because we are going to need to rely on Facilities Division and others who are more expensive to provide the same service to get the work done. That's only on the City side. We have submitted a budget to the School District. Once again, it's a little odd the way the system works. Our cost to provide school health services for fiscal year 2009 is \$1,679,624. That's what has been put into HTE; that is what reflects as a revenue. When we presented to the School District we asked them for \$175,424. That's to cover not only the \$1.679 million figure but to add a new school nurse at MST which has never had a school nurse in the past; to outfit that office; to upgrade some of the equipment that we use that's outdated and quite frankly broken and to change some of our policies, one being we want to go from Epi ampules to EpiPens, meaning if a child had an anaphylactic reaction we could provide a higher standard of care quickly. So those are some of the additional expenses in that new number. We have two outstanding issues with the School District. We have spoken with them and we do not know what number they are going to give us yet. So if they actually do fund the \$175.1 million number I am going to come back to you and say, can I adjust my expenditures because I have that revenue? The revenue number you see of \$1.679 million, if they do fund us we certainly want to have the option to raise that revenue and to raise the expenses accordingly. Once again this is a chargeback; this is that 35%. The second point is if the School District, based on the cuts they need to make, come back to me and we are giving you less than the \$1.679 million, then I have to go through this procedure on the school side. Meaning, we

will be looking at eliminating school nursing positions and depending on that level of cuts could mean schools in the City without school nursing coverage or limited school nursing coverage. I don't have the answers to that yet. We have not received our number from the School District, so these are a couple of outstanding issues with the school health. What can we do to help? Once again, we understand that this is a tough budget year. We have reduced our medical director's hours from 40 to 32 beginning August 1<sup>st</sup>. This position is half funded by the City and half funded by our public health preparedness program, so that's going to save us \$20,000 on the expense side. So that \$295,000...you saw that we are short \$295,000; we just brought down to \$275,000. On the revenue side we are going to reevaluate the indirect costs on some of our grants. Currently we have been charging five percent. We spoke with the state and we can go up to ten percent on indirect costs; that's revenue that comes back to the City. With that revenue comes somewhat of a problem in that if the cap of a grant is \$50,000 and I am using that \$50,000 for a program, if I do 10% that's \$5,000 meaning I now only have \$45,000 to run the program but we would be able to generate some additional revenue. So we are going to re-explore how we can increase revenue coming into the City through indirect cost. We are going to continue to explore new grant opportunities. Am I crazy that our budget is 25% funded by outside funding? No. That funding is never guaranteed. Would I prefer to have everything funded through the City? Absolutely. But we will continue to do our due diligence, looking for additional funding to help offset our expenses. Finally we are in the process of recruiting a CDC Public Health Prevention specialist. This is an MPH prepared person who has been at CDC for the past year; it would be a two year assignment to the Health Department which would not necessarily fill the gaps I have talked about but would help us expand some of our community work around health indicators. What are the leading causes of death in the community? How do we develop a public health improvement plan? Once again, it is all designed to improve the health of the public. So these are a couple of the

initiatives that we are beginning. What does it mean to the taxpayer? Assuming that the tax rate goes up by 11 cents for every million dollars in new spending, the Health Department needs \$275,000; therefore adding three cents to the tax rate. Am I asking you for a tax increase? Yes, I am asking you to raise the tax rate by three cents. Assuming a \$240,000 home, which is the median price of a home in Manchester, that tax increase will come out to \$7.20 per year or 60 cents a month. I am asking you for a three cent tax increase so that I can provide the best public health services in the City of Manchester and that we will not go back as a result of the proposed budget. Just to summarize, if this proposed budget were to go through we would be looking at the elimination of eight positions, potential loss of over \$400,000 in revenue, increased expenses associated with the Rines Center. We would dramatically reduce the services provided to the people of Manchester. In my opinion as the Public Health Director, if these cuts are made there will be a threat to the public health of the citizens of this City. We will not be able to do our job in the best manner and in the most efficient manner that we currently do. A final thought, article 12 in the Bill of Rights of the New Hampshire Constitution says that every member of the community has a right to be protected by it. I would ask you that you give us the resources so that we can continue to protect the public health of our community as we move forward. I will certainly be open to any questions.

**Alderman Domaingue** asked the third line in the budget book, the third column, the FY2008 modified budget, is that the actual, approved budget?

**Mr. Soucy** asked I am sorry, could you repeat which column?

**Alderman Domaingue** asked what does the third column in represent? It is entitled FY2008 modified budget.

**Mr. Soucy** asked the \$2,917,046?

**Alderman Domaingue** stated yes.

**Mr. Soucy** stated that is our current Fiscal Year 2008 funding level.

**Aldermen Domaingue** asked did something happen with the workers compensation insurance and the CGL insurance from 2008 to 2007 to cause it to jump that dramatically?

**Mr. Soucy** stated I would have to refer to Risk Management; we do not have any control over that expense.

**Alderman Domaingue** stated there is no line for CGL in 2007 but it jumps to almost \$10,000 in 2008 and there is a \$9,000 line item in 2007 for workers compensation that jumps to \$30,500 in 2008.

**Ms. Gabriela Walder** stated those numbers are given by Risk Management; I am not sure if Bill could elaborate on that.

**Mr. Bill Sanders**, Finance Director, stated no I really would have to refer to Harry Ntapalis and the Risk Management group.

**Alderman Domaingue** stated I guess I would be interested in finding out why there is such a dramatic jump between those, and if I could ask a second question if that is alright? The overtime salary line in 2007 was at approximately \$2,000 but it jumps four times to \$8,400 in 2008. Why?

**Mr. Walder** stated we had to move some funds out of our regular salary for EH coverage. We were short staffed so we had to pay some overtime to cover some restaurants; so we had money moved over. Our original line was \$3,400 and I think we moved \$5,000 over but we didn't spend it all. We still have funds available in that line.

**Alderman Domaingue** stated right you spent \$5,500 of it, correct?

**Ms. Walder** stated correct.

**Aldermen Lopez** stated I talked to you earlier. Did you check out whether the school must have nurses?

**Mr. Soucy** stated the question is does every school have to have a school nurse?

**Alderman Lopez** asked by state law?

**Mr. Soucy** stated the interpretation is somewhat loose and I still haven't got the exact interpretation. I know there are school districts in New Hampshire that do not provide a school nurse in every school. I will tell you that our school nurses in the slower schools will see on average 50 kids a day and in high schools it is not unusual to see upwards of 100 kids a day and that these kids are not only there for bumps and bruises but complex medical procedures.

**Aldermen Lopez** stated I am sure you have because the Mayor has it in here as far as revenue is concerned but are we in line with the revenue that we charge businesses in comparison to other communities because I think there are only two city health departments in the state, Manchester and Nashua?

**Mr. Soucy** stated that is correct. We do routinely review our permit fees. There are about a dozen to fourteen of what are called self inspecting communities which actually do their own licensing for food service. We do routinely do that; we raised our permit fees I think about two years ago. We raised them by ten percent at that time and we do routinely monitor them. Some of the categories we are higher on; some of them we are lower on and it's really usually a measure of semantics depending on how people calculate those costs.

**Alderman Lopez** asked on the clinics that you run for the flu and that, are people actually given the shots?

**Mr. Soucy** responded we do provide the immunizations, yes.

**Alderman Lopez** asked and do you work with hospitals? Maybe they could do this.

**Mr. Soucy** stated in an ideal world we wouldn't provide immunizations because people would be linked up with a medical home. The reason we provide immunizations is to get what's called herd immunity. From a public health standpoint, the more people we can vaccinate against a particular disease, let's say MMR - measles mumps and rubella - then the less likelihood there is of an outbreak in the community. So we provide immunizations as a protection of the public as well as protection of the individual.

**Alderman Lopez** stated I understand that, but what do other communities do though? Do they work with local medical people?

**Mr. Soucy** stated depending on the community, Nashua provides immunizations and Derry provides immunizations as well. One of the issues with Manchester is we have an increasing issue with poverty. We have increased problems with access to care, which is why all these external funders are funding the community to look at that. So it is an important measure. One of the things with immunizations is because of the work that we have done, and we actually go into pediatricians' offices and do chart audits, we have seen the rates of immunizations come up from 45% to almost 80% in our community and that is a tremendous achievement over the past couple of years.

**Aldermen Lopez** asked in reference to the School Department, they give you less than \$1.67 million? The school nurses are only a small portion of that, naturally, right?

**Mr. Soucy** stated that is just about all school nurses. We have about \$15,000 in medical supplies, a little bit of equipment maintenance but really that is all salaries and benefits.

**Alderman Lopez** asked the van that Kiwanis gave, what kind of cost is it to run that on the road?

**Mr. Soucy** stated I would have to spec that out; I don't have that at my fingertips, but once again, the maintenance of that van we charge off to the Cogswell Trust so there is no incurred cost by the City.

**Alderman Ouellette** asked Tim, you mentioned that if there is any maintenance that needs to be done to the Rines Center, although you only occupy 50% of it that the maintenance comes 100% out of your budget, so for the sake of argument if

the Welfare Department has an issue in terms of maintenance, that comes out of your budget?

**Mr. Soucy** stated that is correct. The custodian that's in our budget will provide maintenance upstairs as well.

**Alderman Ouellette** asked why would that not be charged back to the Welfare Department? Can anybody answer that?

**Mayor Guinta** stated I think the reasoning for that is that up until recently the Health Department housed the majority of the space in that building. So rather than separate it out, we just had one department control the payment of those costs and the responsibility of those costs.

**Alderman Ouellette** asked what about the gallery. Is there is an art gallery there?

**Mr. Soucy** stated that is correct.

**Alderman Ouellette** asked are we subsidizing the maintenance for the art gallery?

**Mr. Soucy** stated to a certain degree the art gallery does not reimburse the City for the space. It is my understanding when the Rines family donated the building there was sort of an agreement that the art gallery would be able to remain there. It is a good thing for the City but it's just that once again as we are looking at cutting out budgets we are providing a service to that part of the building that doesn't generate any revenue or offset our expenses.

**Aldermen Gatsas** asked Tim, we have gone through 39 pay periods, and if I annualize the pay period it comes out to \$1.9 million, which is \$320,000 more than what you need to complete your year this year. Is that correct?

**Mr. Soucy** responded just a minute please; let me get you that answer.

**Ms. Walder** stated I actually show a surplus of \$260,000.

**Alderman Gatsas** asked what do you have for a year-to-date figure for gross?

**Ms. Walder** stated I did that on April 4<sup>th</sup> and I had spent to date \$1,483,714 and for the rest of the year I have \$496,000.

**Alderman Gatsas** asked so that one pay period...because I've got it until the week ending 3/29 so you are basically...What did you say your number was?

**Ms. Walder** stated \$1,483,714.

**Alderman Gatsas** stated so if I divide that by 40 pay periods, times 52, I am going to come up to a \$1.8 million.

**Ms. Walder** stated you have the school nurses in there too and they don't work a full year.

**Alderman Gatsas** asked but aren't they on another line?

**Ms. Walder** stated no, they are in that line item also.

**Alderman Gatsas** asked but isn't the school nurses an in and out; in other words you have got them in and you've got them out. So you are telling me that the school nurses cost you more than a \$1.6 million. I am looking at your revenue page, your third page in. You are telling me the revenue you are going to collect is \$1.6 million.

**Ms. Walder** stated that includes revenues, salaries.

**Alderman Gatsas** asked how much is a total expense for nurses?

**Ms. Walder** stated \$1.650 million.

**Alderman Gatsas** asked that is total expense?

**Ms. Walder** responded yes.

**Alderman Gatsas** asked so if I am going to get an income of \$1.6 million and I am going to pay out \$1.6 million, it's a wash so if you want me to take it out of that revenue line at the top...

**Ms. Walder** stated but the \$1.6 million also includes health insurance, dental insurance and that's not on our budget. So I take that in as revenue.

**Alderman Gatsas** stated let's try that again. Are the school nurses under the City health plan or the School health plan?

**Ms. Walder** stated they are under the City health plan.

**Alderman Gatsas** asked so you have none of that in here but it is a charge that you charged them back?

**Ms. Walder** stated correct.

**Alderman Gatsas** asked so you are saying that their portion of the medical is in the \$1.6 million?

**Ms. Walder** responded correct.

**Alderman Gatsas** asked how much are the wages that we are paying verses benefits?

**Ms. Walder** stated I would have to get back to you on that. I didn't bring that number.

**Alderman Gatsas** stated it is probably \$80,000 because that is the difference between \$280,000 and \$320,000.

**Ms. Walder** stated for wages I have \$1,098,000 for FY2009; I can get you FY2008.

**Alderman Gatsas** stated so better than 50% of your budget for wages is nurses, or close to it.

**Ms. Walder** stated yes.

**Mr. Soucy** stated ideally Alderman if there was a process by where we could separate the School District, understanding that it's expense and revenue that is a

wash from the City side of the budget, it would certainly make our budgeting much easier as we move forward.

**Alderman Gatsas** asked why don't you prepare a budget that does that and then take out the restricted items that you don't have control over? We have already done it once with health and dental and taken that out of your budget. How about if we take life insurance, workers compensation, disability insurance and CGL out of your budget?...prepare a budget without those numbers in it.

**Mr. Soucy** stated I would say if that is feasible within the parameters of HTE. We don't certainly have an issue with that.

**Alderman Gatsas** stated well even if HTE can't do it, if you put it on an Excel spreadsheet and eliminate those, you are going to be able to give me that number, because that is truly the number that you have control over.

**Mr. Soucy** stated correct.

**Alderman Gatsas** stated just like you didn't have control over health insurance, which we removed. It would probably make it logistically intelligent to remove workers compensation and the other ones that you don't have control of in your budget.

**Mr. Soucy** stated I would say you are absolutely correct and in one of our original slides it shows that the salary and benefit number is about \$2.9 million and we have the \$42,000 for workers compensation and CGL of \$100,000 for the building and the \$82,000 in operating.

**Alderman Gatsas** asked the surplus and deficit sheet that we were given on April 14, 2008, it said that the Health Department had a \$105,000 revenue shortfall where you were projecting that for year end, and do I understand that the expenditure is a plus \$286,000. Is that what you were projecting?

**Mr. Soucy** stated yes, however, it is not pure \$286,000 and I will let Gabby explain because some of our state charge backs will come back to reduce that number.

**Ms. Walder** stated we charge some of the salaries as an expense and then we take it in as a revenue. So out of that \$ 260,000 that you see in salaries for surplus \$188,500 is taken in as a revenue.

**Alderman Gatsas** asked so are you saying your salary line is only going to be to the plus side of \$80,000?

**Ms. Walder** stated correct.

**Alderman Gatsas** stated I don't think so. Not according to looking at this sheet.

**Ms. Walder** asked why?

**Alderman Gatsas** stated just based on 12 pay periods that are left. If your pay period is about \$50,000 per week, because you gave me \$1,443 million...What did you give me for 40 pay periods?

**Ms. Walder** responded \$1,483,714.

**Alderman Gatsas** stated if I subtract that from \$1,439,300 which is what I have, your payroll per week is about \$44,400 per pay period. So if I multiply that by 12 it's about \$532,000; if I add that \$532,000 to your \$1,483,714 it comes out to \$2,166,000. So it's about a \$200,000 difference in that payroll line. I am just doing the simple math.

**Ms. Walder** stated surplus is what you are saying.

**Alderman Gatsas** stated right, I am showing a surplus of about \$200,000.  
\$240,000.

**Ms. Walder** stated but what I am saying is we have to take into account that on the revenue side we account for about \$188,500 in state grants as salary but we don't actually take it in as revenue. What it does is it goes back into the salary line. They don't hit directly.

**Alderman Gatsas** asked they don't hit directly as a revenue?

**Ms. Walder** responded we show it as revenue but our revenue ends up being...

**Alderman Gatsas** interjected tell me are those lines...is that the HIV reimbursement line of \$17,500.

**Ms. Walder** stated correct.

**Alderman Gatsas** stated well that totals \$153,000.

**Ms. Walder** stated if you look at our revenue to date, you will notice that is still at zero.

**Alderman Gatsas** stated correct. That's zero. The next one down is the immunization program for \$80,000. That's zero. The STD is zero and then you have one more for the TB reimbursement of \$31,000, and that's zero.

**Ms. Walder** stated that's correct because instead of taking it as revenue we put it back into the salary line.

**Alderman Gatsas** asked so those four lines are \$153,000. Do you get \$153,000 in reimbursements for those salary lines? You just told me it was only \$108,000 that you were owed.

**Ms. Walder** stated no I said \$188,500.

**Alderman Gatsas** stated oh, \$188,000. So where is the other \$30,000.

**Ms. Walder** asked do you have lead on there? Lead is \$35,000.

**Alderman Gatsas** stated oh, one of my favorites. You mean testing?

**Ms. Walder** stated yes.

**Alderman Gatsas** stated I don't see testing on here for lead paint.

**Ms. Walder** stated it's lead reimbursement, the first one.

**Mr. Soucy** stated correct, that is to support...

**Alderman Gatsas** interjected that is \$35,000 and you haven't gotten anything from there?

**Ms. Walder** stated and then everything down, that should add up to \$188,500.

**Alderman Gatsas** stated it does. So those are revenues that you don't see.

**Ms. Walder** stated because it goes back into the salary line.

**Alderman Gatsas** asked so you never receive them from the state?

**Ms. Walder** stated we do but we put it back into salaries instead of taking it in as a revenue.

**Alderman Gatsas** asked do you have the ability to do that by your budget?

**Ms. Walder** stated yes. Bill, I don't know if you can help me with this?

**Alderman Gatsas** asked how can you move lines outside or inside to the salary line without authorization of this Board?

**Ms. Walder** responded these people have been set up like this for a long time. They hit as an expense but then when we take it in for some reason it goes back into the salary line and then the benefit line.

**Mr. Sanders** asked do you know why we don't show it as a revenue and just show the salary as an expense? That would be the more traditional way of depicting it.

**Ms. Walder** stated correct but it's been this way since I have been at the Health Department, and I think it is a way to show that these expenses...so that they hit the General Fund, so that these people are set up to hit the General Fund.

**Alderman Gatsas** stated well there is only one problem: when somebody tells me that there is a shortfall in revenues, there truly isn't a shortfall in revenues.

**Ms. Walder** stated correct but I took that into account. The shortfall in revenues has nothing to do with that. The shortfall in revenues is because we are not going to take \$1,651 million in charge backs from the school. We need less than that.

**Alderman Gatsas** asked Bill, can you tell me, does every other department have the ability to move lines within the budget to wages without us knowing?

**Mr. Sanders** responded not that I am aware of, Alderman. I am aware that the Health Department has had this practice for a number of years, that this treatment of grant funded positions has been unique in the City. I would have to do a little more work with the folks in the Health Department. Then I could come back and answer that more thoroughly; I am not going to be able to that this evening. But I know that there is a unique accounting that has been practiced at the Health Department for many years.

**Alderman Gatsas** asked so you are saying there is an expenditure of revenue but the revenue doesn't show up in the revenue base?

**Mr. Sanders** responded yes and I hesitate to do this but I will try to explain it as I understood it last year when I first arrived. The services that are being provided by these individuals, in order to ensure that there would be monies to pay them, they were budgeted as part of the General Fund expenditures at the Health

Department, as well as put in as grant funded positions. When the grants were approved and received, the salaries were paid by the grants and not by the General Fund. I am not aware if there has ever been a situation where we didn't get the grant, where the General Fund may have had to pay the salaries. The answer at the end of the day would be that, all things being equal, the General Fund should have a salary surplus at the end of the year for the amount of grant money that has been received and has been used to pay these salaries. And the result on the bottom line surplus line of the entire City would be the same but the treatment of the revenue versus the expenses is peculiar and is unusual at the Health Department in this situation. But, that's why it has been done, to ensure that the medical service that's being provided, if the grant did not come forward, the amount would have been appropriated in the General Fund and they could pay the employee.

**Alderman Gatsas** stated but if I look at the actual revenues of 2007 there is nothing in those line items.

**Ms. Walder** stated correct. Like I said it is put back into the salary line item but we always make sure to have that surplus in the salary line item. We know that we have to have that, at least \$188,500.

**Alderman Gatsas** asked how about us fourteen? Are we supposed to know it? You know I would understand if it was \$2,000, but you are talking a couple of hundred thousand dollars and I don't think anybody on this Board knows it. Maybe there are some that do. I don't know.

**Mr. Soucy** stated I think to answer your question, to get back to Mr. Sanders, we would be glad to sit down with him and see if there is a better way that we can do this accounting practice. But I think, as Mr. Sanders said at the end of the day, the amount is the same.

**Alderman Gatsas** stated it may be the same but it should be out of regular salary and there should be a different salary line adjustment that says these are the grants and the revenue should be shown. I mean that is \$200,000 that if I look at this I say you didn't get any of those revenues in 2007. And if I went back to the state banging on the table saying where was Manchester's money, they are going to look at me and say, you got it and I am going to say, not looking at this budget we didn't.

**Mr. Soucy** stated we will be glad to sit down with Mr. Sanders and see if there is a better way to present that information.

**Alderman Gatsas** stated so you will change the budget so that the line items that are unaffected or that you can't effectively save money, the other one being City Contributory because you have no effect on that, that is just a number that is thrown out to you. The retirement number, you can't control it.

**Mr. Soucy** stated that is correct.

**Alderman Gatsas** stated so if I look at these numbers on the uncontrollable numbers, and you can't control FICA; that's a given; there's somewhere around \$300,000 that are untouchable in your budget. It is almost 15% of your budget.

**Mr. Soucy** stated understanding that the benefits are tied to the salaries.

**Alderman Gatsas** stated I guess you missed my question. Workers compensation, disability insurance, City Contributory and CGL are not lines that you can touch.

**Mr. Soucy** stated that is correct.

**Alderman Gatsas** stated that is about \$300,000; that's about 15% of your budget that is uncontrollable by you.

**Mr. Soucy** stated correct.

**Alderman Gatsas** stated you can't touch it. You can't move it. You can't adjust it.

**Mr. Soucy** stated that's correct.

**Alderman Gatsas** stated and you can't use the money if it is extra.

**Mr. Soucy** stated that's correct.

**Alderman Gatsas** stated okay, so it shouldn't be in there.

**Mr. Soucy** stated I guess I would argue it must be that way for every City department.

**Alderman Gatsas** stated well we are probably going to change them during this budget cycle.

**Alderman M. Roy** stated just staying on that line...and I don't know if Alderman Gatsas wants to answer this or Finance or the department head, but in the Mayor's budget and then the final adopted budget and last year's budget, the director has the ability to change positions. In this situation, and I am not saying it's going to happen, but you would be deleting positions if you did not receive the additional funds. Those numbers that are fixed on salary, and you alluded to it, would change as well. If you lose the employee, you lose the salary, you lose the benefit. So either we would have to...and this is just so we have correct information, have the numbers that the department head cannot change based on something, whether it is 100% complement or existing employees so that everyone is working from the same base line. I agree with you; I would like to see the numbers outside so that we can look at just operating costs and what they are dealing with to operate the department verses their salary and benefits but in a department like this and Police and Fire, if you take out the salary and benefits line item, you have nothing left. So every change that happens is going to be made with employees.

**Alderman Gatsas** stated I am not making a suggestion that we do anything with the salary line, but they have no control over the workers compensation line.

**Alderman M. Roy** stated but the workers compensation line is based on...

**Alderman Gatsas** interjected it has nothing to do with that; we are self insured for workers compensation, so it has nothing to do with wages. That is just a number that is plugged in there by Risk Management.

**Alderman M. Roy** asked how does Risk Management come up with that number? Isn't it based on their salary?

**Alderman Gatsas** responded it can't be based on their salary because the actual for workers compensation in 2007 was \$9,000. What was budgeted was somewhere around \$27,000.

**Alderman M. Roy** stated right, I am saying if it's arbitrary then we need to find that out.

**Alderman Gatsas** stated it's arbitrary. That's why I am saying \$300,000 and number and every department is different.

**Alderman M. Roy** stated I will let the process play out but I would just like to see what you are asking but I wanted to be fair throughout every department.

**Alderman Gatsas** stated the salary line is the only thing that he has the ability to adjust or anything else down below. Those are all restricted line items. He doesn't have the control to do anything with those.

**Alderman M. Roy** stated my question is those restricted line items have to be... there is a formula that has to be applied to come up with those.

**Alderman Gatsas** stated Alderman, trust me, there is none, other than somebody plugging the number in, just like they used to do with health insurance.

**Mr. Soucy** stated Alderman Gatsas, as I look at what's in the budget book for the Health Department, the top line of regular salary, is that the number you are trying to get to?

**Alderman Gatsas** responded that is the number that I am looking at. That is your regular salary line. So I assume all employees, whether they are nurses or administrators, are within that line.

**Mr. Soucy** stated that is correct and school nurses. So once again as we go back...

**Alderman Gatsas** interjected so when I do the payroll, the \$44,000 that she gave me included school nurses, per week.

**Mr. Soucy** stated correct.

**Alderman Gatsas** stated so when I multiply that and annualize it, because that is the only way I can get a trigger number, if I look at the number that she gave me of \$1,483,714, divide that by 40, multiply it by 52, the annual yearly rate or the weekly rate if I divide it by the weekly salary is \$44,414. If I multiply that by 52 the number comes up to somewhere in the vicinity of \$1,900,000.

**Alderman Lopez** stated I just want to make sure that we are not confusing...let me speak for myself. If we are going to take all of these items out of the budget, I thought the intent was...and the Finance Office, I may direct this question to you, and the HTE has all this, I thought the intent was to make a true accounting for each department by having these items in there. Now we took the health insurance out, we have a separate line item for health insurance, could you guide us a little bit? What we are trying to do here is take all these items out where the department heads don't have any control and we make a separate line item like we did the health insurance? Do you agree with that? I don't want to put you on the spot but somehow we are getting mixed up here because the other finance officer thought this is how we have to do it for true accountability of the employees to give a true

account. I don't have a problem if we want to do it; we just take it out of every department and see what we have. If that comes up to \$10,000,000 and we say okay we are going to make it \$8,000,000 like we normally do with some of the others. I mean if that is where we are going fine. But isn't there a true accountability someplace here?

**Mr. Sanders** stated yes it would be my personal opinion that benefits that are directly tied to salary should be part of the departmental budgets, that pension contribution is a percentage of salary, social security is a percentage of salary. They are all forms of compensation to employees and I think department heads should be held accountable for them and budgets should be established on the total compensation for all the employees in the department. Now, it is in fact the case that, for example, the Risk Management area, the workers compensation and the CGL, that's a little bit greyer. On the one hand you might say that department heads should be responsible for the workers compensation experience within their departments that they are most certainly responsible for the safety of the employees that work in their departments. The difficulty is in allocating a cost for workers compensation and establishing a budget because you can't with any degree predict what workers compensation accidents might happen and that's why I expect over short periods of time that allocations to different departments could look random, as it looks here, where one year it's \$10,000 the next year it's \$6,000 or something. Things like health benefits and other areas also that are not directly related to compensation and are not something that a department head can control, I don't think should be in department budgets. I agree with what was done last year but I would personally be more comfortable with a total cost of compensation from employees and the department head should be responsible for that and it should be part of their budget.

**Alderman DeVries** stated Tim, I don't know if you happen to have the report that was given to us April 1<sup>st</sup>, but it's the position report by department, listing all of the vacancies. The vacancies listed April 1<sup>st</sup>, are they still vacant today?

**Mr. Soucy** asked could you tell me what's listed?

**Alderman DeVries** responded there are quite a few of them but you might know if you had made any hires within the last month.

**Mr. Soucy** stated our current vacancies are: we have a vacant dental hygienist, we have a vacant part time community health nurse, the medical director position has probably been listed as vacant. We have had authorization; we have had to hold that; our medical director will not be starting until August of the next fiscal year, which saves on both this year and next year. So to the best of my knowledge we only have the dental hygienist and the part time community health nurse.

**Alderman DeVries** stated you have had ongoing difficulties filling the school nurse positions and I think that is why we did the LPN job description last year, if I am correct.

**Mr. Soucy** stated that is correct.

**Alderman DeVries** stated you also showed that you were down three LPN's April 1<sup>st</sup> and down two school nurses, two of 23.

**Mr. Soucy** stated the LPN's have been filled since the beginning of the year so I am not quite sure why they are listed as vacant.

**Ms. Walder** stated we were given authorization to switch back and forth if we couldn't fill a school nurse we could fill it with two LPN's so we keep those positions open all the time. They are not vacant; we don't have the funding, but as far as HR is concerned they like to keep them open because if we close them we would have to come back to the BMA and ask them to be reopened. So keeping them open just gives us the availability to switch back and forth. But I think HR was supposed to put a little blurb on there explaining that. I am not sure.

**Alderman DeVries** stated okay and the Public Health Specialist I?

**Mr. Soucy** stated that is a position that was funded by the outside. When that funding went away we did not fill it but it remained on the books as an open position. That's correct.

**Alderman DeVries** asked those open positions, the previously grant funded positions, are they included in the budget or is that something that... I am just trying to translate to the true facts.

**Mr. Soucy** stated the dental hygienist and the part time community health nurse are included in the FY2009 budget; those should be the only two vacant positions included in the FY2009 budget.

**Alderman DeVries** stated and you are correct because it doesn't look like you show the public health specialist. So you have already backed that out just using the place holder to keep the position for rosier years.

**Mr. Soucy** stated correct.

**Alderman Shea** stated according to the Mayor's estimate for revenues, it's \$2,077,074. If the Mayor's budget were adopted what would that revenue go down to please?

**Mr. Soucy** stated the listing of the grants from lead at \$36,000; HIV at \$15,000; Immunization at \$82,000; STD at \$15,000; TB at \$32,000; those would be at risk. I can't say that the money would go away.

**Alderman Shea** asked assuming that they were to go away, the worst care scenario, what would that bring his revenues down to?

**Mr. Soucy** stated I think we have projected that it would be upwards of \$317,000.

**Alderman Shea** stated \$317,000 subtracted from the \$2,077,074, and that would bring it down to \$1,760,074, roughly, in that particular area. Is that correct?

**Mr. Soucy** stated correct, the bulk of our revenue is the charge backs from the School District and then food permit fees and then state grants make up the remainder of our revenue.

**Alderman Shea** asked as far as your expenditures would be concerned, where would that go from \$2,867,219? Is that really where it would stay or would that decrease?

**Mr. Soucy** responded at the \$2,867,219 we project that we are \$295,000 shy of where we would need to be.

**Alderman Shea** stated so that would go down to...

**Mr. Soucy** interjected no, it wouldn't go down any further; it would leave us short of the \$3,163,143 that we would need for fiscal year 2009.

**Alderman Shea** asked that would stay the same in other words?

**Mr. Soucy** responded that is correct.

**Alderman Shea** asked may I ask the Finance Officer, when people return money, say from the workmen's compensation and so forth, where does that go? Into the fund that Harry Ntapalis has? Is that correct?

**Mr. Sanders** responded that is correct, Alderman. At the end of each fiscal year all of the workers compensation experience is combined, what we've paid out versus what we had originally budgeted and charged departments for and any surplus that we realize is reserved in a workers compensation account reserve, and if we have a deficit, that is we've spent more than we actually budgeted, it's charged to the workers compensation reserve. At the end of 2007 there was probably about \$2.5 million dollars available in that workmen's compensation reserve.

**Alderman Smith** stated Tim, I know we have had this conversation before on the West Nile Virus. I know it's a source of funding. Prevention is the most important phase, as you well know. In the area that I am involved it is highly environmental...the parks... and I know Parks and Recreation is very concerned, and I would hate to see something happen that we didn't address it. Can you tell me why we don't spray to prevent it, never mind administering? I realize a cost might be involved but this is very serious. All we need is one case and we would never recover.

**Mr. Soucy** stated the decision to spray is based on epidemiologic data, meaning what is the risk to the community? You judge that risk at this point in time by two methods. One, do we have any human cases in the City or in the immediate area? And number two, what are we seeing with our mosquito trapping?

**Alderman Smith** stated it was brought to CIP Committee and it was refused?

**Mr. Soucy** stated that's correct.

**Alderman Smith** asked do you know what the amount was?

**Mr. Soucy** responded I want to say we put in about \$10,000. We usually hire a summer intern that we used to charge off to a grant. We no longer have that capability. Then \$4,000 would have been the cushion for spring should we have needed it.

**Alderman DeVries** stated you had mentioned in your presentation that the state does go out and do the testing for most communities, not for ourselves, and I assume maybe Nashua is the same treatment, where they have a health department. Is it possible for the state to pick up that testing in this community? Have you had that conversation?

**Mr. Soucy** responded I have not had that conversation. I actually left a message for Director Cooney today to talk about some of the possible implications as we move forward. We were not able to connect. They contract out with Dragon Mosquito Control to do that around the state. I am not sure what their capability is or what their funding is to continue to do that but we can have that conversation with Director Cooney and Dr. Montaro.

**Alderman DeVries** asked do you happen to know where the closest testing is done by the state to Manchester?

**Mr. Soucy** responded I do not know where they do their standard testing. I know they put out tests in response to cases, but I don't know where their routine testing is. We can find that out.

**Alderman Shea** stated I think that some of the people at the state level have introduced legislation allowing places where they have experienced...and I think Stratham was one area. I am not sure if Plaistow was the other area. So those might have been areas that received state types of funding. The other point is that you gave a detailed review tonight. Prior to your presenting the budget or having the budget given to you, did you review this with the Mayor? I mean these points that you developed with us, is this the first time you had been presenting it or had it been presented before?

**Mr. Soucy** stated when we presented our figures to the Mayor, we would have presented a 98%, 100% and ...

**Alderman Shea** interjected no, the points that you presented this evening to us, was the same presentation presented to the Mayor when he made out his budget? Or is that something that he's exposed to tonight as we are.

**Mr. Soucy** stated not the exact presentation. When we indicated what our 98%, 100% and 103% budgets were, all of them included shortfalls and there were positions that would be attached to those shortfalls. When we met with the Mayor we did provide that information. The thing that is different is I had originally made cuts on the School side right up front in realizing that if I were to do that I would be cutting the revenue coming to the City. We had to go back and do some

additional cutting that the Mayor was not aware of, that's being presented tonight for the first time.

**Alderman Shea** stated thank you.

**Alderman M. Roy** stated I was going to just ask for a report from the Finance Office of a listing of all of the accounts we just discussed: the workers compensation account or trust fund, and I would just like an accounting of every account like that with as much five or ten year back up as they can easily provide so that we can see the trending in workers compensation, we can see the trending in any of the other accounts, whether it be health insurance, FICA, whatever they can provide.

**Alderman J. Roy** asked Tim did you pay any severance this year?

**Mr. Soucy** responded not this year.

**Alderman J. Roy** asked but you do have severance if your employees retire?

**Mr. Soucy** stated correct.

**Alderman .J Roy** asked where would we find it on this sheet?

**Mr. Soucy** stated we don't have line item for it.

**Alderman J. Roy** asked it wouldn't be under special salary or anything like that?

**Mr. Soucy** stated no.

**Alderman J. Roy** asked okay then how do you handle it?

**Ms. Walder** stated at the beginning of the year we give our numbers of who we think will be retiring to HR and I think it's...

**Alderman J. Roy** asked who pays their severance? Where do you find the money?

**Ms. Walder** responded it is supposed to come out of a salary adjustment line item that is budgeted for every year.

**Alderman J Roy** asked the salary adjustment account that we still have \$700,000 in this year?

**Ms. Walder** stated if we have a shortfall because of severance.

**Mayor Guinta** stated there is two ways of handling the issue. Traditionally what the City has done is, it doesn't have line items for retiring employees. If someone retires in the Health Department and their severance is \$30,000, that position essentially is kept open. There is one of two things that happen. You can immediately fill the position and then you have a \$30,000 shortfall, which could come from salary adjustment, or you'll leave the position open until the money has been paid off. Those are really the two scenarios that we currently have.

**Alderman J. Roy** stated right and we discussed that before, that it would affect services.

**Alderman O'Neil** stated I have a number of questions and maybe some of them I can follow up with the Health Department over the next day or two. Tim, is it possible to break down on the City side the four bullets: oral health program, community health, environmental health, and the Rines center expenses? Can you break those down within that \$295,000, to provide those for us?

**Mr. Soucy** responded sure. I can provide those to you right now if you would like, or we can provide it. Either way.

**Alderman O'Neil** stated why don't you provide it for the entire Board. On the oral health program, are those stats one year or are they the history of the program?

**Mr. Soucy** respond that is for this current year.

**Alderman O'Neil** stated I am guessing on the community health nursing bullets that you had...the reason for you seeing the number of people that you do is they either have no access to health care or limited access to health care. Correct?

**Mr. Soucy** replied that is correct.

**Alderman O'Neil** asked so can we expect that probably will only get worse as time goes on?

**Mr. Soucy** stated that is a very good assumption based on what we are seeing in the demographics.

**Alderman O'Neil** stated just to follow up on Alderman Smith's question on the West Nile Virus, you talked about the elimination of the mosquito surveillance programs. How many sites have we monitored the past year or past several years?

**Mr. Soucy** stated we typically do three standard sites around the community with what's called a light and a gravid trap, which gives us a very good picture of what's going on. Unfortunately, one set of equipment was stolen last year from Rock Rimmon so we may need to, if we are able to continue, use a little bit of funding - it's no more than a few hundred dollars - to replace that.

**Alderman O'Neil** asked and those are sites just determined for what reason?

**Mr. Soucy** stated it is a combination of historical...we trap at Wolfe Park because we have been doing so since day one and it gives us a good epidemiologic history of what we have.

**Alderman O'Neil** stated if I recall Wolfe Park had issues at one point, so that makes it a logical site.

**Mr. Soucy** stated that's correct.

**Alderman O'Neil** stated just finally on the Rines Center, there has to be some cost. If the custodians are reduced there has to be cost for cleaning the floors and the snow removal, etc. Has anybody put numbers to those costs?

**Mr. Soucy** replied we have not yet but I will tell you that our custodial expenses are about \$38,000 to \$40,000 for the one and a half positions so I am assuming that the costs we would incur would be much higher than that. I think our custodian is a pay grade 9.

**Alderman O'Neil** stated I would guess if regular cleaning wasn't getting done the Health Department would have a problem with that.

**Mr. Soucy** stated I would have to issue myself an order. Once again, thank you very much for the opportunity. We would look to the Board to fund the shortfall of \$275,000 which ultimately will add three cents to the tax rate and enable us to provide the best services so thank you.

**Alderman Gatsas** asked Tim, can you tell me how many departments there are in the City? Do you know? Or at least how many we have in this book?

**Mr. Soucy** replied how many City departments? I do not know off the top of my head.

**Alderman Gatsas** stated it looks like there are 31. So if I took your calculation of \$7.20 and I multiplied that by 31, that's going to tell me that that homeowner is looking at \$223 increase in taxes and we haven't even got to the School side.

**Alderman O'Neil** stated that's very misleading, what you just did.

**Mayor Guinta** stated let me add something. I will give you the real number because we gave it out; Alderman Gatsas is actually being kind in his calculation. It's a 16% tax hike if every department including the district gets what it asks for. That's 16%, and again we provided that documentation to the Board about six weeks ago so the Board and the public would have an idea of the challenge that we face. I certainly don't begrudge the department head for advocating for his department. He cares about it, as do we. The reality is that we have a tough

decision to make and I don't believe we are looking to raise taxes by 16%, so we are going to do our job and he is going to do his; he certainly understands.

**Alderman O'Neil** stated that's fine but there are not 31 departments. That is misleading.

**Alderman Gatsas** asked do you want us to do it so that we can look at it? Maybe I was off by three.

**Alderman O'Neil** stated I'll bet you dinner at Cremeland there aren't 31 departments.

**Alderman Gatsas** stated I am only looking at the ones that are in the book here.

**Mayor Guinta** stated thank you to the Health Department...if the Police Department would come forward for their presentation.

**Mr. John Jaskolka**, Police Chief, stated thank you. On behalf of the Manchester Police Department I want to thank you for taking the time to allow us to express our concerns over the proposed budget that we have before us. I can say that as a department we are very much appreciative of the majority of the budget that we have received and we also very much understand the situation the City is in with the bad economic times, and if I can also remind you that bad economic times we also tend to see an increase in crime. As you will see during this presentation, our main concern is that of the salaries which I am aware of consumes approximately 94% of our total budget. The main concern really is the complement, which was approved of this Board, 225 sworn police officers, along with the appropriate civilian support staff. I am going to turn it over to Deputy Simmons right now who is going to go over our FY2009 budget presentation.

**Mr. Gary Simmons**, Deputy Police Chief, stated good evening. As the Chief, said as we reviewed the budget that the Mayor presented we are pretty satisfied pretty much with what had been offered to us. We understand that the budget year is difficult, and we know a lot of other departments are certainly funded in a lot probably less generous way than we were. However, as the Chief indicated, we do have some concerns. Just briefly, we did pass out a PowerPoint. Knowing Tim Soucy was going to make quite a presentation we wanted to have something available to you. This is a PowerPoint without the power. I would ask that you go to page four initially and I'll get back to the letters. On page four it shows you our current complement of civilian full time employees. You will note from 2005-2006 we went from 69, and in 2007 we were down to 64. The change there is the parking control officers, which as you know went to the Parking Management Department. Of the 64 that are currently in our budget in 2008, three of those are currently grant funded. On the next page is our sworn full time employees. As you can see in 2005 we had 199 in our budget and six that were grant funded. Many people on this Board were involved in seeing the increase, as you can see, from 2006 it went to 203 with six grant funded to 209 in 2007 and currently at 219 that is in our budget, six of which are grant funded. That would bring us to the following page which shows us a total complement of 283 plus nine that are grant funded all together. Of the sworn positions that brings us up to the complement that you all recognize; the number is 225. On the following page is the budget by year. We show a budget of FY2007 broken down as salaries, benefits, operating capital and it includes a total. You will note in FY2008 in our operations line it jumped considerably to \$1,816,000. We asterisked that down at the bottom. It shows the \$632,000 change that was for the five new police officer positions as well as the DAG program that the Board funded last year. So you will note in our operating budget for FY2009 you'll see that change. It's drastically reduced; it's down to \$1,346,000. Obviously we took out the \$632,000 from the year before

although we did ask for some increases in that line item. The following page as many of the larger departments will show you the same, 94% of our budget is primarily in salaries, including increases for merit and longevity steps only. Severance, as you know, is not included in our budget. Some of the larger items are retirement and workers compensation, which are major cost factors associated with those line items. The following pages are salary increase justifications, some of which, as you know, in FY2008 the employees received a one percent COLA due to contractual negotiations. Most of our sworn personnel received a one grade increase and two step back. That was for sworn personnel and a few administrators. In FY we anticipate a two percent COLA increase which was contractual as well as three percent merit steps. That three percent merit step will be primarily for everybody in the department that obviously meets the merit requirements and the reason being is when the contract negotiations involved a pay bump it brought everybody back two steps. So some of those people might have been frozen but going back two steps will entitle them to another three percent. Thirty-eight employees in the department should receive a three percent longevity step as well this year, based on their number of years of service. I'll hold off on the last page for now and have you go to the second page which is the letter to Alderman Lopez dated April 17<sup>th</sup>. That was at the request of Alderman Lopez to provide to this Board some information concerning the ramifications of the Mayor's budget. We had previously looked at it and had come up with a deficit of about \$915,951. After we looked at it a little further...we had originally set up those numbers, we had five vacancies and the remaining people that we had employed we used their current salary numbers. Since then we have gone to 11 vacancies, as far as sworn personnel goes, and we have 214 currently in the complement. So we made an adjustment there. We also had noticed that we had not removed the grant funded officers from our salary line, so we removed that as well. We came up with a figure of \$272,693. We also adjusted some of the benefits that include FICA, police retirement and disability, which resulted in

additional savings of \$36,000, so our total savings that we anticipate out of our original request is \$308,934. As a result that will leave us with a deficit in our salary line of \$607,000 for a full complement of 225 personnel. Now I reference the reasoning behind this salary line is historically we have vacancies throughout the year. Often times, even though our budget may not be funded totally as far as salary line goes, that is made up through vacancies. We do have severance that has to be paid out. We have to make up that additional as well. The concern we have this year as far as this deficit in the beginning of the fiscal year is we currently have 11 vacancies. We have just completed a testing for new hires and we anticipate a hiring date of the second week of July for those 11 positions. If you would go the final page of the handout what we have is, we showed you an entry level salary for a police officer. We included their retirement, FICA and disability for a total of \$52,389. We broke it down using those current vacancies. We broke it down per month, per officer. We took that per month, per officer number and multiplied it by the 11 positions which would save us \$48,000 per month if we kept those positions vacant. What we did is we broke down the amount of savings that would result in us not filling those positions from one month all the way up to 12. In order to make up the savings in that line item under salary we would have to go 12 months for \$581,000. That would leave us a balance of \$25,000 that we would apparently have to absorb either through another vacancy or some other method. Additionally right now we have three civilian vacancies. We have an Emergency Services Dispatcher, we have a Records Clerk, and we have a Custodian position. We had been approved to hire a custodian; that person is actually close to being hired within the next week or so, or two weeks. So actually we only anticipated two vacancies. That brought us to the number of \$58,000 that's addressed in Alderman Lopez's letter. Instead of three vacancies, it's two. Our custodian position is a pay grade 8; Records Clerk position is a pay grade 12; and our Dispatch Position is a pay grade 15. So the savings for those three positions is minimal.

**Alderman J. Roy** asked Deputy Simmons, did you say eleven officers, \$48,000 per month for vacancies? So the severance you are talking about, \$500,000...what is that, ten officers?

**Deputy Chief Simmons** stated the anticipated severance for FY2009 would probably ten to twelve officers depending on who they are and when.

**Alderman J. Roy** asked and it's pretty standard every year, ten to twelve officers?

**Deputy Simmons** replied yes.

**Alderman J. Roy** asked so that means in order to make up that severance you are going to have to have another ten positions open for another ten months?

**Deputy Simmons** stated that is correct. In order to make up...

**Alderman J. Roy** interjected my point is that you are going to hire eleven new people but you are going to lose eleven people as well?

**Deputy Simmons** stated correct, throughout the course of the year.

**Alderman J. Roy** stated so we are going to go the year without having a full complement again, just to make up the severance.

**Deputy Simmons** stated not necessarily a whole year but close to it.

**Alderman J. Roy** asked and in order to make up the severance and the shortfall you would have to have 22 vacancies?

**Deputy Simmons** stated we would certainly need to keep the eleven open now and then, assuming we are budgeted for our current complement, we would have to look at what we were paying that individual and each week we would have to break it down until we had wiped out each person's severance. So as an example, if we had an officer that left in July, we would have to break down how much we pay him in severance, average out his weekly salary, reduce that from the severance and once that was done then we could consider hiring.

**Alderman J. Roy** stated actually they would be getting paid more than the entrance guy so it could be even longer.

**Deputy Simmons** stated correct. So depending on when they left in the year is how we would develop that savings.

**Alderman J. Roy** stated so in reality, just for the shortfall and the severances, you are going to have to make up essentially 22 positions.

**Deputy Simmons** stated at least the eleven plus... yes.

**Alderman Gatsas** stated if I do the same exercise with you that I just did with the Health Department...

**Deputy Simmons** interjected I was hoping you were tired by now Alderman.

**Alderman Gatsas** stated you know the funny thing is the calculator never gets tired. So if I do that same exercise it tells me that your line item for wages... because if I take the number of \$11,654,793 and divide it by 39, times 52 it tells me that somewhere in the vicinity of \$300,000, you have a regular salary account that is going to be more than what you need.

**Deputy Chief Simmons** stated at this point I would say yes that's true. Once thing you probably haven't calculated and wouldn't be in that report you are probably looking at is the holiday pay we will have to pay the patrolmen at the end of the year. Under the contract they get their holiday pays twice a year, once around December and the second time is just before the end of the fiscal year. So that will take some of that savings out of the report you're probably looking at there. I don't have that actual number right now as for the holiday pay.

**Alderman Gatsas** stated but if I look at the number that we were given it tells me that your expenditure line will be exceeded by \$360,000.

**Deputy Chief Simmons** stated that's correct.

**Alderman Gatsas** asked and the reason being? Is it because your overtime is out of control?

**Deputy Chief Simmons** stated I don't believe it's out of control. Certainly overtime is beyond our budgeted expense. We also projected into that \$431,000 in severance. It also includes the \$175,000 for the radios. But primarily out of that salary line would have been the severance.

**Alderman Gatsas** stated so let's go a little slower. The regular salary that I am seeing looks like \$300,000 more than what you need.

**Deputy Chief Simmons** asked are you still looking at the...

**Alderman Gatsas** interjected I am looking at the \$11 million... Let me do it again because maybe the calculator is tired. \$11,654,793. If I divide that by 39, because that's how many pay periods we are showing in our book, times 52, gets me to \$15,539,724. That's \$300,000 that shows in excess.

**Deputy Chief Simmons** stated and looking at the holiday pay, it's about \$150,000 that we have to pay out in June. That's one of our obligations.

**Alderman Gatsas** asked the holiday pay is equivalent to what?

**Deputy Chief Simmons** stated the holiday pays that they contractually receive, the additional pay they get under their contract.

**Alderman Gatsas** asked what is that equivalent to?

**Deputy Chief Simmons** stated about \$150,000.

**Alderman Gatsas** stated I understand but in relation to... is that one day, is that two days is that three days?

**Deputy Chief Simmons** stated that's equivalent to five days from each holiday that they are granted under the contract from, I think, January 1<sup>st</sup> till December. They get that broken down twice a year. In December they get the holidays that happened from June till December. In January they get the holidays under their contract from January to June.

**Alderman Gatsas** asked so is that ten days?

**Deputy Chief Simmons** stated its four holidays for all sworn personnel.

**Alderman Gatsas** asked if I may Your Honor, I've got the floor here. I just want to make sure before I lose my train of thought...So it's four days for all sworn, and that's how many people.?

**Deputy Chief Simmons** stated well its 225 minus the three Deputies and the Chief so that's 221.

**Alderman Gatsas** stated so if I took 221, times 4 that would be 884, if I divided that into \$150,000 that's \$169 per officer. That sounds like a right number, \$42.42 per day.

**Deputy Chief Simmons** stated I would have to get you that number, Alderman.

**Alderman Gatsas** stated let me ask the next question then. In 2007 that same accommodation was made in the \$14,744,000. Can you tell me in 2007 what was our complement?

**Deputy Chief Simmons** responded it would have been 215, and I couldn't tell you how many vacancies we might have had during the course of the year that we might have had some savings in. At this point I can't tell you that.

**Alderman Gatsas** stated that number looks like...what was the base increase in wages in 2007 by contract to 2008? Is that three percent or two and a half percent?

**Deputy Chief Simmons** responded primarily three percent. That mostly would have been merit increases.

**Alderman Gatsas** asked it was all merit, roughly?

**Deputy Chief Simmons** stated mostly. There probably would have been some longevity increases there as well, a few A-Step changes.

**Alderman Gatsas** asked so if I took that three percent on the \$14,774,911, is that correct? It's about \$44,000, so your wages would have gone up to about \$14.8 million and changes. So why am I seeing it up a million dollars? If you tell me you went up three percent in 2007, if I took the \$14,774,911 times three percent and added that together it gets me \$15,218,000. Why is your number in your modified budget up some \$600,000?

**Deputy Chief Simmons** asked so you are talking about the FY2008 adopted, \$15,839,000?

**Alderman Gatsas** responded correct.

**Deputy Chief Simmons** stated we went from 215 to 225 in FY2008.

**Alderman Gatsas** stated but you had vacancies. You are not at a full complement today are you?

**Deputy Chief Simmons** stated no. We have vacancies but the adopted budget number...

**Alderman Gatsas** asked what is your vacancy right now?

**Deputy Chief Simmons** stated right now we have, once the Chief leaves we will have eleven vacancies.

**Alderman Gatsas** stated so we authorized you to fill ten back then; they weren't all at the Chief's level. I know they weren't.

**Deputy Chief Simmons** stated no, that's true, and we came probably within four of filling all those vacancies, so we were probably at 221 for a short period of time.

**Alderman Gatsas** asked and those complement of officers being \$56,000? If I filled them all that's \$560,000. That's still less money than what you needed by \$200,000.

**Deputy Chief Simmons** stated true. Some of that savings that's associated with that budget might have included officers in military leave as well. We had two officers on military leave, actually I believe three at one point.

**Chief Jaskolka** stated there are three now.

**Alderman Gatsas** stated right but I have also applied the \$150,000 that you gave in the \$14,774,911, a three percent increase, not a lot of money but you didn't need to have it. Then if I take a look at your workers compensation line, you were appropriated in 2007 \$346,000 and your actual was \$175,000 and I don't know if Mr. Sanders has those numbers yet.

**Mr. Sanders** stated yes, I do have the numbers; I was going to incorporate them in the report that Alderman Roy asked for.

**Alderman Gatsas** asked can I take a peek at them since I asked for them this evening? Thanks. So the total revised budget had \$1,254,000 and obligations of \$905,000 so I am just trying to answer my colleague, Alderman Lopez. That leaves \$350,000 that starts balancing this deficit. Or we can take it and spend it and buy salt in this given year, which might be a motion that I make, or use it to do paving because we are going to need additional money for paving. I guess my questions are done.

**Alderman O'Neil** stated Gary, I just want to make sure I have in your most recent letter, that I have the numbers correct. You believe to have a full complement you will need an additional \$607,000 in salary. Is that correct?

**Deputy Chief Simmons** stated that's correct.

**Alderman O'Neil** stated you also have pointed out a concern with an estimate based on I guess your experience there, probably another shortfall of \$500,000 in severance.

**Deputy Chief Simmons** stated that's correct.

**Alderman O'Neil** stated so based on...and I am going to use Alderman J. Roy's question to you, if that salary number is not increased by \$600,000 you will have to hold approximately eleven positions vacant, correct?

**Deputy Chief Simmons** stated at this point yes.

**Alderman O'Neil** asked and if that severance number is not increased you will have to hold another eleven positions vacant, approximately.

**Deputy Chief Simmons** stated yes. What our thought process there was, obviously the \$600,000 is to get our hires done right now for the current eleven vacancies. With that understanding, once they were hired, as an officer left or retired and it became vacant, obviously we would have to completely analyze those positions and absorb the savings necessary to meet the severance. then we would consider hiring. Historically in the past, we have always be given permission to hire officers whenever a vacancy became available, and yes, as Alderman Gatsas said, we always have vacancies. However, we have never been held back from hiring whenever we had the opportunity to do so. Clearly with the severance payouts for next year we are going to have to pay more attention to when we hire people.

**Alderman O'Neil** asked are you intending to offer ten or eleven jobs shortly?

**Deputy Chief Simmons** stated yes. That was our plan and that's our concern coming before the Board tonight, is where we will be.

**Alderman O'Neil** asked so if there isn't some direction soon by the Board of Mayor and Aldermen you may not make job offers then, and we will have the eleven vacancies. Is that correct?

**Deputy Chief Simmons** stated that is correct.

**Alderman O'Neil** asked of those eleven positions how many are certified and how many would have to go to the academy?

**Deputy Chief Simmons** stated we take an average salary based on that and we do that...right now I think there's three certifies we are looking at: the remaining nine or eight would go to the academy.

**Alderman O'Neil** asked is there an academy class immediately?

**Deputy Chief Simmons** stated there is an academy class in August, so our plan would be to hire them in July, go through the process in house and get them ready for the August academy.

**Alderman O'Neil** asked has the department developed a plan if those additional funds are not made available where the eleven...what divisions will see reductions in staffing for the eleven and the twenty-two; has that happened yet?

**Deputy Chief Simmons** responded no, we have had general conversations. Certainly as you know we are in the process of a new Police Chief. Certainly we would want that individual to weigh in on it.

**Alderman O'Neil** asked how soon before the department will be ready to make those recommendations, where we'll see the reduction in service if those positions aren't filled?

**Deputy Chief Simmons** stated certainly depending on where the Board takes these numbers, we will have to do that right away because we are in the process of all these hires, so a lot of these individuals right now are anticipating, assuming they pass all of our backgrounds, are assuming we are going to hire them.

**Alderman O'Neil** stated I am going the other way Gary. If you don't offer the jobs and we are going to have eleven vacancies with maybe another expected ten or eleven or twelve, as Alderman J. Roy talked about to get to somewhere 20 to 22 vacancies that will need to be maintained for the next fiscal year. Where will the public see the impact on those services? Traditionally the department has said we are always going to man patrol cars so that means that the bodies are going to have to be pulled from other places within the department.

**Deputy Chief Simmons** stated that is very possible.

**Alderman O'Neil** asked have you gone through that exercise yet and how soon before you can get us a list of where those probable reductions in services will be for either if the eleven aren't filled or if the 22 are not filled?

**Deputy Chief Simmons** responded I would venture to say probably within the next couple of weeks.

**Alderman O'Neil** stated I would ask that you get those as soon as possible to us. Are the seven school resource officers included in your budget?

**Deputy Chief Simmons** stated they are and it's charged back to the schools.

**Alderman O'Neil** asked you are showing the revenues from schools?

**Deputy Chief Simmons** stated yes, and that goes to the General Fund; that doesn't come to us.

**Mayor Guinta** asked Deputy Simmons, are you saying that there's no other way to identify savings beyond how you just answered Alderman O'Neil's question?

**Deputy Chief Simmons** stated well certainly our concern would be is if we hire those positions now that we will start the fiscal year going into deficit spending already. The only way that we could make that up at all is when new vacancies occur. When those new vacancies occur, depending on when those officers leave, is obviously going to reveal the amount of savings we have there. If you have an officer that leaves July 1<sup>st</sup>, a senior officer, obviously there will be some savings there but two things have to happen: we have to make up the severance; then we have to make up the money we are spending for these new hires. Yes, we can't see any other way around it. What is our complement going to be? Is it going to be 225 or...

**Mayor Guinta** stated here are seven items that I think you and the next Chief will probably take a look at then: The reorganization of the overall department in terms of ranks and what's necessary at each rank. A review of the Reserve Officer Program and implement, actually implement it. Look at the administrative and senior staff and take a look at if all of those dollars are necessary. Assignment versus seniority placement for different programs and operations we have. A new review of the overtime budget and see how you can make that more affordable to the taxpayers. A review of the court demands and costs, and see what we can do to reduce those. Then, a review of the severance payout obligations and what actually are dictating those severance payouts and see what opportunities we have to change policy. Those are seven things that I just came up with off the top of my head. So, I care about public safety; every member of this Board cares about

public safety. Don't come here and tell me the only way to do it is to keep people off the street. I just came up with seven ways off the top of my head to have some savings.

**Alderman Shea** asked when you indicate the type of officers that you have on your police force, what impact does it have on grants? Is there any grant impact going to be felt? In other words people who write grants in your department, will they continue to write grants? That won't be impacted at all?

**Deputy Chief Simmons** responded not at all.

**Alderman Shea** asked do you have a surplus that you anticipate for this fiscal year?

**Deputy Chief Simmons** responded no.

**Alderman Shea** asked do you anticipate a loss of revenues if in fact your budget is not adopted but the Mayor's budget is adopted? Will your revenues stay about the same?

**Deputy Chief Simmons** responded I don't think that will affect our revenues.

**Alderman Shea** asked when you indicate that you anticipate retirements, are these realized retirements or are they anticipated, meaning there could be, people aren't sure, they may decide. How do you evaluate retirements?

**Deputy Chief Simmons** responded there is no science to it. It's actually listening to the intent of some of the officers and indicating they plan on retiring in September or November, what have you. So we look at those and when we do our

projection out we basically rely on what people are telling us during the course of the year.

**Alderman Shea** asked so people will tell you that they intend to retire.

**Deputy Chief Simmons** stated they give us a good idea that they want to. Some change their mind but then others that we didn't anticipate decide to leave.

**Alderman Shea** asked so when you say you anticipate eleven retirements you are going on statistical data?

**Deputy Chief Simmons** stated not statistical, just basically word of mouth. Then we approach the officers.

**Alderman Shea** asked from year to year, I am trying to figure out...do you usually have about eleven retirements?

**Deputy Chief Simmons** responded yes, historically we have about ten or eleven vacancies.

**Alderman Gatsas** stated I guess I have two significant questions and they need to be addressed and answered now. I guess my questions are this: if I look at your salary increase justifications, it says for FY2008 one percent COLA and one percent contractual agreement for sworn and dispatchers, up a grade and two steps back. What is the fiscal impact of that? Is that a two percent number off of your 2008 number?

**Deputy Chief Simmons** asked on those top two you just talked about?

**Alderman Gatsas** stated correct.

**Deputy Chief Simmons** stated well the FY2008 COLA, was not in our FY2008 salary. So that one percent was brought forward for this budget. In other words, when they received that COLA in 2008 that COLA wasn't funded. We had all talked about the Contingency at that time, etc. So coming forward into this budget we added that one percent to our salary line. We also added roughly the one percent which was that pay step bump that the sworn got. That was brought into this current FY2009 number as well.

**Alderman Gatsas** asked so what is the total percent from 2008 to 2009 increase in percentage?

**Deputy Chief Simmons** stated well it would be those top two percents we just talked about.

**Alderman Gatsas** asked is it four or is it three?

**Deputy Chief Simmons** stated well it would be those two; two percent for FY2009 COLA, so there is four, and the anticipated merit steps which is three percent.

**Alderman Gatsas** stated so it is a total of seven percent. Is that what you are telling me?

**Deputy Chief Simmons** responded yes and then there are some additional longevity steps.

**Alderman Gatsas** stated so if I took \$15,550,000 times seven percent, if I plug that in, it comes out to \$16,585,000 which is about \$10,000 difference from where the Mayor was. And that's with a complement of...how many vacancies did you have today?

**Deputy Chief Simmons** stated we will have eleven.

**Alderman Gatsas** asked no, no, no, what do you have right now in 2008?

**Deputy Chief Simmons** stated well after Friday, eleven.

**Alderman Gatsas** asked after this Friday?

**Deputy Chief Simmons** responded yes.

**Alderman Gatsas** asked you have eleven people leaving this Friday?

**Deputy Chief Simmons** stated no, we will have eleven vacancies. There is one more leaving. The Chief is leaving Friday; that will bring us to eleven vacancies. We have ten right now. We will have eleven.

**Alderman Gatsas** stated so the number that you have included in here is ten vacancies for 2008. So your payroll is going to drop from what I was figuring when I took the average that we did because that number is going to be less.

**Deputy Chief Simmons** stated it will be less from a senior officer to a new officer, correct, yes.

**Alderman Gatsas** stated no you are missing my point. I annualized your last 13 payrolls. Those 13 payrolls are going to change drastically because you have got eleven people out of complement.

**Deputy Chief Simmons** stated right, well, that's true. They have changed drastically. Each week they have changed; there is only one more person that has to leave and that's the Chief. That will interfere with our payroll for the remaining weeks of the year. So yes, the Chief will leave Friday so obviously next week's payroll line will be less.

**Alderman Gatsas** asked what is the average payroll for those twelve people? Is it \$60,000? Is it less or more, per officer?

**Deputy Chief Simmons** responded the average for those senior officers, with everything, with those benefits is about \$70,000.

**Alderman Gatsas** stated no, without benefits. I am not looking for benefits, just wages.

**Deputy Chief Simmons** stated about \$65,000.

**Alderman Gatsas** asked so if I took \$65,000 times 12 people that gives me \$780,000 divided by 52 times 13, that's a payroll of about \$195,000 that would reduce your number from 2008. If you didn't fill a complement in 2008 and it doesn't like you are going to, and I don't know why you wouldn't. Has anybody put a freeze on those positions?

**Deputy Chief Simmons** responded no.

**Alderman Gatsas** asked can you hire ten new people today? Do you have the ability to do that?

**Deputy Chief Simmons** stated not today.

**Alderman Gatsas** stated we have been telling the people in Manchester that we are going to put a full complement on the street. Have we been at 225 at all during the course of the year?

**Deputy Chief Simmons** stated no we are at 221.

**Alderman Gatsas** asked so we haven't been at 225 all year?

**Deputy Chief Simmons** responded correct.

*Alderman Gatsas stated Your Honor, I would make a motion right now that we hire the ten police officer for July 1st without any hesitation because there's \$273,000 in the workers comp line that I would move from that line item to the salary wage item to get them enough money to pay the full complement as we should have.*

**Mayor Guinta** stated the 225 complement has been authorized. I think the department is trying to get to it. The two issues that they have identified are retirements and recruits.

**Alderman Gatsas** stated right but they just told us, Your Honor, just a second ago that, without the Board giving them directions they aren't going to hire those people to be ready for the academy in August.

**Mayor Guinta** stated well Alderman I think we need to have more discussion about that issue then.

**Alderman Gatsas** stated I am making that motion right now.

**Mayor Guinta** stated Alderman, they have been authorized to hire. I don't know how many times I have sat in this room and I have said get to 225. We have authorized 225 in public as a Board; I have authorized it in private. It should be understood that we want as a complement, 225.

**Alderman Gatsas** stated well I think their concern is if they hire they are in deficit spending. I say that this Board should give them direction in this budget cycle that those officers should be hired for July 1<sup>st</sup> going forward.

**Mayor Guinta** stated I believe the department for 2008 is currently in deficit, correct?

**Alderman Gatsas** stated that's not necessarily true because the workers compensation number is fudged.

**Alderman Lopez** stated just for my own purpose I want to clarify something. I agree with the Alderman from Ward 2. The direction that this Board has given is 225. I understand what you are saying about severance pay and all that, but I believe that is the reason the salary adjustment account was instituted. I believe at the end of the year the Finance Officer will balance the books whether it's on your dime or somebody else's dime. Secondly, we can't afford, and I don't have to tell you this really, we can't afford to lose those officers. We understand you might go into deficit but that's the direction that we gave as a Board and understanding that you would have to tell the Finance Officer and the Mayor and notify this

Board that you don't have the money for severance because you hired police officers or whatever the case might be. I don't sort of subscribe to the theory that we are going to have 22 vacancies all year long do you?

**Deputy Chief Simmons** responded no.

**Alderman Lopez** stated I don't want to mislead that we are going to. We have a great opportunity from this bunch of potential officers to hire those eleven officers or twelve officers to get to 225. Do you agree with that?

**Deputy Chief Simmons** stated I do.

**Alderman Lopez** stated then I really don't see any particular problem whatsoever. The direction that we gave is to hire those officers. We are going to find the money; we need the officers. The other point that I wanted to make and I don't want anybody to take this totally wrong, that the 64 civilian vacancies, to me an officer comes before those. We have to get those officers out on the street and I know what you are going to say, Chief, that you need those support staff too and I agree with you, but the officers come first in the City of Manchester. As long as we are all in clear line and like that, I see no problem, myself.

**Deputy Chief Simmons** stated well certainly the Department certainly appreciates the fact that we have been given a complement of 225, and yes, the direction has always been from this Board to do everything in our power to get to 225 and occasionally we have struggled to do that. We have had initiatives to get those up and we have gotten to 221. We only come before the Board now because last year when we talked about this we kept talking about the Salary Adjustment accounts and Contingency and come back to the Board, and obviously with the budget being what it is this year City-wide we don't hear those phrases being spoken so

we had a concern that we wanted to bring forward. Certainly as the Mayor said there could be additional savings down the line depending on who is in charge and what anticipated restructuring there is there and I can appreciate that as well. We did need to bring before the Board the fact that there is a concern right now, whether it will end up being \$600,000 or \$300,000, there is a concern, especially as we're anticipating hiring in July, so as was mentioned, if we get directions from the Board to hire those eleven we will certainly do everything in our power to get to the 225 complement in July.

**Alderman Lopez** stated whether you are going to have the five vacancies or ten vacancies, that's going to be spread out through the whole year as you work the system so you will end up with five or seven percent vacancy or somewhere around there who knows; it's just a guess, okay. One of the questions I had is, last year we gave \$291,000 for Drugs and Guns. Is that in your budget?

**Deputy Chief Simmons** replied I believe that was requested in the CIP budget if I am not mistaken.

**Alderman Lopez** asked is it Alderman? Okay, as long as the money is there for that.

**Alderman DeVries** stated Chief Jaskolka, I don't know if you'd like to chime in since you won't have much longer to have a conversation with us, but I am trying to gauge this because it seems like every year we go through this. At least the last two years we go through this conversation of trying to prioritize the needs of the Police Department so help me understand, because I know three years ago when Mayor Guinta took over, we had 200, if I recall, police officers and we have been trying to build the number. We have been trying to prioritize and now we are up to 214. Let's have some plain truth so that everybody at home that is listening can

understand. Does the budget proposed by the Mayor, is it going to get us to the 225 that we talked about or is that just a fictional number that is out there, and what are the major CIP requests that you need to keep your officers safe that haven't been funded in this budget that we need to know about. I just don't want anybody else put on the line, put on the spot here. Chief help us out. Give us some plain...

**Chief Jaskolka** stated as was mentioned here tonight, obviously with the presentation that we've given we show that the budget as proposed will not bring us to the 225 complement. We do expect vacancies through the course of the year; we expect to pay out severance throughout the course of the year, so we are going to do everything we can come August first or the department is going to do everything they can come August 1<sup>st</sup> to get to that 225 number. I know right now the latest number we had this morning, we have eight people ready to go to polygraph out of the initial interviews that we have done which is a pretty decent number. We will lose some out of that, but it's going to give us an idea of how many more people we have to put into the background investigation stage in order to get them to polygraph. So I believe with the numbers we had with the previous test, and we had some quality candidates, that we should be able to get to that number of 225.

**Alderman DeVries** stated so if we don't touch the budget, you are at 225. You've got the candidates; you are there? That's what we need to hear.

**Chief Jaskolka** replied I can't in all honesty guarantee that we will hire that amount of people. We never know what happens until they get into the background process but right now we are striving to get those eleven positions and as I said, there are eight of them ready to go to polygraph so that means they have made it through the initial hurdles where we would normally eliminate them

during that part of the process. So if they make it through the polygraph, there is a good chance they are going to make it through the rest of the process.

**Alderman DeVries** stated Chief, maybe you are not understanding. I am not looking for you to guarantee me that you have the candidates. I am just looking for plain conversation on this. Does the budget get us there or doesn't it? Are there major CIP items, like the radios that were left out last year, that we need to know about tonight. We just want to know about it now while we are in the budget process so we can deal with it so we don't talk for another six months about what we need to do to get you there.

**Chief Simmons** stated Alderman, the radios are in the CIP's budget.

**Alderman DeVries** stated the radios are but I'm saying if there is anything left out, tell us tonight.

**Chief Jaskolka** stated I think the only other conversation we have had is on the tazers. I don't believe that was put into CIP, no.

**Alderman DeVries** asked so it wasn't requested?

**Deputy Chief Simmons** responded the two priorities were the radio replacement and the DAG program, both of which were funded in the CIP.

**Alderman DeVries** stated excellent. The budget that the Mayor has given you, gets you to your complement of 225. Correct? Is that what I just heard you say, Chief?

**Chief Jaskolka** stated no that's not what I said. That was the presentation we gave with the additional \$600,000 would get us the salary needed to get to that 225.

**Alderman DeVries** stated I heard it. I've just heard an awful lot of conversation back and forth. I am trying to get you down to the simple version of this rather than the version that you go through that takes 15 minutes that nobody at home understands.

**Mayor Guinta** stated he is saying my budget plus \$600,000 gets to 225. That's what he is saying.

**Chief Jaskolka** stated yes that's correct.

**Alderman DeVries** asked can you tell me if...when I heard the Mayor quickly talk about six or seven items to make savings, he talked about addressing some of the court time. Do you want to elaborate on that?

**Chief Jaskolka** stated he mentioned court time and there's not a lot of control we have over that.

**Alderman DeVries** asked other than not writing speeding tickets? Is that the only way you can control that?

**Chief Jaskolka** stated well, speeding tickets, arrests, even a parking ticket can go to court. Our in-house legal division does a very good job with summons mediation and some plea bargains so that we do have a substantial savings but we still have no control over officers going to court. They are subpoenaed; they have to go.

**Mayor Guinta** asked but you can have fewer subpoenas by getting things mediated.

**Chief Jaskolka** stated we do that, Mayor.

**Mayor Guinta** stated I am saying look at it again and see if you can create more savings. I didn't say it's an absolute. I am saying there are seven items that I think we can look at again to be a little more proactive, rather than just, you know, an assumption that unless we get \$600,000... There's so many different ways I think we can get to \$600,000. You are asking for an additional \$600,000 appropriation. What I am saying is maybe there is an opportunity to save that \$600,000 in other more proactive ways. There are seven things that I would ask the department to look at and consider if that can get us to the \$600,000 as opposed to an additional appropriation. That's all I am saying. Between now and the time the budget is adopted we've got enough time to look at those things and be realistic and say, can we improve any of those items or will any of those items have a positive net affect on that \$600,000? That was the point I was making earlier.

**Chief Jaskolka** stated I tend to agree with you Mayor, and again, we do the summons mediation, we do the plea bargains as much as possible and there is a substantial savings there. Overtime, on the other hand, this isn't a nine to five job. If someone makes an arrest at the end of the day, if we have a crime scene we have to protect, we have to put the units on the street, and we also have to put people there. I know that the shift commanders are very, very proactive with that and they watch over the overtime as much as possible but there is just some overtime that can't be avoided. Other than that we are watching the overtime.

**Alderman DeVries** stated I am trying to remember my line of thought here. I kind of got side tracked there. I'll pass and I'll come back to it. The interruption, I kind of lost it there.

**Mayor Guinta** stated well I think we needed to clarify that.

**Alderman M. Roy** stated thank you, Your Honor, and just so I can try and get some of the facts right between your presentation and the Mayor's proposed budget, my first question would be for the Mayor. The regular salary line item, if I interpret what you said earlier, did you based that on the 225 that's approved by this Board?

**Mayor Guinta** responded yes.

**Alderman M. Roy** stated okay so the Mayor is at 225. And the department and your sworn FTE's, you've got 219 plus six grant funded.

**Deputy Chief Simmons** stated correct.

**Alderman M. Roy** stated I guess my concern was much like many of our other departments as we have talked about earlier, Health, Schools, there are grant funded positions that I don't look at as General Funded positions. They are not General Fund positions so last year when we voted on 225, I was looking at that as General Fund positions. You have the understanding of 219 is that correct?

**Deputy Chief Simmons** stated we understood a complement of 225. I am not sure how detailed it got broken down as to what was paid by the City budget versus what was paid by grant. However we were all in agreement that 225 was the complement.

**Alderman M. Roy** stated so 225 was a complement, some of which depending on grants per year, can be grant funded positions.

**Deputy Chief Simmons** stated that's correct. Through FY2009 each one of those positions should be grant funded. There is only one we have a concern about that could end in December; however we are optimistic that that grant will come through.

**Alderman M. Roy** asked and which position is that?

**Deputy Chief Simmons** stated that is just one of the police officer position. It is funded through December, but we are optimistic it will be funded through.

**Alderman M. Roy** stated at this point you are funding 219 positions out of the City's General Fund.

**Deputy Chief Simmons** stated correct.

**Alderman M. Roy** asked what was your request for regular salary when you submitted to the Mayor?

**Deputy Chief Simmons** stated our original request was the \$17,415,975.

**Alderman M. Roy** asked you base that on?

**Deputy Chief Simmons** responded that was based on our full complement. When we made our adjustments we removed the grant funded positions from that original request. I don't know if it had been overlooked or what but we removed

that from the request, as well as making up some additional savings and our anticipated new hires versus a senior officer payment. That's what brought us down to the number of \$17,413,282.

**Alderman M. Roy** stated that answers my questions regarding regular salary. The next would be the overtime salary, or overtime budget. In our adopted 2008 it was \$947,000. The change to this year which somewhat matches what you have actually spent is a 25% increase of \$245,000. What was your overtime request?

**Deputy Chief Simmons** stated our initial request in 2008 was for \$1,115,000. We were funded the \$947,000. This year we asked for \$1,193,000.

**Alderman M. Roy** stated \$1,193,050 and that's what the Mayor's budget gave you?

**Deputy Chief Simmons** stated yes.

**Mayor Guinta** asked what have you spent year to day on overtime?

**Deputy Chief Simmons** asked at this point? We're looking at about \$987,475 so far, pay period ending April 12, 2008.

**Alderman M. Roy** asked and that's only about \$100,000 off of what we have in the budget book, as spent to a date prior to that. How do those numbers add up?

**Mr. Sanders** stated I am going to assume that the HTE records are correct and Chief, at the end of March, through March 29<sup>th</sup>, HTE is reflecting that we have spent \$1,039,000 on overtime for the consolidated Police Department, all levels.

**Deputy Chief Simmons** stated some of those, Bill, might have been grant reimbursement adjustments made; that's why my number might reflect a little bit different. Some of that overtime would have been grant funded.

**Alderman M. Roy** stated I will ask Senator Gatsas's favorite question: your most recent payroll, regular salary number?

**Deputy Chief Simmons** stated our numbers are all based on projections through the end of the year. We don't break it down per week. I can get you that number, what we spent last week.

**Alderman Gatsas** stated your total salary for the next 12 weeks.

**Deputy Chief Simmons** stated about \$3,656,719.

**Alderman Gatsas** stated just like I said you got about \$500,000 too much in that line item, just as I figured.

**Alderman M. Roy** stated going back to my question. It's going to be a long budget season. Thank you, Chief. Thank you for your patience. Some of the changes in your budget that are somewhat small, but in this budget we are going to be looking at every nickel and every dime, your leases and service agreements seem to go up considerably. Is there...

**Deputy Chief Simmons** stated one of the primary reasons that went up considerably is the maintenance agreement for the new computer system that we had installed. Our old computer system was the CPLIMs system; we were paying about \$45,000 a year for service and maintenance. The new one, Intergraph, is about \$81,000 a year; however, what will happen is this year our licensing for CPLIMS was reduced to \$20,000 and that's a final figure. Next year we won't have that anymore so we have gone from \$45,000 to \$81,000 in essence.

**Alderman M. Roy** stated okay, and the total getting up to \$146,000.

**Deputy Chief Simmons** stated correct.

**Alderman M. Roy** asked your overtime...and I am going to ask this final question, and Gary, you have been at this a long time so give us your honest opinion. With the decrease in the complement that has been ongoing, the eleven to twenty officers per year out, how does that affect your overtime at the end of the day?

**Deputy Chief Simmons** stated obviously the overtime is affect by where the vacancies occur. Needless to say, whether we are short eleven officer or twenty officers, our primary responsibility will be emergency services. So there are things we will have to look at. Where are those vacancies going to occur? Needless to say emergency services are priorities so we might have to move some positions to those areas. So that won't necessarily affect overtime. However, there will be times when, because of vacancies, we do have to fill out. As much as we want to keep emergency services going, when we rob too much of a division that affects the services they provide as well.

**Alderman M. Roy** stated I would like this Board, the Mayor's office and the Police Department to get on the same page regarding the number. I know we always talk about complement, it's disconcerting that at times we are talking about 219, 225 grant funded, General Fund. If need be I think if we are going to talk about six grant funded positions then personally last year I would have been talking about a number of 231 not 225. So I think the Aldermen need as much information as to where those dollars come from as maybe the department does so maybe in the future we will be more specific as we increase the complement.

**Alderman Smith** stated I would like to make a motion to adjourn unless anybody else has anything else to say. I think we are going here all night long on figures. People can use figures any which way, Your Honor. You know that.

**Mayor Guinta** stated I will take that motion right after I allow Aldermen Shea and DeVries their final questions.

**Alderman Shea** stated well I have one foot in and one foot out of course. I would like to get going as well but one of the things is...

**Mayor Guinta** asked which foot's asking the question?

**Alderman Shea** stated the question is: the Mayor has included money for an addition to the Police Department. Is that something that you are finding a problem with now, with congestion at the Police Department?

**Deputy Chief Simmons** responded yes, we have had that problem for a long time Alderman. We have outgrown that building. Originally there were plans to actually build us a new building. It started out with and an addition, then it went to a new building. There was a study done. There were actual architectural drawings that were crafted. That went by the wayside and this Mayor has put in a feasibility study to enlarge our current building.

**Alderman Shea** stated oh, to enlarge your current facility.

**Deputy Chief Simmons** stated it's actually a feasibility study. The study might turn around and say that that doesn't make sense and a new building is required. I don't know.

**Alderman Shea** stated thank you. The only thing is too, I had spoken about having a precinct on the West Side. That has not received much notice except for the prior person running for Mayor.

**Deputy Chief Simmons** stated the department certainly put a lot of thought into a precinct on the West Side and we were not in favor of that. We did meet with several Aldermen, some of which were from the West Side, who had concerns and we expressed our concerns as to we didn't think it made sense.

**Alderman Shea** asked so is there any kind of study going to be involved with the feasibility study in terms of how that might be a factor in trying to alleviate some of the problems of congestion at the Police Station or is that just not going to be a part of the feasibility study at all?

**Deputy Chief Simmons** stated like I said, we are not in favor of a precinct; however, in that feasibility study we will certainly be open to discuss that.

**Alderman DeVries** asked where are you at for vehicle replacement?

**Deputy Chief Simmons** stated I believe that we have been approved for five cruisers. Although it is less than what we had asked for, we can certainly live with that and we will make do.

*There being no further business, on motion of **Alderman DeVries**, duly seconded by **Alderman Smith**, it was voted to adjourn.*

A True Record. Attest.

City Clerk