

**SPECIAL MEETING
BOARD OF MAYOR AND ALDERMEN
(RE: FY2010 BUDGET)**

May 11, 2009

6:00 PM

Mayor Guinta called the meeting to order.

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

A moment of silence was observed.

The Clerk called the roll.

Present: Aldermen M. Roy, Gatsas, Sullivan, Osborne, Pinard, O'Neil, Lopez, Shea,
DeVries, Ouellette, Murphy

Absent: Aldermen J. Roy, Garrity, Smith

Messrs: J. Angell, P. Martineau, M. Boldin, W. Sanders

Mayor Guinta advised that the purpose of the meeting shall be for discussions relating to the proposed FY2010 budget for the following departments:

- a) Information Systems

Ms. Jennie Angell, Information Systems Director, stated I want to thank you for giving Information Systems Department the opportunity to discuss our 2010 budget with you. We realize that the current financial situation is challenging and we will do our best to

work with whatever budget the Board of Mayor and Aldermen decide to appropriate to our department. The first thing I just want to bring to people's attention, so that they realize this, and I guess this is as much for the people at home and the people in the audience, but I think most of you already know this. The Mayor's proposal is 76.6% of the Information System's 2006 budget appropriation. We also have six fewer IT staff people in the City than there were in 2006. The City must now also comply with much tougher security standards and we are aggressively working with departments to help them automate to do more with less people. Because of these things, we are requesting the following additions to the Mayor's proposal. Priority one, the Mayor has proposed \$1,388,168 which is 98% of our 2009 budget. The reduction from this year's budget is the furloughs. Our priority one, is to fully fund the salaries and eliminate the furloughs. The furloughs represent 21 man weeks. The City has already reduced the IT staffing by 300 weeks. Any more reductions will ultimately cost the City more money in lost opportunities to develop efficiencies in other departments and in the care and monitoring of assets and expenditures. One of the points I would like to make is one example that one of my staff people sent to me today. We have been working to implement the new Verizon/Fairpoint contract for the last year and because of billing issues and the way the bills usually came out because of the work of one person we have \$35,000 in credits coming from Fairpoint from inappropriate, wrong billing. It wasn't necessarily Fairpoint's fault. It was from information that came over from Verizon. If we are really short on our manpower we don't have the time to go over these things and these are the types of opportunities of real savings that we could miss. Fully funding the salaries would require the addition of \$27,905 to the salary line item of the Mayor's proposed budget and this represents a level funded budget of what we have in this year 2009. Priority two, we would like consideration to add up to \$30,000 in various line items. I have listed them here. These are shortfalls and the current proposed appropriation as it is in the Mayor's budget. In the letter that went to you earlier in the budget process, I had also included \$35,000 in this request for GIS maintenance. I have removed that from my request. We are hoping to fund this through a special revenue account and I have already

started the paperwork going to our Committee to set that up. The Mayor has also proposed \$140,000 for technology upgrade money which is \$71,000 less than we requested. Half of the City's PC's are over five years old and this does impact employee productivity. Any additional funding would be used towards replacing PC's. As I said, we will work with whatever the City decides they can appropriate. We thank you for this opportunity for being allowed to give our input.

Alderman Lopez stated I want to go back to the GIS. I thought there was a complete fund that was established for the GIS and maintenance. Can you enlighten me a little bit?

Ms. Angell stated there was discussion of setting it up to be self funding. As far as I know there was no special revenue fund set up to do this. There is a state statute that allows us to bill those who use it such as contractors, engineers, and use that money for supporting the GIS to date. This has not been done so we are starting the process now. I am requesting that Committee on Administration allow us to set up the special revenue fund. We have a project that we are working with Highway on which will be offering new services that we feel the consultants and engineers would be willing to pay for. We are not looking to charge for that which they are already getting. We will be providing something new. It will be saving the highway engineers time but it will give the outside people more access than they now have to come into the office for. This is the start. I pulled the maintenance off the budget and I am hoping to see through the year if we can fund it this way. If we can't we ultimately will have to pay the maintenance but the penalty for paying it late is only \$100 so I figured it was worth giving it a shot. I am not sure how much revenue we can get.

Alderman Lopez stated I thought that about three years ago we talked about the same situation.

Ms. Angell stated you probably did. That would have been with Diane and this is where we are.

Alderman Lopez stated right, it was never implemented. The special revenue fund that you are speaking of is something we are going to set up and charge?

Ms. Angell stated a special revenue fund, as I understand it, and I have been in discussion with Bill Sanders on it, is that it will be... Can you explain Bill? We talked about setting up a special revenue fund for GIS. I have submitted a request to the Committee to discuss that at the next meeting. What it is is any revenue that we take in for GIS would go into this fund and then that money would be available slowly for the use of perpetuating, maintaining and improving the GIS system. Ideally, if we could get enough revenue to eventually completely pay for this system, that would be what we are going towards.

Alderman Lopez stated just a quick note...I remember a conversation back when Diane was here. We talked about the GIS and receiving revenue for GIS. It was never implemented.

Ms. Angell stated we are taking our first steps now to do that.

Alderman Lopez asked have you laid out the plans in writing as to what it is?

Ms. Angell replied we are in the process of laying out how a specific process would work. I did request that we be allowed to set up the special revenue account and what I expect to do, if I get everybody's approval, which includes Kevin Sheppard and everyone on the Board, to give a presentation to the Committee on Administration on what we are planning to do.

Alderman Lopez asked I presume this is a program for 2010 and not during the budget process, correct?

Ms. Angell replied it would bring revenue in the budget year of 2010.

Alderman Lopez asked why did we wait until the budget process to come up with these ideas?

Ms. Angell stated again, to go back, what we are looking to do specifically is, the Highway Department has 10,000 historical maps that they have scanned into the system over the last several years. When we had the customer service survey, there were several requests to make these maps available online to the public. That is where this started. This was a survey that was done in January. This really has nothing to do with the budget but in looking at what was out there I was thinking engineers would be willing to pay for this and Highway agreed. This really had nothing to do with the budget process. It is just something that had gone through. I had taken out the money for maintaining the GIS system in the level funded budget that I had presented to the Mayor because with the level funded budget I didn't have enough money. Since there was only \$100 penalty for delaying it I did not fund it. I am hoping that we might be in a better situation for funding next year or find some other alternatives.

Alderman Lopez asked when you talk about \$71,000 less in technology upgrades, are we getting behind the eight ball?

Ms. Angell stated not this year.

Alderman Lopez asked next year?

Ms. Angell replied if we don't do something about it, yes. As I said in my earlier letter to the Mayor, we recognize that this is not a normal year. We, like a lot of people at home, are trying to be very frugal and we are delaying some things we would normally want to see funded.

Alderman Lopez stated I realize that but if we get behind the eight ball on technology, and I don't have to tell you about technology because you are more experienced than I am, down the road it is going to cost us more.

Ms. Angell replied that is right.

Alderman Lopez stated it is just like HTE. Some people like it and some people don't like it. I think we have to address if it is \$140,000 that you need for technology. Maybe there is another way we can work it so we can get this thing on the right track. As far as the GIS, as I said it is three years old for implementation for maintenance but are we bandaging what we are moving forward?

Ms. Angell stated GIS right now is current as far as the maintenance and the software that we can put on there. The engineers at the Highway Department really could use an upgrade and I need to upgrade their PC's but that is really not closely connected to the GIS. The GIS is pretty solid at this point. I would like to have the opportunity to see what we can do over the next year to see if we can actually start turning around and funding it through a special revenue account. I feel confident that we are not going to impact the City's ability to move forward on GIS if we try this for a year.

Alderman M. Roy stated thank you, Jennie. I wanted to go down the same line that Alderman Lopez was and take it away from upgrade of software and talk about hardware. Your final paragraph talks about the \$71,000 and references lost productivity. Could you expand on that?

Ms. Angell replied on the last page of your handout I have the aging of the desktops that are in the City and we are approaching a nine year replacement plan on some of these.

They are slower. We do have machines that can't do what they need to do.

Unfortunately the desktop in a lot of ways is the last thing that gets upgraded. We have a fairly extensive infrastructure. We go out to 60 buildings and we have email and internet and HTE and a lot of applications, so normally what happens is we allocate so much for PC's and then we look and see how we do during the year and we will pick up as many PC's as we can. We also do quite a few upgrades through grants. This year we did quite a few upgrades through insurance reimbursements. About 25% of our PC's were because of floods and lightening insurance because the money was not there. Technology money this year was \$147,000. Last year it was \$250,000. The year before it was \$250,000 and this year's 2010 proposal is \$140,000.

Alderman M. Roy asked Jennie, the proposal is \$140,000?

Ms. Angell replied what the Mayor is proposing is \$140,000. I can give you a breakdown of where that is going to go. There isn't that much going to desktops.

Alderman M. Roy stated I actually want to go back towards the productivity. You deal with this on a daily basis. You see the employees. What is someone who has any of those 459 products, what are they looking at for lost productivity? Are we talking about an hour a week? Is that low or high?

Ms. Angell stated it depends on what they do. A lot of it is getting on in the morning. Once they are in, depending on what it is, it might not be too bad. There are some tools we would like to implement that we don't have funding for. For the mobile, that would allow the mobiles to work better trying to get our inspectors out into the field to be more

effective. That requires software. That all comes out of technology money so we are not able to put as much in as we would like to.

Alderman M. Roy asked if you looked just at replacement of the 459 units that are five years old or older, do they represent 459 employees that use them every day? Is it a one to one in most cases?

Ms. Angell replied I would say probably more like 350 because some of them may be used for other things. Then you have the library. We also have quite a bit of broadband money that we are hoping to apply that might take maybe 150 of them possibly.

Alderman M. Roy asked if you take the 350 employees that are affected, if you just had to give me a time that is lost per day, what would it be on average just with your expertise?

Ms. Angell stated you could be as much as an hour a day. What normally happens when you replace...The problem we have right now, take the engineers at Highway...

Alderman M. Roy stated I know where you are going. I just want to make the point of lost productivity and how it equates to how many employees we are talking about. I will listen to the rest of that but I just want the easy math. The 350 computers multiplied by maybe an hour a day, not a week, which are 350. We multiply that by the five days per week that equals 1,750 hours. Then divide that by a 40 hour work week for someone that is 43.75 employees. That is factual. We are losing time and this is while things are booting up, getting ready to go or lack of productivity.

Ms. Angell stated okay, you have PC's. We have been on there increasing internet bandwidth because the City has as much internet bandwidth as you have in your house and that is what the 1,000 employees are using. The staff is very good at making it work

but that is what we have. Increasing that will make things run faster. We will make people wait less.

Alderman M. Roy stated okay, thank you.

Mayor Guinta asked how much does it cost to increase bandwidth, \$5,000?

Ms. Angell replied yes.

Mayor Guinta asked are you suggesting that if we spend the \$71,000 to replace these computers, that 43 employees would no longer be necessary because that is the amount of increased productivity we have?

Ms. Angell replied I have not said that. No, I have not.

Alderman Sullivan stated Jennie, I want to go back to the special revenue account. I guess the first question is if this was implemented what level of revenue would you anticipate coming in from the users that will be charged?

Ms. Angell stated we are not quite prepared at this point. This is still in the development stage. Kevin Sheppard may shoot me for this. There was some discussion with the people in Highway who think the engineers and consultants would be willing to pay \$200 to \$300 a year for a subscription to have access to these maps that we are talking about.

Alderman Sullivan asked would this be historical data?

Ms. Angell replied yes, and they would have access to it 24 hours a day so that they could do what they want. My understanding is that there may be 50 of these consultants or more. I don't know how many there are. Highway was going to go back and actually

talk to some of the outside engineers and consultants to see what it would be worth to them.

Alderman Sullivan asked so that is still in flux?

Ms. Angell replied it is still in flux and I look at this also though as a start of getting the special revenue account set up for GIS the way it was supposed to or the way it was discussed three years ago in going forward. This won't be the end; this will be the start, I hope...

Alderman Sullivan stated okay. My second question also deals with the special revenue account. You said it is permitted under state statute. Does the state statute place restrictions on the use of revenues that are brought in?

Ms. Angell replied yes.

Alderman Sullivan asked what are those restrictions?

Ms. Angell replied it can be used for perpetuation, maintenance, and improvements of GIS systems.

Alderman Sullivan asked so hardware and software?

Ms. Angell replied yes.

Alderman Sullivan asked but it could not be used to replace a computer at the Library or a Parks Department laptop?

Ms. Angell replied no, it could be used for replacement of computers for the engineers who put the GIS together.

Alderman Sullivan stated those who actually use it.

Alderman Osborne asked the \$27,905 is bare bones?

Mr. Angell replied yes.

Alderman Osborne asked the rest of it is wants?

Ms. Angell replied the other things that are in there are short funded. I will say when I presented this to the Mayor with a level funded budget, I did say to the Mayor that this was very lean and very tight but we could live with it. That is funding the furloughs.

Mayor Guinta stated the level funding that you and I were talking about was notwithstanding the furloughs.

Ms. Angell stated right, it was \$1,416,072.

Mayor Guinta asked so the proposal with furloughs, I believe, is \$27,905 less?

Ms. Angell replied yes.

Mayor Guinta stated thank you, Jennie.

Mayor Guinta addressed Commissioner Martineau to present the Welfare Department's budget.

Mr. Paul Martineau, Welfare Commissioner, stated good evening Your Honor. Good evening Board Members.

Mayor Guinta stated I know everyone has the handout. Does anyone have any questions for the Commissioner?

Alderman Osborne stated I think he runs the ship quite well.

Mayor Guinta stated that he does.

Alderman Sullivan asked the line item, management services, what does that encompass?

Mr. Martineau replied the management services is basically the funds that I pay to the Manchester Emergency Housing. That is where we send homeless families.

Alderman Sullivan asked are they receiving your funds at the present time? It is my understanding that there was a problem that they were having receiving an allocation that was due to them. Has that matter been resolved?

Mr. Martineau replied I met with the Chairman and the Treasurer and basically they had a contingency fund and what I did to be able to not come up with a deficit this year, if you remember I had to make up \$36,000 that I am giving to New Horizons that wasn't budgeted last year, so I used part of those funds to pay them.

Alderman Sullivan asked you used funds that had been allocated for MEH?

Mr. Martineau replied funds I had as the contingency. In lieu of paying them on a monthly basis, I used those funds to carry them through.

Alderman Sullivan asked how does that square with the City's contractual obligation with MEH as a corporation?

Mr. Martineau replied we had a contract back in 2004 and so we are in the process of renewing that this year. I talked to Tom Arnold and also to Tom Clark.

Alderman Sullivan asked the use of the contingency fund to cover something else, how does that...

Mr. Martineau interjected that is part of their operating costs. In other words they had a contingency fund. They had a lead abatement problem there and apparently they got funds through CIP to do that. What I was doing was, they didn't need all of that contingency so they could use part of that for their operating budget in lieu of taking that out of the management fund for myself.

Alderman Sullivan asked isn't that indirectly taking money out of the lead abatement funds?

Mr. Martineau replied no because it got approved by CIP. They didn't need those funds. Basically the budget that we had agreed upon when I met with you, Sir, it was going to be \$1,024,000. Then when you gave out the budget you cut \$67,000 out of my budget. Now my concern is the salary line item, \$17,383. You took \$50,000 out of management services. I can try to wing it again. Every year I bring back money and whatnot. That is a large amount. Especially, last Friday in the *Union Leader* there was a section for foreclosures and there were seven pages. We are also seeing about 88 people more each month. That jumped up. It doesn't necessarily mean that we are helping that many more. I don't foresee it downgrading. I would appreciate getting the money for the salary account. The other one I will try to wing it. As you know also, the Aldermen say

if I need the money, then I come back to the Board and you have to give it to me by state statute but I don't want to do that. I have never had to come back to you and ask for money.

Mayor Guinta stated the methodology that I used was removing the \$36,000. So essentially what I tried to do was level fund, take that \$36,000 out and then apply the furlough number which is the \$17,383. If the furlough is not a proposal that is supported or substantiated by this Board, then I think one could argue that you add the \$17,383 to this number. When you don't have that \$36,000 additional expenditure, I was hoping that would be enough to get you buy. Just for your edification and for the edification of the Board that is at least the methodology that I was using.

Mr. Martineau stated that is fine. You are taking \$36,000 off but you are cutting \$50,000 plus another \$17,000 from the \$1,024,000. The \$1,024,000 already indicated that you were taking out the \$36,000. One thing, Mayor, is this: Someone meets with division managers and tells them this is what your bottom line is. Then after when you pronounce the budget it is \$67,000 less, yet nobody called me to say is there another place we can save this? Is there another way of doing this? We hear all the buzz words about running a city like a business, efficiencies, more service and less money, synergy and so forth but if there is no communication... Since I have been in the Welfare Department my staff has returned money to the City because what they do is they do their work efficiently. I reorganized. I didn't fill the deputy position when it came up. I had a vehicle that was in my department. I returned it back to the City. I didn't see the need of a vehicle. If something has to be done, I use my own vehicle; I don't charge the City anything. We save money on medication because we talk to various pharmacies. We have done all these things that are business-like approaches but we didn't feel like we were treated that way. That is my personal feeling.

Mayor Guinta stated thank you. The final agency for this evening is the Office of Youth Services. Are there any questions for OYS?

Alderman M. Roy stated thank you, Your Honor. Marty, I know you have had extensive conversations with Alderman Jim Roy. Unfortunately he cannot be here tonight due to family commitments but can you go into depth a little bit regarding the Fire Safe Program and its need? Can you go into detail regarding costs we would be facing if we didn't fund the \$10,000 in CIP?

Mr. Martin Boldin, Director of Office of Youth Services, stated quite frankly I think you could incur at least some of the costs of this program and Fire could incur partial costs. There was recently a group of young people who burned down a house in Hooksett costing 20 to 30 times what this would cost. That is presupposing that nobody gets physically hurt during that kind of incident. Further, just to be clear, this program requires very specific and certain kind of training that is not available in the human services realm. It is an area of specialty and expertise that is extremely rare. It is a rare resource that we have. One last point, when young people are fire setters that is a red flag for other kinds of treatment provider programs that work with young people and in many cases precludes them from normative access to services in other areas. I have to say, with all due respect to the budget and the constraints that we are under, that not all cuts save money. This is one that I certainly don't think will.

Alderman M. Roy asked will you be at the CIP meeting tomorrow evening?

Mr. Boldin replied I apologize. I have a situation that will not allow me to be at the meeting tomorrow night. The Fire Department will be at the meeting. I would appreciate if these comments would be kept in the minds of people sitting on CIP tomorrow night.

Mayor Guinta asked what is the history of the funding source for that program?

Mr. Boldin replied well, quite frankly for several years, maybe 15 years, Fire Safe was funded primarily through the 6.5% incentive funds. Up until about three or four years ago, at which point Hillsborough County cut their funding for that in half. It was at that point we came to the City to see if we could work out a split. It is also important to note though that the Hillsborough County money is not meant to pay for the same thing year after year. It was their hope at that time that the City would see the value of it and hope to include it into its budget over time.

Mayor Guinta asked however, it is a program that does stretch beyond Manchester?

Mr. Boldin replied there are people who do not live in Manchester that are served, but to be clear, the vast majority of people served are people from Manchester.

Mayor Guinta asked do you plan on asking the County to reinstate any of their funds?

Mr. Boldin replied we are going to ask them that this year, Your Honor, but the 6.5% incentive funds have been cut, I believe to 4.5%. It is a significant cut in those county monies so we are not anticipating that we will be getting the same amount of funding that we did in the past from them.

Mayor Guinta asked but you are going to ask them for restoration?

Mr. Boldin replied absolutely, we are always asking for money, Your Honor.

Alderman Gatsas stated just another downshift.

Alderman O'Neil stated Marty, just confirm, you are off on your furlough number about \$50,000.

Mr. Boldin replied I think it is actually...from furlough it's about \$50,000.

Alderman O'Neil asked that is for how many staff people?

Mr. Boldin replied that is for one staff person.

Alderman O'Neil asked no, total staff people.

Mr. Boldin stated we have ten full time, six part time and then we also have a complement of three interns and two long term full time volunteers.

Alderman O'Neil asked those wouldn't be in this number?

Mr. Boldin replied no, they are not.

Alderman O'Neil asked Bill, can you give us a breakdown if you haven't already, confirming the furlough numbers, because Information Systems has significantly more employees but yet their number is half of OYS's furlough number.

Mr. William Sanders, Finance Officer, replied the Youth Services furlough number is \$13,383.

Alderman O'Neil stated it just didn't seem to add up. So the furlough number is actually about \$14,000?

Mr. Sanders stated that is correct.

*There being no further business relating to the FY2010 budget, on motion of **Alderman Shea**, duly seconded by **Alderman Osborne**, it was voted to adjourn.*

A True Record. Attest.

City Clerk