

**SPECIAL MEETING
BOARD OF MAYOR AND ALDERMEN
(RE: FY2011 BUDGET)**

January 27, 2010

5:30 PM

Mayor Gatsas called the meeting to order.

Mayor Gatsas called for the Pledge of Allegiance, led by Alderman Roy.

A moment of silence was observed.

The Clerk called the roll.

Present: Aldermen Craig, Ludwig, Long, Roy, Osborne, Corriveau, O'Neil, Lopez, Shea, DeVries, Shaw, Greazzo, Ouellette, Arnold

Messrs.: L. LaFreniere, B. Sanders, P. Goucher, S. Maranto, P. Harte, T. Soucy, A. Thomas, B. Vigneault, S. Lewry

2. Mayor Gatsas advised that the purpose of the meeting shall be discussions relating to the proposed FY2011 budget for the following departments: Planning & Community Development, Tax Collector, Health Department, Senior Services and Intown Manchester.

Mr. Leon LaFreniere, Planning and Community Development Director, stated thank you for the opportunity to come before you this evening. Given that we have so many new Aldermen, I wanted to make a brief presentation about what our department does, what our areas of influence are, the various Committees we provide support to and so on. The Planning and Community Development Department as it currently exists was created in March of 2009 through the merger of the Planning and Building Departments. The merger resulted in a number of efficiencies and cost savings, with the potential for more

as we move forward. The Planning and Community Development Department provides support to the full Board of Mayor and Aldermen and various BMA Committees, the Planning Board, the Zoning Board of Adjustments, Heritage Commission, Conservation Commission, Millyard Design Review Committee, Arena Overlay District Review Committee, Central Business Service District Committee and the Building Board of Appeals. The first division in the Building Department is the Building Regulations Division, which administers the following areas of concentration: the construction code regulations, which include all of the various building disciplines; building plan review; building inspections for plumbing, electrical, mechanical and so forth. The code enforcement section has the housing standards and certificate of compliance program as well as zoning and land use violations. The second division is Planning and Community Improvement, which provides property development review and Zoning Board of Adjustment and Planning Board support. The group works with the site plan review, subdivision review, plan development review, property management, property mergers, conditional use permits and site inspections and ZBA and Planning Board approval compliance. They also provide long range planning and GIS support, which are our Master Planning efforts for the City, and Board approval for our own department as well as other City departments and Board of Mayor and Aldermen support. The Community Improvement Program provides planning and financial management of community improvement projects, community development project coordination, management, monitoring and oversight of federal and state allocation and long range planning of capital needs. In fiscal year 2010, as a result of the department merger, the staff complement was reduced from 34 full time positions to 31.5, two of these being grant funded. We are currently at full complement, except for a half time customer service representative position, which has become vacant within the last three weeks. There are no other vacancies at this time. In terms of the budget specifics, our fiscal year 2010 budget included a savings of over \$175,000 in the salary line item, which was realized as a result of the merger. These savings were achieved through reductions in salary operating expenses. Going forward, the department anticipates that additional efficiencies

will be achieved. We recognize the challenges that the current economic climate brings to the community and as such, we have made every effort to reduce costs all while trying to maintain the highest level of customer service that we are able. As I mentioned, we are continuing to explore more efficient ways to provide constituent services. In the effort to meet the 98.5% budget, we proposed to reduce our operating expense line items by a little over \$8,000. This represents over a 10% decrease in the total operating budget. The reduction of this magnitude is significant as our 2010 budget and 2011 proposal are comprised of over 96% salary. In addition to the \$8,300 that we have been able to save through various efficiencies in the line items in the operation area, we would need to take the rest of the cuts necessary to achieve the 98.5% from the salary line item. I believe that you all have a two column chart that we prepared that demonstrates the 2010 department allocations and beside that a 2011 budget at 98.5%. Account 390, Other Services, has been eliminated. Rental machinery has been reduced by \$1,000 through consolidation of some equipment in the area of the postage machine and some duplicating services that we utilize in the office. The Telephone account has been reduced by \$3,321, which we were able to achieve through consolidating some equipment. The Postage Account was reduced by just over \$2,000 by trying to consolidate mailings and reduce where possible by circulating agendas and other types of like information through online resources as opposed to the regular mail. The Mileage Reimbursement Account was reduced and is another efficiency that we have gained through the merger since the Planning staff can now utilize the City vehicles that the Building Department had as resources within their operation. The Films and Processing Account has been reduced by \$500. I would ask you to note that on the two column sheet there is a note at the bottom of the page that reflects that the balance of the reductions necessary to achieve that 98.5% would have to come from the salary account. I have identified \$105,432 that would come from an additional \$115,000 in program administration revenue that would be realized as new revenue in fiscal year 2011. This revenue would have to be allocated as part of our salary allocation to avoid any reductions in force.

Mayor Gatsas stated let me understand what you are saying. You found \$115,000 in additional revenue, of which you need \$105,000 to accommodate your salary?

Mr. LaFreniere replied that is correct.

Mayor Gatsas stated that leaves an additional \$10,000 that comes to the general fund.

Mr. LaFreniere stated yes. There will be additional revenues that we will identify when we have the revenue discussion with the Board.

Alderman DeVries stated let's continue the conversation with the \$115,000 or \$105,432. Looking ahead to future years' budgets, 2012 and beyond, will this have to be replaced or is it reoccurring? How are you going to manage it? Should I consider this a one time revenue or not?

Mr. LaFreniere replied I believe that in large measure we will see this as a recurring revenue. We anticipate it that way. We have taken a look at how we utilize our administration function within the office. There are a number of administrative hours that I spend working with the CIP group working on CDBG eligible programs, HOME funds and so forth. That allows my time to be, in part, reimbursed through these programs. The same with is true of the Deputy Director for Planning and Zoning. These revenues are something that we should be able to recapture going forward in future years as well.

Alderman DeVries stated thank you for the answer. You do not in any way feel that the utilization that you are recommending in your budget will jeopardize or make it more difficult for us to receive ongoing appropriation from ESPC, CDBG or EPS?

Mr. LaFreniere replied no, I do not. I would like to think that it would enhance our ability because it would free up some additional staff time.

Alderman DeVries stated good answers.

Alderman Osborne stated I remember there was supposedly a \$40,000 surplus that you had when you merged. Is that true?

Mr. LaFreniere replied there was a surplus because of all the vacancies that existed in the Planning Office, yes.

Alderman Osborne stated now you are telling me that it is fully staffed and to date, this \$40,000 is completely gone.

Mr. LaFreniere replied that \$40,000 would return to the fund balance at the end of fiscal year 2009. Moving forward, however, our budget was at a minimum of \$175,000 less than it would have been for 2010 if there had been two separate departments. That savings was realized in 2010 through a reduction in the appropriation.

Alderman Osborne asked how far ahead of the game are you now as to then or just before you merged?

Mr. LaFreniere replied if the two departments were still separate today the City would have had to allocate somewhere between \$175,000 and \$200,000 more than it did in 2010 to keep both departments intact and separate.

Alderman Osborne asked how long do you think this will stay like that?

Mr. LaFreniere replied it should continue to reap benefits moving forward because the \$175,000 that we identified in salary savings in 2010 did not include all of the COLAs and merits that would have been in place for the additional staff members moving forward. That number would increase over time.

Alderman Osborne asked in the long run you feel that being merged like this is going to be a big savings compared to if it was left alone as two departments? You really feel that we are going to save a lot of money in the next five years?

Mr. LaFreniere replied I guess it is a matter of what are big savings. That means different things to different people. Big savings in the context...

Alderman Osborne interjected I didn't say big.

Mr. LaFreniere stated I'm sorry, I thought I heard you say big. The savings in terms of appropriations are significant. In my mind, that is not what drove the consolidation. That question was driven by the efficiencies that we could gain and the additional gain to customer service. From that standpoint, I absolutely support it and think we did the right thing.

Alderman Osborne asked you think that brings in more money? The service end of it? The ease of it?

Mr. LaFreniere replied it improves service and I think it has potential in an up economy to bring in more money.

Alderman Osborne stated this \$10,000 that you are talking about...this is what is going into the general fund now? Is that what you are saying?

Mr. LaFreniere replied when we have the revenue discussion with the Board, of the revenues that we are projecting for fiscal year 2011, we have determined that there will be an additional \$115,000 of revenue that we are very comfortable that we can achieve through the program administration revenue. Yes, that \$10,000 is in surplus of what we would need to augment our salary account and would go into supporting a lower tax rate. That is not the whole picture of our revenues. There are other revenue enhancements that we would also like to bring forward for the Board's consideration.

Alderman Osborne asked when all is said and done, how much do you figure you are going to end up with?

Mayor Gatsas replied Alderman, we are going to have those revenue discussions when we have all the departments in to talk about it, rather than piecemealing it.

Alderman Osborne stated it is just the last question and I already asked it.

Mr. LaFreniere replied perhaps I can answer it this way. Because of the economy and because of the business that we are in, our revenues have seen a downturn like everyone else's. However, we are still projecting that at the end of the day our revenue will exceed our appropriation. From that standpoint, we should have a positive effect on the tax rate.

Mayor Gatsas stated I think one of the positive effects that the Building Department is going to see is that they have been working in conjunction and very closely with the Fire Department to come out with a code that will allow for renovation of these downtown buildings in different manners. I think if that opportunity comes forward we are going to see that the Elm Street corridor as we know it is going to see some activity on the second, third and fourth floors which it doesn't currently have. I applaud the department for working with the Fire Department. I met with them today and they are just about ready to

bring it to the Administration Committee. They are going to meeting with some of the contractors throughout the City to see if it makes sense and we can bring it forward. We can have that conversation at the Administration Committee level. I would look to Alderman Lopez to open that up to the public if anybody wants to come in and talk about it. I think it is going to be beneficial to our revenue as we move forward with this being in place. I thank you and the Fire Department for your work.

Alderman Shea stated just by way of the figures, the difference between the 2010 and the 2011 budgets as far as the 1.5% is \$27,045. This is just for those of us keeping monetary situations. The amount of money that you had to make up between 2010 and 2011 is an additional \$67,392. Is that correct? I'm assuming it is. That is for all of us who are trying to keep a tab on how much is being decreased at 1.5% and how much you have to make up with the additional amounts that you have to include for pay raises or longevity or cost of living or merit or whatever.

Mr. LaFreniere replied that actually is...

Mayor Gatsas interjected I think Alderman Shea's question is referred off of the HTE report. I think that is where he gets the \$27,000.

Mr. LaFreniere stated the \$27,000 represents the 1.5% reduction. Once we build in the cost of the COLAs and merits that \$1,775,000, which is the 98.5% number, would need to go up by the \$105,000 to keep a full complement. That is a higher number, obviously.

Alderman Shea asked what is that number?

Mr. LaFreniere replied it is \$1,881,407.

Mayor Gatsas stated I think what he is saying is that he found a revenue...

Alderman Shea interjected I understand. I'm interested in the amount of money that each department is decreasing, not just the 1.5%, but the amounts so that we can calculate that from our point of view. So it is what?

Mr. LaFreniere replied it is \$1,881,407.

Alderman Shea asked that is the amount of money in addition to the 1.5% that you have to make up? I don't think so.

Mr. LaFreniere replied that is the total from that additional revenue source to maintain the existing complement.

Mayor Gatsas stated I think Mr. Sanders can give you a clearer understanding.

Mr. Bill Sanders, Finance Officer, stated I believe Alderman Shea is asking for what the amount of the COLAs would be. I think that is about \$60,000.

Mr. LaFreniere stated actually that is \$86,724.

Mr. Sanders stated that has already been incorporated into the \$1,697,000 salary figure.

Alderman Shea stated that's right. If you add that or subtract that from \$27,000 it comes out to about \$67,392.

Mr. LaFreniere stated but that doesn't accommodate...

Mr. Sanders interjected it doesn't include the \$105,000 for the cost that you are billing out.

Alderman Shea stated that is from the revenue side. I realize that. Thank you.

Alderman O'Neil asked how many full time regular employees?

Mr. LaFreniere replied 31.5, two of which are grant funded. On the City side, there are 29.5.

Alderman O'Neil asked is it 31 and then one half position?

Mr. LaFreniere replied correct, we have one half-time position and that is the vacancy that we just realized.

Alderman O'Neil stated so it is 30 full-time with one half time position. Would it be your expectation that that position would remain vacant for the balance of this fiscal year?

Mr. LaFreniere replied I am anticipating that that position would be vacant.

Alderman O'Neil asked what about when we go into fiscal year 2011?

Mr. LaFreniere replied that position...

Mayor Gatsas interjected yes, that position will stay vacant.

Alderman O'Neil stated we were talking about phones earlier. This might be a good lead in. I know you were going to try to get a memo out to the Board about the proper phone number to call where someone is guaranteed to answer the phone. Would you share that with the Board and the public?

Mr. LaFreniere replied absolutely. That number is 624-6450. When we merged we had two different departments with two different sets of phone numbers so all of the published phone numbers should go to 624-6450. There are other numbers that are associated with Building that are going to be direct dial numbers that people can go through the system to, should they chose to, go directly to an inspector's desk.

Alderman O'Neil stated so if someone has a planning, building, or zoning issue they can call 624-6450 and someone will answer the phone.

Alderman Roy stated I want to commend you and your staff for coming forward last year with the idea of consolidating and improving customer service and at the same time, you saved us \$175,000 that we realized that year. Going forward to this year it would obviously add up with the COLAs and merits so it would be \$200,000 or \$190,000.

Mr. LaFreniere stated it would be in the order of \$200,000.

Alderman Roy stated your department has been proactive, which I appreciate, and I think the other Aldermen and the Mayor do as well. You are ahead of the curve on this. You are not at just 1.5%. You are far ahead of that in your budget already. I think you already said this, but I want to make sure I have it right in my mind. If you were to take last year's budget and move forward and keep everything the same with the COLAs and merits, you would be asking for \$1,881,000. Is that correct?

Mr. LaFreniere replied \$1,881,000 is what we need moving forward to maintain full staff complement. If we were to move forward as two separate departments that combined number would have been about \$2.1 million.

Alderman Roy stated that would have been about \$200,000. That \$1,881,000 is what you need going forward to actually keep in place the system that we just voted to put in place last year. Correct?

Mr. LaFreniere replied that is correct.

Alderman Craig stated in looking at the line item for Rental Machinery, I noticed that in 2009 it was \$550 and then in 2010 it went up to \$7,000. Next year you are projecting that to be \$6,000. I was just curious what the change was.

Mr. LaFreniere replied what you are seeing unfortunately doesn't tell the whole tale because when you look at the adopted budget line item for 2009 where you are picking up the \$550 that was only the Planning Department. That did not include the Building Department. The two budgets don't merge until 2010.

Mayor Gatsas stated look at page four.

Alderman Craig stated there is nothing on there for that though.

Mayor Gatsas stated if you take a look at page four on budget presentations you will see that that was one of the sections that were merged. If you go to page five, the first two columns for 2009 and combine those two, that is how you read it.

Alderman Craig stated for 2009 for Building it was \$642 so there is still a big difference.

Mayor Gatsas stated correct.

Alderman Craig stated I'm curious as to why there has been a significant increase.

Mr. LaFreniere stated the other thing that happened there was a transition from a copy machine that we owned to a lease. Now we have the rental expenses, but we didn't have the capital expenses to replace the copy machine. It still goes back in large measure to the merger of the two departments. I can get that information for you. I'll get a full explanation on it for you.

Alderman DeVries stated I would like to go back to the vacancy. I know Alderman Roy was able to glean a little more information and I do understand that it is a customer service rep. Did I hear you say that was a half time position or full time?

Mr. LaFreniere replied it is half time. It was downsized to a half time position as part of the merger.

Alderman DeVries asked that would be the individual who was always able to give the live body answering the phone?

Mr. LaFreniere replied it certainly provided...yes. The answer to your question is yes, but the other thing that it did was give us an opportunity to keep pace with our minutes for the Zoning and Planning Boards. We have had conversations with the Mayor's Office about how that might be addressed. That might be a huge benefit moving forward if we can get some assistance there.

Alderman DeVries stated certainly you are correct. There was a lot of transcription and tight deadlines to get those typed and available to the public. I guess my concern is, and I'm trying to recollect the days right after the merger, that before we had that person there was a vacancy with a retirement. Then the half time person came in and I remember many occasions calling that 624 number and having a high level staff person having to answer the phone for lack of another individual. I questioned whether that was the highest and best use of their time to be spent on the phone. Can you assure me that that is

not the direction that we are going back into, either sacrificing customer service to the public or having someone who has to be working on projects now answering phone calls?

Mr. LaFreniere replied no, I can't assure you of that. Obviously, we will do everything we can to avoid that happening. The fact of the matter is that that position was, as I indicated, a full time position prior to the mergers and we were working diligently to take the best advantage of the half time position to satisfy those needs as it was.

Alderman DeVries stated if I caught the earlier conversation correctly, you are transferring \$10,000 over to the general fund and we welcome that.

Mr. LaFreniere stated there will be more than that, but \$10,000 of that particular \$115,000 in new revenue, yes.

Alderman DeVries asked is there not the ability to have somebody there assisting with at least the \$10,000 if not something else with the same funds that you have found for other administrative costs?

Mr. LaFreniere replied certainly that would be a benefit to the department operationally, but I also understand the constraints that the City is under with regard to needing to reduce salary costs. That would be a policy decision. The position is important to the office, but I also recognize that there are a lot of important positions out there that aren't being funded.

Mayor Gatsas stated Alderman DeVries, maybe I can help you. I am working in conjunction with the Clerk's office because we spend an awful lot of time in man hours transcribing for the Zoning Board, Planning Board, and his office. I think if we find, as they have done in the state, someone in-house to do actual transcriptions and verbatim transcripts I think it takes the pressure off of a lot of departments and gets us the

efficiencies that we need. We may find that bringing someone in-house for a cost gets us the transcripts back sooner, gets it done verbatim and it doesn't tie someone up in the Clerk's office to do the work that we have here two or three times a week. I understand where they are going and I'm trying to get that focus so we have one person who is here for all the Aldermanic proceedings to do the transcriptions.

Alderman DeVries stated thank you, Your Honor. That is great. I do know that with Planning decisions there are some very specific entities or items that need to be included. I'm thinking conditions on approval that are under the same statutory timeline to have those in writing and available to the applicant who is having to meet those conditions placed on them and I'm not sure everything coming out of the Planning minutes is going to be easily transcribed by someone not familiar with the planning process. That is what these employees get paid the big bucks to figure out. I'm sure you will protect that. My concern goes to someone who is a high paid employee who has very little time available answering the phones just because we have tried to save some money in the budget, but that's not truly saving money because now we are falling further and further behind on the projects that that person is capable of handling. I'm not sure that you have taken care of all of my fears and I guess we'll just have to watch this process and keep an eye on that \$10,000 and find out what you need for that position unless you know that answer today.

Mr. LaFreniere stated I do have the salary amount for that position.

Mayor Gatsas asked how much time do they spend transcribing minutes?

Alderman DeVries asked do you need the Planning staff to assist you with that?

Mr. LaFreniere replied probably for the Planning side. The Zoning Board clerk...I'll let Pamela answer that. I think she has a better handle.

Ms. Pamela Goucher, Director of Community Improvement, stated obviously the time spent depends on the meetings. We have had an awful lot of public hearings that have been six, seven and eight hours. The problem isn't that we don't have the individuals, right now there are two individuals in the administrative assistant positions, not the customer service, but that on some days when they are trying to meet the deadlines and answer phones and deal with people coming in the office, that is where we have a problem. I think what Leon was saying is that the Mayor is looking to get a stenographer, so the people who still need to take care of our agenda packages and get ready for minutes and meetings now will have a little more time to answer the phone. Would we like to have the customer service person half time? Absolutely, because we always have trouble covering lunches and things of that nature when we are down to three people. If we actually took that responsibility, which can vary and that is the problem...many of you are aware of how long the Wal-Mart public hearing went, not to mention the subsequent business meetings. When we have back-to-back public meetings at the Planning Board level and then the Zoning Board level that have to get out in that short period, we are under the gun and that is when we have the trouble with the phones.

Alderman DeVries stated I thank you for reassuring me. We will not return to the days when you answered the phones.

Alderman Long stated you mentioned something that is very important to me and I need to hear the highest level of customer service, but at the end of that you said that we're able. My comfort level is when, statutorily, we are meeting our needs and you are able to give a level of customer service. In this business time is money. It could ruin a project if we are lacking in an avenue. I'm looking for the highest level of customer service, not that we are able to give, but is meeting the needs of the Manchester people who are working towards getting permits or what have you.

Mr. LaFreniere stated absolutely. If I used a poor choice of words I apologize. What I meant to convey was that we are always striving for the highest level of quality customer service that we can achieve, not from the context of setting a bar and meeting it, but saying that we always have room for improvement and it is absolutely imperative that we do the best that we can to make sure that we are providing the best service that is possible.

Alderman Long stated the program in administration revenue with the HUD programs, are they all the same percentage that you are allowed to take administratively? What would that percent be? Is it 5%?

Mr. LaFreniere replied hence the reason why I brought Sam.

Mr. Sam Maranto, Community Improvement Program Manager, replied Alderman, HUD allows us to spend up to 20% towards administration. We are probably at approximately 15% with that additional money. The other funds are put into projects.

Alderman Long asked so you're taking 15% and you can take up to 20%?

Mr. Maranto replied correct.

Mr. LaFreniere stated I think one of the things that I want to try to make you understand is that we are not trying to build up administrative expenses, but rather recapture costs that we have always had for administering these programs that we have not previously captured reimbursement for.

Alderman Long stated it makes sense. If you are allowed to take 20% and you are doing 15% administratively then why would you just take 15%? I understand that.

Mayor Gatsas stated I can tell you that was after a long discussion with me looking at what we were administering for other funds and why we weren't looking at reducing the taxpayers' portion. We looked at the federal government and funds that we were administering and why we weren't taking a value from them. I can tell you that was from the urging that I gave the department to come in with those ideas. I didn't want to push it to 20% because I thought we went from 11% or 12% to 15% and I think that still leaves us some room if we have to come back another time and visit that discussion.

Alderman Lopez stated I just wanted to make a comment that some of the Aldermen were absolutely correct about, the customer service. I wanted to comment that I don't think it hurts if the department head picks up the phone. Sometimes they can save a lot of time in answering the question instead of employees running around. I know Matt Normand picks up the phone every once in a while. I think maybe it is high customer service. I'm talking to Leon LaFreniere or I'm talking to Matt Normand and they can answer a question like that and end the ballgame. That goes a long way in customer service. I just wanted to point that out.

Mayor Gatsas stated next we will hear from the Tax Collector.

Ms. Pat Harte, Acting Tax Collector, stated for those of you who don't know me, my name is Pat Harte and I have worked in the Tax Collector's Office for 23 years, the last four of which I have served as the Deputy Tax Collector. For the benefit of the new Aldermen, I wanted to very briefly describe what it is that we do in our office. We collect two real estate warrants a year and four delinquent waste water warrants per year. We process liens, including all the notices that go along with that and deeds for unpaid real estate taxes and for delinquent waste water charges. We also title and register motor vehicles over the counter, through the mail and online. We are now doing it as full municipal agents as of December of 2008. Our staff, including the Tax Collector, is made up of ten full-time employees and two part-time employees. As far as our budget goes,

we were able to meet the bottom line. As you can see, we are down 9.25% from FY10 and the salary line does include COLAs, merits, and longevities. We have one full time customer service representative position that has been vacant for two years now. We are going to keep that vacant. Other than that, there are no layoffs within our salary line. I would also like to note that besides salary our two largest items are postage and professional services. Those two items are basically out of our control. They are determined by how many liens and how many notices we have to send out, and how many deeds we have to have searched. The other part of that is that a large part of both of those expenses are passed on to the taxpayers who are involved in the liens and are getting the notices. A lot of those are recouped so that the real cost to the City for those line items is way less than it appears. We are also looking for either additional revenues or increasing some that we already have. I guess I'm ready to answer any questions.

Alderman Shea stated thank you, Pat. When you mentioned that the deputy would not be replaced for another seven months, do you have something in your budget that would allow you to have that hire or is that something you are going to have to decide at that time if someone would be available? I'm just throwing that out.

Ms. Harte replied we do have the money in the budget to get a deputy at that time.

Alderman DeVries stated I would say yes, you did a very good job. Knowing that the state has started utilizing a different online auto registration program and we had some discussion in Accounts on that, are the changes that the state has brought to you causing any difficulty or additional cost to the City of Manchester or anything that we should be aware of as a Board?

Ms. Harte replied I don't think it has caused any problems. I think that it has made customer service far superior than it has been in the past because taxpayers no longer have to go to two different places. They can do one stop shopping with getting their plates and so forth in the one place. We do get a \$3 agency fee per transaction that we do for the state so that does help to defray the extra cost of envelopes, cartridges, and the program itself that we had to purchase and pay a support maintenance fee on. There is some recouping of those expenses as well.

Alderman Roy stated first of all, the customer service down there is great.

Ms. Harte stated thank you. That means a lot.

Alderman Roy stated I am always smiling when I leave down there. I was told by someone that they went online to register their vehicles and it was going to cost them more.

Ms. Harte stated correct.

Alderman Roy stated it made me wonder why we would charge someone to make life easier for people in that department. Do you have an explanation for that?

Ms. Harte replied yes, I do. It is an excellent question and one that we answer quite often for the taxpayer. We go through a payment service called Official Payments and they charge a fee for electronic checks. It is \$2.50. For credit cards it is 2.75%. That is their fee that they charge the customer for processing the payments. Not a penny of that goes to the City and people are usually surprised when they find that out because their first response is to question why we are charging more to make it more convenient for us.

Usually once they are educated, they don't necessarily like it, but at least they understand it and they don't blame the City.

Alderman Roy stated great explanation, thank you. I'm looking at the vacancies that you have and one of them is the customer service representative. It has been vacant for three years? Why are we still carrying that on the books? I'll blend in the vacancy for the deputy. Seven months to me is a long time. Do you need those positions or is that something we can get rid of? Is it going to affect customer service or can we get rid of those positions?

Ms. Harte replied it won't be a problem for front line customer service because that is our primary goal, whether it is real estate, phone, or emails, which we answer the same day, but it will be a juggling of background tasks, filing, records retention, and research to avoid properties deeded. As far as frontline service, we are going to do whatever we have to do to make it work because we understand that it is a terrible economy and revenues are down. We'll do the best we can.

Alderman Roy asked is the deputy position the same thing? Is the seven months to recoup the severance pay?

Ms. Harte replied no, it is not.

Alderman O'Neil stated I'm confused because I thought that on the paper...everybody keeps talking about the deputy. The Tax Collector position is the vacant position, yes?

Ms. Harte replied yes.

Alderman O'Neil stated Pat is the Deputy. I wanted to make sure I wasn't missing something.

Mayor Gatsas stated I think there is a plan in place. I wish we wouldn't have that discussion right now.

Alderman Roy stated it is a glass half empty or glass half full, acting or deputy.

Mayor Gatsas stated I don't think we can talk about that tonight.

Alderman Roy stated we'll cross that bridge when we come to it. If you took the 2010 budget, I'll call it making it whole without the 9.25% reduction, just the normal process of keeping everything the same, raised, COLAs...what would that number be?

Ms. Harte replied the raises and COLAs are about \$7,900.

Alderman Roy stated I'm looking for the total budget. Forget this 98.5%. If you went from 2010 to 2011 with everything the same, just adding in what the additional costs are for wages and stuff, what would that number be?

Mayor Gatsas replied \$49,000.

Ms. Harte stated \$49,000 more.

Alderman Roy asked more than what?

Ms. Harte replied than it is currently at the 9.25%.

Alderman Roy asked would we add that \$49,000 to the \$575,000 for 2010?

Ms. Harte replied correct.

Mayor Gatsas stated just for some clarification, the bank fees that are charged are actually the credit card fees and the processing fees. I met with Citizens Bank and they are going to try to work something out so if they process at the City we can remove those fees. I think it is important that we have those discussions to make it easier for people. The only thing we are seeing right now is auto registration, which might be \$300 or \$400 and when you are talking about 3% of that is isn't a lot of money, but if someone wanted to pay their real estate taxes at \$10,000 and we are talking about 3% it then makes a difference. I think we have to find a way to make it easier for people to pay their bills in the City so they are not incurring it. I don't think we can incur it because it is a cost to us. It is something that the bank is working on and talking about. I suggest that they sit down with Mr. Sanders and come up with a resolution in the next couple of weeks.

Alderman O'Neil stated I want to echo Alderman Roy's comments. I have received calls, letters, and out of state emails regarding the Tax Collector's office and I think it is a credit to Joan and Pat and the entire staff. They have done a fabulous job down there. Just for clarification, you mentioned ten full time and two part time. Is the Tax Collector's position and the customer service position in the ten full time or is it ten plus two?

Ms. Harte replied in the 12 positions, the Tax Collector is included in that.

Alderman O'Neil asked but this customer service rep is not?

Ms. Harte replied that one vacancy, no. I have left that out completely, out of the budget and out of the numbers.

Mayor Gatsas stated I applaud Pat because I have had some conversations with her and certainly everybody know that the Clerk's office is going to attempt to stay open until 8:00 PM for six months to see if it works. I think the next department, from conversations

I have had with her, is to see if the Tax Collector's office can also be open on that same evening. That is just a general conversation that is in the beginning stages. Let's see what kind of response we get at the Clerk's office and if we find that people are coming downtown to do their business on Tuesday night then the next department that would make the most sense is the Tax Collector so people can pay their taxes and register their vehicles. It may enhance us if we can get other communities to come in because some of the things they do will benefit those people also. Thank you very much. Nice job. I think we have the Health Department with us. Tim, before you start... Today I had a very interesting conversation with a department head. He came in and offered a package that I am going to distribute to everyone next week about thinking outside the box and how we can make some reductions in cost and healthcare and some ideas that he had. I applaud him for taking the time and putting those measures together and bringing something forward where we can save some money, which is an important thing. I applaud him for doing it and I can see that all the departments in this City are starting to work in a very collaborative way and thinking of things outside of their departments and how they can bring them forward to this City and how we might incorporate those things. With that, I thank you and I look forward to having those discussions with you and the member of this Board.

Mr. Timothy Soucy, Public Health Director, stated thank you, Mayor. I appreciate that. For purposes of introduction, particularly for the new members, I'm Tim Soucy. I'm the Public Health Director. I want to introduce Anna Thomas who is the Deputy Public Health Director and Gabby Wadler who is our Business Service Officer. Part of our plan over the next few months, whether it is through Committee or the full Board, is to make sure that you are aware of who our senior managers are and what their roles are so if you have a specific need you can get the highest level of customer service from our senior management team. In the next few minutes we want to talk about a brief overview of the Health Department, particularly for the new Board members, and then talk about the two budgets that we present. We actually have a City budget and a budget for school health

services, which is a charge back to the School District. We will give you an update on both of those. We've shared with you our mission and vision statements. The Health Department is a public health department and we are here to improve the health of the people of the community and we do that through disease prevention, health promotion and protecting folks from environmental threats. Our vision is that Manchester would be a healthy community where the public can enjoy a high quality of life and enjoy protection from public health threats and that they have access to good quality healthcare. That is really what we are about. I've included an organizational chart in your package. We have four primary divisions, which are listed along the bottom of the organizational chart. Our Division of Community Health is really the clinical arm of the division. That is primarily comprised of our community health nurses. These are the folks who do communicable disease investigations, run immunization clinics, HIV and STD clinics, work around childhood lead poisoning protection, and work with refugee help issues. Those are our clinical folks. Our Division of School Health, which we will talk about when we talk about the school budget, has the school nurses who are actually employed by the City. They are employees of the Health Department and then the School District reimburses us for the services that we provide. Our Division of Environmental Health and Emergency Response is your very traditional environmental health roles. These are the folks who inspect restaurants, bathing areas, assure that septic systems are installed properly, and do mosquito surveillance during the summer months. The latest component is the Public Health Preparedness Program where we work with the first responders and the hospitals in the community to assure that we are prepared for an emergency. We will be coming before Public Health and Safety next week to give the Committee an update on the H1N1 activities over the past few months. Those activities fall within that division. Then we have a division of chronic disease and prevention in neighborhood health. In addition to being the Deputy Director, Anna also oversees this. This is a division that targets based on risk. You should have all received a copy of the community needs assessment, which was just published, drilling down the health needs of the community and where we target our intervention based upon disease and neighborhoods. A lot of

those interventions fall on Anna and her staff. The Weed 'n' Seed program also falls under that. Another program that is housed at the Health Department is the AmeriCorps VISTA Program. We provide administrative support to them. We also have Healthcare for the Homeless which is a federal grant that comes to the City that we subcontract out, but is managed by the Health Department as well. Our personnel complement is listed in front of you. I'm going to explain it because we have about 37.225 total full-time employees. These are only on the City side. These do not reflect the school health staff. These are just on the City side of the budget. About 10.5 full-time employees are 100% General Fund. We currently have one vacancy. That is a public health specialist II, which was a nursing supervisor in our division. She retired December 31st. Our plan is to keep that position vacant next year as well to help offset our costs. We have 15.5 FTEs that are considered general fund positions, but we go out and write grants and we use revenues from those grants to offset our salary line item. Like Leon explained, we do the exact same thing. We take about \$145,000 out of those grants. They are typically state grants around immunizations, HIV, and STDs and we offset our salary line item by that amount. We have another 12 full-time employees that are purely grant funded positions, like the Weed 'n' Seed Program Coordinator and all of our public health preparedness. We just received stimulus money to hire an additional nurse. These are purely grant funded positions. When the grant money goes away the position goes away. These are not on the books as general fund positions, but these are additional positions that we go out and seek money for. Interestingly enough, out of all of our salaried positions, about 60% of the salary is covered by the City and about 40% is covered by outside funding. That also poses some challenges with potential reductions in funding from the outside, but that is currently where we are. Just a little bit about some of the grants that the Health Department goes out to get money for...a little over \$3 million over the past couple of years because some of the CIP projects go over several years. In FY10, it was a little over \$2 million. Some of these funds support the direct services that we provide, but then some of these funds are turned around and given back to the community so an appropriate agency can provide some of those additional services as well. We have also

worked to develop some pretty innovative partnerships. One of the positions that you don't see on here is a public health prevention specialist. That is a CDC masters and public health prepared employee who is assigned to the Manchester Health Department for a two year period. It is a very competitive process. They only assign 30 across the country and this is the second time that we have been awarded one. Developing partnerships like that helps to support our initiatives. That person was one of the key authors of the community health needs assessment that you just received. We have also instituted a very new and excited relationship with the Dartmouth Institute. They are looking to fund and house a prevention research center within the City of Manchester. That is going to bring some additional resources in addition to funding, which will help us look at those high risk communities within our City center and beyond to develop some health interventions and work towards that. Just to give you a summary of how our budget breaks down, I have used FY10 numbers, but I will note that the FY percentages don't change very much. About 87.5% of our budget is salaries. The Health Department covers all of the utilities for the Rines Center, despite the fact that we only occupy about 75% of the space. The Center includes our office space, the conference areas, the common areas, the Welfare Department has space in there, the City Clerk has archive space in there, there is the McIninch Art Gallery and Information Systems also occupies some space. We assume responsibility for all of the utility costs for the entire building. I bring that to your attention because as we are looking at proportions, we take a disproportionate hit compared to others who are housed in that building. Our operating budget is only about 5% of our budget.

Mayor Gatsas stated certainly during these budget discussions you should keep that in mind. If we find an opportunity in some other areas and other departments that we can help the Health Department because they are picking up a \$25,000 portion of expenses that doesn't really relate to their space, it is certainly something that I am looking at and keeping in mind as we move forward. I'm sure that those departments that you are

helping out are thanking you and this Board will take that into consideration as you move forward.

Mr. Soucy stated we followed the Mayor's budget directive of coming in with a 98.5% budget. You can see that we have included that HTE report as well. That number is \$1,353,318. That 1.5% cut represents \$20,609 below FY10. Getting to Alderman Shea's question from earlier, as we move past the HTE budget in your packet, that amount for the Health Department is a little over \$111,000 that we need to make up, representing about a 7.6% reduction. We have been working with the Mayor's Office and we have been looking at our budget. I can tell you that we are able to meet all of our salary requirements, including steps and COLAs in the salary figure that is projected. We will not have any reduction in services. We have done that by leaving one position vacant that I mentioned earlier, the public health specialist II, which is a nursing supervising position. We have one employee who only works three hours a week. We have spoken with that employee and we have advised her that as of July 1st, those hours will be reduced. She was doing it to help us out. It doesn't come as a shock. We have had this discussion over the past couple of years, but there will be a reduction there. We reduced about \$16,000 in our operating line items. The final HTE report that you see will be somewhat different than this. We went through, since the original one, and reduced some of our line item so that we could put some of that money back into salaries. The final report will look a little different, but we did a operating line item reduction of a little over \$16,000. It leaves us with a ro. I know tonight is not the evening to fully discuss revenues, but we are proposing, as part of our overall budget package, \$10,000 in new revenues. Ideally we would like to see that \$10,000 added back to our salary line item. That gets us through next year and then we will manage the \$8,700 through the year with operating line item reductions with vacancies, vacation buy back, and unpaid time so we are comfortable with managing that amount money. That is where we stand on the City side.

Mayor Gatsas asked are there any questions on that portion of the budget?

Alderman Shea stated nothing about the budget itself, but I'm interesting in the grant writing. Could you give us an idea of how you manage to get so much back? Who does the writing, not necessarily the person, but the way you go about it? That is quite intriguing and might help other departments as well.

Mr. Soucy replied the grant writing is all done internally, in house, by our own staff. Our senior managers are responsible for the grants that come in to our department. Anna's division has done a tremendous job of writing some of the grants for safe routes to school, obesity prevention and healthy eating and active living, and tobacco reduction. So depending on where the grant comes in, the senior manager within that division is responsible for writing those grants and bringing those funds in. Public health preparedness is written by Phil Alexakos as the Chief of Environmental Health and Emergency Response. Grants around immunization, HIV, STD, and childhood lead poisoning are written by Sue Meyers and her staff. It is a combination of the staff, but we hold our senior managers responsible for making sure that those grants get in and are well prepared.

Alderman Shea asked do the people who write the grants also initiate finding out where the grants are?

Mr. Soucy replied it is a combination of the two. We have folks who are very good at researching new grant opportunities. I have to get them to follow the CIP process. That is my next goal for this year. We are also part of an email list from the state health department. When new RFPs are issued, we make sure we review those and if they are appropriate to go after, we go after them. It is a combination of the two.

Alderman Shea stated go grants go.

Alderman DeVries stated I don't think it is a secret to anybody that with the state budget having as many difficulties as we are having at the local level to make ends meet...your dependency upon Health and Human Services...obviously we don't know how that state budget might change in the next month or two. Can you prepare us? Is there anything we should be looking for?

Mr. Soucy replied it is a very good question and one that keeps me awake at night when I look at 40% of my salary line item coming from outside sources. We have already been advised that one of our grants is going to be reduced slightly this year and potentially next year. We will be in contact with Dr. Montero and his staff regarding that reduction. In the short term I don't have an issue with absorbing the \$5,000 they are going to cut this year. Next year I have an issue if they go below that. Many of the grants that we get that come through DHHS are CDC federal monies that are passed through the state. There isn't a whole lot of state general fund dollars that are tied to the grants that we receive. It is usually federal pass through dollars. There are some, and that is of concern. Certainly, if we are receiving notification that those are going to be reduced, we are going to work with the Mayor, the Governor and Commissioner Tumpas to make sure that Manchester is getting its fair share to meet the needs of our community as we move forward. In a worst case scenario, I may have to come back to the Board and say these were here as grant funded positions and we have lost this revenue and we have to look at something more creative. That is always a possibility. I also can't predict what is going to happen with the state budget. Most of those dollars are federal dollars that are passed through.

Alderman DeVries stated thank you very much for the information and the insight. I believe that the centers for disease control look to Manchester to carry quite a bit for the state of New Hampshire as well as for the region. It is an important fact that we can't let people forget. I haven't forgotten.

Mayor Gatsas stated just for informational purposes, I've talked to Mr. Soucy to make sure that we start looking at reimbursements from Department of Health and Human Services because some of the services that we are providing at this level we aren't going back and saying that they own us money. I think it is important that he starts looking at that. I don't think there is millions of dollars, but right now if we could get him \$18,000 it gets him into a category where he doesn't have to be chasing money for his budget. He is working on it and I'm watching closely. He is doing a good job. I think that we will probably see some money coming back from the state for some of the services that performed.

Alderman Ouellette stated Tim, you kind of alluded to it when you did your organization chart, but I'm concerned about Weed 'n' Seed in the future. First of all, I don't believe that it belongs in your department, but you have been managing it for two or three years now. What do you see as the future of Weed 'n' Seed and how can we as a City start discussions to make sure that we maintain the services that it provides, especially in the more battered neighborhoods?

Mr. Soucy replied certainly, we would love to sit down with you and explain why it makes sense to keep it within the Health Department because there is a sound rational with that. We do have authority to fill the position. We have funding for the remainder of fiscal year 2010 to fill the position. Mayor, I guess I would defer to you for fiscal year 2011.

Mayor Gatsas stated we have funded it in its totality in fiscal year 2011. I think you will be pleased to see that when we pass out the CIP reports that it is fully funded, both at the Health Department and at the Police Department.

Alderman Roy stated Tim, if I heard you right, if you take the 2010 number and add \$111,000 that would make you essentially whole.

Mr. Soucy stated that's correct.

Alderman Roy asked how about on school side?

Mayor Gatsas stated let him get into the school side.

Alderman Roy asked is that vacancy going to affect services?

Mr. Soucy replied it is a senior level position. It is not one of our senior managers, but it is a mid level supervisory position. It is classified as a public health specialist II position. We were fortunate enough to fill it with a RN who also happened to have a master's in public health which gave us the best of both worlds. She was able to support us clinically, but also able to do some of the broad based planning. We pushed some of her duties up and some of them down so the senior manager who oversees community health has assumed some of those responsibilities. Some of the other duties have been pushed down to community health nurses and public health specialists to offset that.

Alderman Roy asked is it working okay? I know you have been pretty busy.

Mr. Soucy replied it has been busy, but it has been working okay. As others have said, we want to do our part as we move forward. Do I wish I had the position? Sure, but we can manage in the interim.

Alderman Roy stated you mentioned the archives. When is that going to be at capacity? Do you know?

Mr. Soucy replied I don't know. The third floor of the Rines Center has been allocated to the City Clerk for archive space. Matt, I'm not sure if you have any insight on the capacity up there?

City Clerk Matt Normand responded I think the capacity up there right now is close, with the transition of the Mayor's office. I think we sent a memo to the Special Facilities Committee at one point. I think we have another year. We're trying to free up some records that belong to the School Department. That is about 70 boxes that need to go back to the School Department. That will certainly help.

Alderman Corriveau stated regarding the grant funded positions, 11.675 full-time, could you explain the six vacancies, what they are? Are these vacancies where grant money has been appropriated and the vacancies haven't been filled?

Mr. Soucy replied that's a great question and is the combination of the two. One of the vacancies is the Weed 'n' Seed Program Coordinator, which we have authorization to fill. We have received applications and we are going to begin interviewing very shortly. The second position is a community health nursing position. It is a two year position funded by stimulus money to improve the immunization rates in the community. We have authorization to fill that and we are in the process of recruiting for that. The other four we recently came to the Board and requested two public health specialist I and two public health specialist II positions be put on the books so that when we secure grant funding, we don't have to go through the process of delaying hiring while we get these positions put on the books. On the CIP and Board agenda next week, we are going to be coming to you to accept two grants, one for tobacco prevention and the other for healthy eating/active living. Two of those positions will be filled by those monies.

Alderman Corriveau asked could you say what those were again?

Mr. Soucy replied sure. One is around tobacco prevention and one is called HEAL, healthy eating/active living.

Alderman Corriveau asked what would that person be involved with? Schools lunches?

Ms. Anna Thomas, Deputy Public Health Director, replied yes, sir. It is a grant that we competed for nationally. We were one of 15 communities to receive it. It is a partnership with the Healthy New Hampshire Foundation and the Convergence Innovation Fund. Essentially, it allows you to bring in CDC technical expertise to train community members, City departments, and residents on how to conduct neighborhood assessments by looking at things like the building environment and see if there is accessibility to healthy food. Essentially, we are hoping to create neighborhood profiles, which will then prioritize some of those issues. There is funding to pay for one environment intervention and one food security intervention which is access to healthy food.

Alderman Corriveau those are two of the four. What are the other two?

Mr. Soucy replied the other two we are going to leave on the books. As we go out and secure new grant funding for new programming that we haven't been able to do, these are the positions that we would use.

Alderman O'Neil stated if I go to the organizational chart, I think you indicated the vacant position in public health specialist II. Did you say that came through the division of community health?

Mr. Soucy replied that's correct.

Alderman O'Neil asked what specific programs listed here would that person be involved with?

Mr. Soucy replied that person oversaw the childhood oral health program, which is our public/private partnership with Easter Seals and the CMC's Poisson Clinic where the dental van goes to all of the elementary schools and will be going to the middle schools this year to provide clinical oral health services to those kids. That person oversaw the childhood lead poisoning prevention program and oversaw the refugee program.

Alderman O'Neil stated you mentioned that through some shifting we are able to fully address those three items without any reduction in level of service for citizens.

Mr. Soucy replied that's correct.

Alderman Corriveau asked Tim, could you email us the six grant funded vacancy positions and the two that are going to go to CIP? The two that you are going to request and the two vacant?

Mr. Soucy replied sure. We'll get it to Matt.

Mayor Gatsas stated let's move on to the School District.

Mr. Soucy stated our school budget we did a little differently. The School District gives us a charge back so with the schools we essentially said that the amount for full school health services for fiscal year 2011 is that \$2 million figure that you see. The one thing I want to make sure everyone is aware of, if you look at the HTE report, it represents \$1,268,505. Those are our actual expenses. The other \$732,000 is the non-departmental benefit line item. It doesn't show up under the Health Department budget, but when we do the total charge back figure, you are going to see a revenue amount of \$2 million, but the expenses are broken out \$1.2 on the health side and \$700,000 on the non-departmental side.

Mayor Gatsas stated just for clarity, this is not something that I asked to be cut 1.5% because this is strictly a charge back that goes back to schools. It doesn't affect us in any way on our side so the 1.5% is not affected in this budget.

Mr. Soucy stated that's correct. We have presented this \$2,146,000 to Dr. Brennan and his staff. He will then take it to the School Board as part of their overall budget process. If they come back to us as their policy board and say we need to make reductions, we will make reductions. If they say that this is the level they are going to fund you at, this is how we move forward. We provide them the total expense figure and it is then up to the Superintendent and the School Board to decide if they have the funds to fund that and if not, we would then enter into a dialogue about reductions.

Alderman O'Neil asked how many professional staffers are involved on the school side?

Mr. Soucy replied 28.

Alderman O'Neil asked that is 28 school nurses?

Mr. Soucy replied it is 23 school nurses and five health assistants and one supervisor. We have them broken up by different classifications.

Alderman O'Neil asked so one supervisor and 22 or 23 nurses?

Mr. Soucy replied 23 nurses.

Alderman O'Neil asked and four health assistants?

Mr. Soucy replied five health assistants. The health assistants are part time, non-clinical people who rotate among schools.

Alderman O'Neil asked what might they be involved in at the schools?

Mr. Soucy replied they assist the school nurse in things like heights and weights and registering kids, and making phone calls.

Alderman O'Neil asked the health assistants are always with a nurse? All 23 are RNs?

Mr. Soucy replied at a minimum, yes.

Alderman Craig asked Tim, is there anything new in this budget as compared to last year?

Mr. Soucy replied in the school budget the only thing that is new is the current supervisor only works 42 weeks per year and we are proposing that she work a full year, including the summer months, so that she can work with the School District in revising and updating policies and making sure our policy and procedure manual jives with the School District's policy. That is the only increase in the School District budget this year.

Alderman Craig asked are there any opportunities to utilize grants or stimulus money to help with this budget?

Mr. Soucy replied on the school side not that we are aware of. We are once again waiting to hear from Dr. Brennan whether they have some suggestions on how they would like us to move forward.

Alderman Craig stated because if we don't decrease this budget to 98.5% then the School District will have to decrease other areas.

Mr. Soucy replied that's correct. As their policy making board, those are the decisions that they struggle with. You know.

Alderman Shea asked does every school have a full time nurse now or do you have to share any with the smaller schools like when I was around?

Mr. Soucy replied every school has a minimum of one full time nurse. The three high schools have a RN and a LPN because of the volume. It is not uncommon for them to see over 100 kids per day.

Alderman Shea asked could you tell me what their hours are? There used to be a differential.

Mr. Soucy replied it varies. A high school day starts sooner than an elementary school day, so some work 7:00 AM to 3:00 PM others work 7:30 AM to 3:30 PM. We assure that they are there before the kids get there and after the kids leave.

Alderman Shea stated I am more interested in the elementary. You are saying that they are there before the kids get there and after the kids leave?

Mr. Soucy replied that is correct.

Alderman Shea stated during the summer they have summer programs for kids who are developmentally limited. Do you provide nurses for those programs as well?

Mr. Soucy replied we provide the nurses, but it is a School District expense so that doesn't show up in this budget.

Alderman Shea stated they would tend to use those nurses under a grant that they may receive in order to pay you?

Mr. Soucy replied for the summer programs, yes, but not for special education or anything like that. Those are private nurses. They will typically hire our staff and fund them differently.

Alderman Ouellette asked Tim, does the School District still receive dental services?

Mr. Soucy replied correct. That is funded on the City side. That is a City funded program that has been quite a success. We used to have two hygienists that provided limited service. Over the years, we have reduced that to one hygienist and we have partnered with Easter Seals, Dr. Earl Simpson and his staff. They built a new clinic at Easter Seals so the kids on the east side of the river who we now see, not only receive screenings and sealants and pro-fees, but they get restorative care on the van and then they are linked with a formal dental home so they now have a dentist. If they are on the west side of the river we do the same thing and they get referred to the Poisson Clinic at CMC. We have been able to provide more clinical services, better clinical service and link kids up with a formal dental home that they never had before.

Alderman Ouellette asked just out of curiosity, why is that funded out of the City side?

Mr. Soucy replied it is a school based program, but it isn't necessarily a school based program. These are Manchester kids. We capture them at the point when we can get them, which happens to be in school.

Mayor Gatsas stated next is Senior Services.

Ms. Barbara Vigneault, Senior Services Director, stated thank you for the opportunity to present the budget for Senior Services. I would like to start with the introductory items that I sent to you concerning one of the things that I think is really important to the community of Manchester, which is part of our mission, and that is to prevent isolation for seniors, which is very important. To those of you who are new to the Board, we are located at 151 Douglas Street in the William B. Cashin Senior Activities Center and we serve all of Manchester. We have done some demographics and have found that we do serve many of the seniors equally throughout the wards. Because of our new software as of last year, we are able to find out how many people from each ward and know who they are. I can give you that information if you would like to have it. I would like to say that our budget is very small. We run a very tight operation. We have been tight for a number of years. I'm sure our taxpayers can appreciate that. We are unable to absorb many of the cuts that are coming our way. We are making every effort to try to comply with that. We will definitely work with the Mayor, the Finance Department and the Board to try to come within our 98.5% with consideration to fundraising efforts on our behalf to try and meet those expenditures.

Alderman Osborne asked how does it end up, the 1.5%?

Mayor Gatsas replied I think some of the discussion has to be about the two funds that are at the Senior Service Center. One is a fund that talks about capital improvements which is not something that the staff is allowed to go into. They have another fund with about \$32,000. I think the \$12,000 that they are looking for to meet their 1.5%, as we told the Library... They had a fund of \$92,000 and they could reduce it to \$31,000. I think that is an opportunity for the senior service members to reduce that fund by \$12,000 and still leave \$20,000 in that account that they can move forward with. I think they have the

ability to meet that 98.5%. I wanted to make sure I brought that forward so that when I sat with people, they understood that there is a spot to grab the \$12,800.

Alderman Osborne stated I know they don't have much of a budget to work with which is why I asked the question.

Alderman O'Neil asked what is that reserve account called?

Mayor Gatsas replied if I can defer to Mr. Sanders.

Mr. Sanders replied let me see if I have the name if it. I don't have the exact name.

Alderman O'Neil stated it is something you can get back to us on. I was curious on the capital improvement if it has another name other than capital improvement and how much is in there?

Mayor Gatsas replied I think it is the 501-c3 fund.

Alderman O'Neil asked that is the private side?

Mayor Gatsas replied correct. That's the golf tournament.

Ms. Vigneault stated the 501-c3 is the fund that we cannot touch. That is the one that you are familiar with for the golf tournament and things like that.

Alderman O'Neil asked how much is in that, Barbara?

Ms. Vigneault replied they raised \$579,000 and \$500,000 of that went to the City of Manchester to pay back the amount that was due to the City for the building. Now there is about \$30,000 in that account. The committee on fundraising, which Attorney Dave Nixon chairs and Attorney Michael Craig co-chairs, is going to be taking that activity and continuing it with that committee so they can help us with capital expenses.

Alderman O'Neil stated if the Finance Officer can follow up with us about what that other account is called.

Alderman Lopez stated I want clarification for the Finance Officer and others. I would hope that the \$30,000 that you are speaking of is not from the Cashin Fundraiser. Is that correct? Isn't that the 501-c3?

Ms. Vigneault replied there are two different ones. The 501-c3 stipulates in the paperwork that that is not to be touched for administrative costs.

Alderman Lopez stated that's correct. I just wanted to point that out.

Alderman Shea stated I'm going to be adversarial because I feel that you were asked to come in with 98.5%. If everyone in the City came in with 1.5% that's fine, but if someone decided not to then why would someone else not accept that premise and ask the Mayor why should I? I think from a very practical sense, I think you should have come in and we did discuss this. If you came in with 1.5% your budget would be \$249,945. That would be \$3,775 less than what you have. You would have to make up another \$11,000. I think that from a morale point of view, as a department when you are asked to do something you should do it. I played sports and if the coach said to me that I was suppose to show up for practice or do something and I didn't, I wouldn't last long on that team. I think that if we are working together, Barbara, that is the responsibility that I

think, not speaking for anyone else on the Board, is up to you to come in with what you were requested to come in with and then work together. Certainly no Alderman would deny any department any funding that is necessary for that department to function. Again, I'm sorry for this public chastising, but it is true. That is what you should have done. I'm not speaking for you, but if everyone followed your course of action, we would be in here reprimanding other department heads.

Ms. Vigneault stated the reason it is at the \$260,000 is because the salary amount includes the contractual agreements and from my understanding that is what other departments are all coming in with. That is why it is that. We would have to come in with the 2010 figure and you are right that it would come in without that \$10,381 for the contractual agreement plus the other \$2,000 which we would have to make up. That is the reason why it is before you like this so you had an equal opportunity to see what it would be with the full complement. If we were to come in with the \$247,000 then it would mean that we would have to do a layoff.

Mayor Gatsas stated let me stop you right there because the discussion that you and I had were that there were no layoffs. I told you that you had a \$30,000 that you could deduct the \$13,000 from. My understanding is that you can get to the \$147,000 without any layoffs and take money out of that fund just like the Library did.

Ms. Vigneault stated that's why that comes in that way. I just wanted to make sure the Aldermen understood the change.

Alderman Shea stated I'm aware of the change, but I'm not concentrating on that. I don't want to reiterate what I said, but you were suppose to come in with 1.5% predicated upon the 2010 budget and I'm saying that you didn't. You are saying that the reason you didn't was because...everyone else could say the same thing, Barbara. Tim could say the

same thing and so could the Librarian because all of them are subjected to the same rules that you are being subjected to.

Ms. Vigneault stated I'm saying that if we come in with this \$12,406 and we identify from that figure, we will be coming in at the 98.5% budget

Alderman Shea stated you should have come in with that and you didn't. That is what I am saying. On the statement that you sent, it was \$251,695 and your 2011 budget is \$260,326. Basically, the 2011 should be \$249,945. That is what it should be rather than \$260,000. There should be a difference of \$3,775.

Alderman DeVries stated I think it was electricity utilization was a problem for you in 2009. I think you are having difficulties again. Do you know what you are on course for with your utilization this year and do you truly expect that budgeting the same amount for next year is good budgeting?

Ms. Vigneault replied the amount is the same. Some of the recommendations were that we increase it by 5%, but in order to come in with figures that are low enough we were not able to put that increase in that amount. This year, we are hoping that we do come in within...I think it was about \$3,000 or so over before. If you noticed on the natural gas we were able to take out \$500 because that came out lower. I understand that natural gas has dropped a little bit. We're hoping that it does meet the line item.

Alderman DeVries stated I don't think I heard the answer I am looking for. This year you do expect to have a budget shortfall on that line or do you not?

Ms. Vigneault replied no, I think we'll be all set.

Alderman DeVries asked you think that by the end of the year you'll be okay? Did you do a sort of prepay or something? We lose track.

Ms. Vigneault replied I'm hoping that we will come in on track. It will be close, but I'm hoping that it will be alright.

Alderman DeVries stated it is still not clear to me why you don't have access to the \$30,000 or if there is more than one \$30,000 account.

Mayor Gatsas stated there is more than one, Alderman. There are two pots of \$30,000.

Alderman DeVries asked two pots of identical \$30,000?

Mayor Gatsas replied I think one is \$32,000 and the other is \$30,000.

Ms. Vigneault stated one is a 501-c3 that can't be considered, but the other one is money that is fundraised for programs and activities.

Alderman DeVries stated if I understand, if for some reason that is not touched, I'm sure you will be back before this Board because as Alderman Shea indicated, we're not dealing with \$260,000, but with laying off or something else. I'm sure the Mayor will have you back before us if there are any problems.

Mayor Gatsas stated I'm sure they will be right here because the elderly are very close to my heart.

Alderman Lopez stated if I may follow up with that Alderman Shea was saying, you give us the problem and we will solve the problem. I think that is where he was going. If you come in and say that you need \$247,000 to comply and what problems are going to

exist whether you have to lay off an employee or go to part-time, but we know that we have a fund over there and we know we can get that revenue. Will you let me get \$12,000 and keep me whole? That is what we are really saying and I don't think anybody is going to not agree with that. Is that fund the Senior Center fund and not the senior's fund or another group?

Ms. Vigneault replied it is not another groups'. It is the Senior Center fund. It is program money. When seniors come in there are programs and activities that a portion of that money goes to so that we can provide them with social events, parties, free classes and different things like that. We substantiate the activities for them so they are not paying big fees in order to attend the Senior Center. We're trying to make it affordable for people.

Alderman Lopez stated I wanted to mention to the Board that the Cashin Senior fundraising 501-c3...we just bought the Senior Center a 55 inch TV. I think they are enjoying that very much. We do provide a lot of things outside the operating budget that we try to help them with. As we go along, at some point when we talk about revenue if we commit that \$12,000 that is where the \$260,000 is going to come in. Do you agree with that?

Ms. Vigneault replied I think that in these economic hard times we do need to look at that and help out with some initial...

Alderman Lopez interjected when can you get an answer to that about the revenue?

Ms. Vigneault asked when could I get an answer?

Alderman Lopez replied yes.

Ms. Vigneault stated tonight.

Alderman Lopez asked you are committing the \$12,000 revenue in order to make the \$260,000?

Ms. Vigneault replied yes.

Alderman O'Neil stated it is not to make the \$260,000. The number should be \$247,920. Correct?

Mayor Gatsas replied correct, but then the \$13,000 that she has in that other account can be brought into the account that she needs for \$260,000. In other words, she is coming in with a budget of 98.5%. There is other funding that she can use to subsidize to get to her \$260,000, just like we did with the Library the other night. They had that late fee account of \$92,000. We told them to use \$31,000 to balance their budget. We're telling her to use \$13,000 out of that budget that she has. Where is it being held? Is it being held in the Finance Department?

Alderman Lopez replied it would have to be transferred to the City as revenue.

Mayor Gatsas stated but my question is where is the account. Who is supervising that account and why isn't it in the Finance Department?

Ms Vigneault replied we are. The money is under the City's tax ID number, but it is in a bank.

Mayor Gatsas asked who is the signatory of that account?

Ms. Vigneault replied two people, myself and one other staff member.

Mayor Gatsas stated let us have a conversation tomorrow with the Finance Officer. I think it should come in house. If you people want to deduct on it you should have that ability because it is your account, but I think it should be under the guidance of the City.

Ms. Vigneault replied okay.

Mayor Gatsas stated obviously it is money that belongs to the seniors who have contributed to that fund.

Ms. Vigneault stated the reason that it is that way is because most of the money is from trips so the trip money has to be turned around very quickly in order to pay people back for trips that are cancelled or the trip companies have to be paid right away. There cannot be a billing process that takes 30 days in order to pay for these things. Because of that, it was approved that we would be able to use this account to do that.

Mayor Gatsas asked who approved that?

Ms. Vigneault replied the Board.

Mayor Gatsas asked this Board?

Ms. Vigneault replied it went before one of the subcommittees of the Board.

Alderman Lopez stated that was years ago.

Mayor Gatsas stated we'll take a look at that.

Alderman Lopez stated they needed to turn it around pretty fast.

Mayor Gatsas stated I understand that. Next we will hear from Intown. Just for clarification for the Board, I know that they don't participate as a department of the City, but certainly there are funds that are taxable that go into their budget and I thought it would be appropriate for this Board to at least review these line items and see where they are. I know that there are bills that I have been seeing for the last 30 days that we pay for out of our budget, but they are really Intown expenditures. I thought it would be appropriate for them to come in and talk to us.

Alderman Lopez stated I want to make sure that we are going to explain the Central Business Service District to the Aldermen.

Mayor Gatsas stated sure, and I think it is appropriate that our new Aldermen understand where it is and if you want time with Stephanie I'm sure she will give it to you to address any questions you may have. Let's get into the discussions about what the Central Business Service District is and what it comprises of and what the mission is.

Ms. Stephanie Lewry, Executive Director of Intown Manchester, stated we are a downtown management company. We manage the Central Business District. Beside me is Ben Gamache who is the Chairman of our Board of Trustees. Our Board of Trustees is made up of property owners and stakeholders in the downtown district who pay the tax that funds our organization. Our organization is funded by a surtax. It is not part of the City budget. The property owners receive two tax bills. One is a bill that pays their regular City tax and then they get another bill which is called the CBSD, or the Central Business Service District Tax. The tax rate on the Central Business Service District is \$.37 per \$1,000. In our district, 75% are small properties, generating about \$200 a year in revenue towards this organization and 25% of the properties generate over \$200 and up to \$4,000 a year to this organization. My budget that you see in front of you is generally over \$300,000. It varies based on my program revenue. The steady part of my budget is always what the tax brings in. At the current tax rate, which has been the same for a

number of years now, my budget has been, until this year, \$244,000 for the last four or five years. This year, with the expansion of the Central Business Service District down through South Elm Street to Queen City Avenue, my budget was raised to \$257,800, which increased it by about \$13,000 for the South Elm Street properties. I can get into more descriptions about our boundaries and properties and so forth, but I wanted to let you know that in your packet you'll see a pie chart that looks like sources and uses. It basically breaks down the sources of our funding, none from the City government. It is \$257,800 from the Central Business Service District Tax and then the rest are privately funded program revenues. Right now on that budget you will see \$87,135 that I project for this year in private funding. You can see that that is close to a third of my budget that I raise outside of the City tax. It is very important that I raise this extra revenue because my costs are more than what the tax generates. The costs include paying for six employees. Three of my employees are outdoor maintenance people. We have a dump truck, a green machine, which is a sidewalk sweeper, another sidewalk sweeper that picks up sand, so I have two very large sidewalk sweepers and a small tractor as well as other outdoor maintenance equipment that my people use. In addition, I have three indoor staff including myself. We do events, programs and communications from our office. I did want, before we got into detailed discussion of the budget, to let you know that the budget that I have presented to my Board of Trustees this year is actually 4.2% less than last year's budget. I can go into detail about my budget if any of you have any questions.

Mayor Gatsas stated I met with Ben and Stephanie to go over their budget and there is no question that I think that Intown does a commendable job. Some of the discussions that we had that I would hope that the Chairman is going to look into is the space that they are renting at about \$18 per square foot in the location that they are in.

Ms. Lewry stated no, it isn't that much.

Mayor Gatsas stated I think if you include your cams you are that much. I'm sure Mr. Gamache can give you an explanation of what I am talking about so that you understand that the space that you are in doesn't necessarily need to be where it is. My understanding is that in Nashua they pay \$200 a month for the space that they are in. When you start paying over \$20,000 for space, those are things that can be utilized in different directions. Instead of the City looking to buy four containers for trash it can come out of that \$5,000. I think it is important that we go through these numbers and understand that once Mr. Gamache has an opportunity, he was just elected president, so I haven't pressed him on the budget, but I'm sure he will be pressing you on the budget because I know he has concerns for taxpayers dollars where he has some of the property that is in that zone. It may not seem like a lot, \$.37, but when you start talking about \$278,000, that amounts to quite a bit. I think that once he has an opportunity to go through the budget you will see that you may have a surplus at the end of the year.

Ms. Lewry stated that would be nice.

Alderman Greazzo stated I have a question about the separate tax bill that you send to the businesses. Do you have taxing authority?

Mayor Gatsas replied the Board did that a long time ago. We set up that taxing authority. We have the ability in the business zone to do it so it was done. She didn't do it, we did it.

Ms. Lewry stated the bills are sent out from the City.

Alderman Corriveau asked could you give me a description about what Intown does? I understand that there is separate taxing and apparently you have the Central Business Service District. New people on the Board need the information.

Ms. Lewry replied Intown Manchester is a downtown management organization, sometimes referred to as a business improvement district. Business improvement districts are legal entities across the nation. There are about 400 of them across the United States and another 400 in foreign countries. It is a way that cities are able to get extra services for their urban areas when urban areas need extra services in a city without affecting the general budget of the city. The concept is that those who need more services pay for more services. It seems unusual, but in New Hampshire, anyone would agree to pay an extra tax. I have to admit that had we not had a recession in 1990 and the City commissioned a study to try to figure out how to position ourselves for the 21st century, we may not have gone the route of a special business improvement district, but the City did. I have been associated with the organization since I was an intern doing a master's degree at SNHU. I came in as an intern and have been with the district all the way through. It has been 13 or 14 years. We provide cleaning services, sidewalk litter removal, sidewalk sweeping, we remove graffiti from the buildings that are within our district, pick up trash, and clean alleys.

Alderman Corriveau asked do you pick up recycling?

Ms. Lewry replied we don't do recycling.

Alderman Corriveau asked is there talk about doing that?

Ms. Lewry replied yes, I'm talking with the Highway Department about instituting a recycling program. There are financial reasons why it hasn't happened yet, but we would like to do that. In addition to the cleaning services that we need and because we are a district that has high pedestrian activities, especially with the nightclubs and so forth, there is a lot of debris that has to be picked up on a regular basis. We also do beautification services. We plant the flowers that are in the parking lots and the City parks. We do the street banners that are along Elm and Commercial Streets. The revenue

that we raise from the street banners funds our beautification program. We do outreach to all of the downtown businesses and we promote downtown businesses. We have bi-weekly communications, an e-news letter that goes out and informs people what is going on. We have other publications that we do and I can get into more detail, but it is all to promote businesses with the goal of increasing property values.

Alderman Corriveau asked could you tell me about the boundaries of the district? It starts at Queen City Avenue and runs north through the Millyard?

Ms. Lewry replied it is about the Amoskeag Bridge to Queen City Avenue down to the Millyard. One section of our district is mostly bordered by Elm Street to the west, and in the central area goes up as far as Pine Street. It includes Victory Park and the Victory Garage and then comes down.

Alderman Osborne asked can you tell me how many square feet you have where you are?

Ms. Lewry asked in my location?

Alderman Osborne replied yes.

Ms. Lewry stated about 1,450.

Alderman Osborne stated that's not a big space. It is \$18 a square foot that you are paying. Is that net?

Ms. Lewry replied you will see on here that my rent is \$18,000 and I have a common area maintenance fee, which has risen over the years because of vacancies. That is

another \$1,500. Part of that is the Intown tax that is attributed to all businesses within that building. I pay most of the tax if I am the only business that is in that building.

Alderman Osborne asked what is the total?

Ms. Lewry replied \$19,950.

Alderman O'Neil stated you and I have spoken numerous times over the past few years regarding my interest and that is the maintenance side of this. Just to make sure that I understand this correctly, all salaries and benefits associated with the three maintenance workers is \$87,363, correct?

Ms. Lewry replied that's correct.

Alderman O'Neil asked are they full-time or part-time?

Ms. Lewry replied I have two full-time and one part-time.

Alderman O'Neil stated if you go to 6601, which is the support line item for the maintenance...for instance, isn't the City already doing graffiti removal?

Ms. Lewry replied the City has a graffiti removal van and anybody can call the graffiti removal van if they are interested in having graffiti removed. My cost there is for paint.

Alderman O'Neil asked and the insurance is on the pickup truck that you have?

Ms. Lewry replied I have several vehicles. I have the pickup truck and the gator that I have insurance on.

Alderman O'Neil asked you are paying for trash disposal?

Ms. Lewry replied right now I am not paying for trash disposal.

Alderman O'Neil stated that shouldn't even be in there then.

Ms. Lewry stated yes, I can take that out of there, except for in the cases when we have unusual things that we have to dispose of.

Mayor Gatsas stated the other thing I think you should notice, and I think it is this Board that has to do it and I will bring it forward, is line item 6950. Right now they are paying \$3,200 for three employees. I would think it would be in the best interest of the City if we gave them three spaces on Bedford Street so those employees could park for nothing, just like how we have employees for the City who park for nothing. I think we have to have a vote of this Board to do it, but I don't think that would be a problem. At least, I would hope it wouldn't be a problem.

Alderman O'Neil asked where is that?

Mayor Gatsas replied it is under line item...

Ms. Lewry interjected actually where you will see that is under the salary and benefits, 6950.

Mayor Gatsas stated it is on the very first page, Alderman, probably 15 lines down.

Alderman Lopez asked did I miss something in reference to your management contract? Could you explain that a little bit?

Ms. Lewry replied actually, you didn't miss it. I neglected to mention that. If you go to page two on the budget sheet, you will see a line that divides my unrestricted income from my restricted. Is that what you are talking about? The management that we do for various programs?

Alderman Lopez replied that was a second question, but go ahead and answer that one.

Ms. Lewry stated under restricted revenue, that is revenue that comes in and goes out. We run programs, many of you are familiar with the summer concert series that have run for a number of years. That is a CIP funded event. We run those events and then we get reimbursed from the City for the amount that they have allocated for us. It is the same thing with several others things that we have done through the CIP process. To clarify what I have done in that line item, I have a FY10 allocation for \$11,000. That included an allocation from Mayor Guinta for a movie program in Veteran's Park rather than run an entertainment series. That was at his request. It was an \$8,000 item. There was \$3,000 for the tent. Many of you remember that it cost a lot more than \$3,000 for the tent last summer, but that is what we were allocated. In FY11, my CIP request, which was even more than I have down here, but I got my knuckles wrapped for thinking too big, was \$20,000 for summer entertainment. We're hoping that we will be able to erect the tent and remove it for that amount of money. If there is anything left over we can put on one show. I have \$5,000 for a charrette, which we would like to do on South Elm Street.

Alderman Lopez stated let me go back to the first question, which is the agreement that you have with the City. The contract is going out for bid. Is that correct?

Ms. Lewry replied my contract has been extended until June until the City can decide if they are going to go out to bid.

Alderman Lopez stated you are coming in with a 2011 budget, not knowing if you are going to be here then.

Ms. Lewry stated that's true.

Alderman Lopez stated that is an issue that I need to talk to the Mayor and the Board about. Have we gone out to bid yet or are we still waiting? Waiting for what I don't know. First of all, I don't think anybody can do the job that you do. The Board decided to go out.

Mr. Maranto replied we have been directed to do another RFP. We have not done that. We anticipate doing that in early February.

Alderman Lopez asked how long is that going to take you?

Mr. Maranto replied it will probably be about a two month process, Alderman.

Alderman Lopez stated we need to have some discussion as we move forward as far as this goes. Mr. Gamache is going to look at some other avenues. I'm sure he's going to work with the Mayor.

Alderman Shea asked what is the RFP for? I'm not sure

Mr. Maranto replied the Board voted to go out and do another solicitation for services to see who is out there and might be interested in doing the service for the City. As I believe Stephanie said, they are under contract with the City for the services in the district.

Alderman Shea stated in other words, you are saying that the job that is now being done by Stephanie and her Intown agency could possibly continue or could possibly be

replaced by another services that the City would then take over. Is that what you are saying?

Mr. Maranto replied we would identify the desired list of services that the City wants to do. The CBSD Advisory Board makes a recommendation to the full Board for what services there are. We then send out the request for proposals for this, which Intown would certainly submit a proposal for. When you are looking at a proposal you are basically looking at specific experience for the City and other criteria that you would use to evaluate who you would select.

Alderman Shea asked would the same kind of funding be available under a RFP that you are developing or is that going to change?

Mr. Maranto replied Alderman, the City is allowed by state statute to collect a special assessment. Those funds come to the City. The Plan Director has responsibility for that budget. Those funds are then utilized for whatever services the Aldermen wish to use. Back in 1996 they desired to do a proposal and that was the genesis of Intown. They had a contract with the City for initially three years and then it was renewed for another three. We have been doing it for three years on an annual basis. To be fair to Intown, it is difficult for them to plan appropriately into the future if they are on a one year basis.

Mayor Gatsas stated the conversation that we had a few days ago in my office, the clarity is that if they come back and work on this budget and come forward to us in the next two weeks. This Board may take a motion of reconsideration or take a motion that we don't need to go to a RFP, but I think it is important that when you look at a budget and someone tells you that they are in a deficit that something has to change in that budget. I think it is clear, that as I have been talking with Aldermen, the tent in Veteran's Park needs to be constructed. It shouldn't be something that Intown is looking at. It should be something that as a City we are doing because there are an awful lot of other

people who participate. We shouldn't be looking at Intown having to do it. Somehow it should be coming in house and it should be done by Parks and Recreation. That is a CIP issue that they shouldn't have to have. I think there are other things as you look through the CIP budget. Let me give you an example. There is a budget of \$12,000 that you see here for Christmas lighting. We spend about \$1,200 to string light at the Massabesic Traffic Circle. I think that is a great place to put the lights, but when we pay \$1,200 when we have firemen who I know would go out and do that to help the community is silly. I think that is a pretty simple request. I don't think we are asking too much. I talked to the Chief about it and he thought it was a good idea. We're not asking them to string 200 trees. It is one tree at the Massabesic Traffic Circle that has been a tradition in the City. I think it is important that we look at this budget. I understand that a lot of discussions in the past haven't been focused on what that money is spent for. When we start spending \$10,000 on Christmas lights, I think that in these economic times we need to take a new look at it. The snowflakes that go up and down Elm Street are nice and they should be left there, but maybe the wreaths that were hanging should be artificial wreaths that we can hang every year and buy good ones and not put up real ones. I think Mr. Gamache came up with that idea. Leaving white lights in trees year round is a good thing. Rather than putting them up and taking them down and having that cost incurred, I think we should buy some LED lights, put them up and let them sit there for the year. I apologize, but I think it is a clarification and I'm will to work with Ms. Lewry.

Alderman Shea asked are you saying that they have a deficit, Your Honor?

Mayor Gatsas replied if you look at their budget, and I'm only looking at the budgets that I see, in 2009 and 2008 in the \$12,000 figure that is in my budget that was overspent. I think that everyone needs to be cognizant of where we are spending dollars and how we are spending them. Just because it comes to the Mayor's office doesn't mean that you can arbitrarily spend. Right now I am looking at an electric bill of \$800. I'm not too sure where the money is going to come from to pay for it. I know that Intown was kind

enough to send a check along with a letter for \$4.01. I'm not too sure what that was all about. When I'm looking at an \$800 bill and someone sends me a check for \$4.01 I would appreciate that we pay the \$4.01 and you pay the \$800.

Ms. Lewry asked may I address that? It has been tradition for years that the funding for Christmas lights comes out of the Mayor's office. You walked into a hornets' nest because you don't want that in your office and I can appreciate that. The \$400 of electric bills is for the month of December and it is about \$300 for January and \$285 for November. Those three months are the months that we generally run the snowflake lights up and down Elm Street. Today the Traffic Department turned off all those lights so we won't be incurring any more bills. I heartily agree that if you would like to go another route and put LED lights in the trees along Elm Street and use them year round that that would be a nice accent in the downtown that we could use at all times.

Alderman Lopez stated your explanation is well accepted and it is a judging act with Intown because they have a Central Business Advisory Board and they have an Intown Board and then we have the Board of Mayor and Aldermen and everybody tells Stephanie what to do. I agree with all the comments that were made, but my only thing is that we can fast track this, because I think planning is the most important thing. We can decide as a Board, or go back to Committee after the Mayor has reviewed it with the chairman on the budget, if we are going to change something in the agreement, whatever the case may be. If it is going to affect the agreement then I think that comes into play and then Sam has to look at that if we are going to go out for an RFP so everything goes out in the right direction. As most of the other Board members who have been here know, I was totally against going out, but it was the Board's wishes to go out and maybe additional information can come in so we don't have to go out. It is a good process. I've been told it is a good process to go out, but I don't think that you are going to find, I could be wrong, anybody who is going to do a better job than Stephanie in my opinion. Alderman Long has been appointed as Intown's Aldermanic representative. Maybe

Stephanie could give some sort of structure or paperwork to the other Aldermen or all the Aldermen to refresh the mission statement of Intown and some other things because we heard a lot up here and sometimes it is easier to take it home and read it and then you can come in so we can talk to you. I didn't know that the Mayor's office paid for lights. The Mayor's office has a little leeway in comparison to the Aldermen. We'll get there.

Alderman O'Neil stated I agree that the snowflakes look very nice as long as they go up on November 12th. I'm curious about the Mayor's office. If I knew that, I forgot about it. When we approve the Mayor's budget do we approve that the Mayor's office pays \$12,000 for the lighting?

Mayor Gatsas replied along with, which I don't have a problem with, the senior lunches that we have twice a year at about \$10,000. I have been trying to find out where that money is. I'm willing to reach that 1.5% that I put on everyone else, but I am certainly looking for this Board to take a peek at how we rearrange what we do so there is clarity so everybody knows what we are spending money on. I think that is the important issue.

Alderman O'Neil stated just one final issue. I don't necessarily agree with Alderman Lopez that we can bring some closure, but I do believe, and maybe I need to step up on this because I keep talking, but maybe I need to walk the walk, we can do a better job on the maintenance side for the amount of money that is spent. I have some thoughts on that and maybe need to present something to the Mayor and the Board at some point not too far down the road.

Alderman DeVries stated the CIP amount...are you coming in Saturday to present to us on CIP?

Mayor Gatsas replied I think what you will find is there are some sheets that we are going to distribute this evening so everybody has them. The requests that have come in on CIP...I've sat with the Chairman of that Committee and also the Chairman of the Board and we have gone through them for the first time so everyone could see them. I think on Saturday I was looking for general discussion from people and then if we want the agencies to come forward, rather than having them all come in on a Saturday, we can selectively have them come in. I think you will find that as we go through the process, it is not a comfortable place to be. It is the decisions that this Board is going to have make on where we go forward and how we look at the CIP budget. I think it is in a different format that I believe is easier to follow, especially for the new people, because when I first came here you looked at section one, section two, section three and you were kind of lost. For the first year, you put it away and let the other people make those decisions and maybe after a while when they start talking about projects across the City you question why there isn't one in my district. I think this format lets you see much easier and is much easier to follow and I hope it is beneficial for everyone. When we finish with these discussions, I will have Matt pass those out so we can all take them home to read them.

Alderman DeVries stated thank you, Your Honor. I think what I am looking for out of your agency is just to know about the \$8,000 spent on movies. What was the value to that? Was it well received versus the concert that we all got a lot of feedback on? I didn't hear anything on the movie piece. If you could help us understand if that was well spent this past summer...

Ms. Lewry stated I feel that the vendor who contacted the Mayor's office and said I have a large movie screen and I can do outdoor movies...many people have thought of the idea of having outdoor movies and I know the Hippo Press did it one or two seasons a few years ago. It seemed, I'm speaking for the former Mayor and his office and their effort to try to reduce the CIP, that they decided that last year was the year to try movies. We went

at it enthusiastically and the company that did the movies and put the screen up were extremely professional. The issue is that the turnout was abysmal. We had roughly 300 or 350 people at those movies. It did nothing for an economic spinoff. I would not recommend doing the movies in downtown. I think it would be a great thing for one of the neighborhood parks though.

Alderman Ludwig stated I would like to say that over the years I have worked with Stephanie. We couldn't always help her the way we should. She did an excellent job, in my opinion, of being out there and trying to...maybe because Parks does it also, we have to beg for things and that is typically what she has to do. We can sit here and say that she is paying too much for rent, that's probably true and we could do better, and I know we have people in the room like Mr. Gamache and yourself, Your Honor, who will help her do that and I think we could talk about, as my colleague Alderman O'Neil talked about, doing maintenance a different way, but the fact of the matter is that she has all these things thrown at her. I'm not sure that she is always in the position to go out and get the best things, but they are thrown at her. I'm not sure it is quite fair, but if we get together for a change we can help. I've seen this go on for a number of years. She would ask us to do things for free and I would tell her no that we have to charge her. It is really a crazy thing. If departments are working together and being funded adequately as they should, Traffic and Parks would be able to help her without complaining when she called. I think we could do a much better job in terms of collaborating. I'll end on that I think you should get ready for the Fourth of July because I think the Mayor pays for fireworks, too.

Mayor Gatsas stated I can appreciate that and we would never shut off the fireworks in Manchester.

Alderman Long stated personally, I think Stephanie does a very good job. I certainly appreciate that in these economic times we need to be cutting. However, I'm also a firm believer that in these economic times, we need to give something to our residents in

Manchester and there are some great events that draw the residents together and we need more of that because they're not going to the beach. It is an opportunity to bring our community of Manchester together in the downtown area whether it is a concert or eating on the sidewalks for lunches. Those are very successful. Those are things that draw someone from Concord or Merrimack or elsewhere saying what a great idea. I was in Manchester and I was having lunch and there was someone playing piano on the sidewalk. It leads to opportunities if we do that. It is the same with the lights. I remember as a child coming downtown. I was a child so there probably were not as many lights as I thought there were, but there were a lot of lights and it was an exciting time to come downtown during Christmas just to see the lights. Keep that in mind as we go forward on this.

Mayor Gatsas stated thank you for the suggestion, Alderman Long. I'm going to put those in the Aldermen's budget. One more minute and we'll be out of here. These are the CIP numbers that we have put together. Certainly, I think it is important that everyone has the opportunity to look at them.

Alderman Shea asked is there a comparative analysis? That is to say, do...

Mayor Gatsas interjected on this report it will show..

Alderman Shea interjected what they had last year...

Mayor Gatsas interjected it will show what we gave them last year, what the request was and how we are funding it. I think it gives you a complete idea of what is there.

Alderman Shea asked and what they want this year, too?

Mayor Gatsas replied correct, it is all on there. It gives you an opportunity to take a look at it in the next two days. When we meet on Saturday if there are specific ideas you want to change certainly it is up to this Board.

Alderman O'Neil stated I just want to recognize Sam Maranto. He put in an awful lot of time. I'm not even sure he got a coffee break one day, which may be a violation of labor laws, but Sam worked his tail off on this and I would like to recognize him.

Mayor Gatsas stated he did a great job.

*There being no further business relating to the FY2011 budget, on motion of **Alderman Lopez**, duly seconded by **Alderman O'Neil**, it was voted to adjourn.*

A True Record. Attest.

City Clerk