CHARTER COMMISSION

February 19, 2003 **5:00 PM**

Chairman Dykstra called the meeting to order.

The Clerk called the roll.

Present: Leona Dykstra, Bob Shaw, Donna Soucy (late), Brad Cook, Patrick Duffy, Keith Hirschmann, Leo Pepino, Nancy Tessier (late), Michael Wihby

Messr: Deputy Solicitor Arnold

Chairman Dykstra addressed item 3 on the agenda:

Minutes from meeting held February 12, 2003.

Commissioner Duffy stated first of all, which minutes are we talking about? We just got the ones from February 12, so I assume you're talking about the fifth.

Deputy Clerk Pieuch stated at the last meeting, you accepted the minutes from February 5th. February 12 minutes were just handed out tonight, so you may want to hold off. We can put that on next week's agenda.

On motion of Commissioner Hirschmann, duly seconded by Commissioner Cook, it was voted to table the item.

Chairman Dykstra addressed item 4 on the agenda:

Motion to place the ward boundaries in the Charter.
(Tabled 2/12/03 pending Solicitor opinion on whether the boundaries can be referred to as an appendix rather than having all the language in the charter.)
Note: Report to be available by meeting.

On motion of Commissioner Pepino, duly seconded by Commissioner Hirschmann, it was voted to remove the item from the table.

Deputy Solicitor Arnold stated you certainly don't have to list the boundaries of the wards within the Charter. You could do it in an appendix if you so choose. That would still be a portion of the Charter, or you can do it similar to the 1983, which basically said that the City shall be divided into several wards. Here you probably want to say will be divided into 12 wards as you've done and shall remain as presently constituted until such time as they are changed by law.

Chairman Dykstra stated and then in the appendix, you'll have the boundaries.

Commissioner Pepino stated there's something wrong with that. The City shall be divided into 12 wards. We should specify the ones we have now, or it can be changed next week by the Aldermen.

Deputy Solicitor Arnold stated no. If you say that they shall remain as presently constituted until such time as they are changed by law, you'd be referring to the list that is in the present Charter.

Commissioner Pepino stated that's the way I want this. I'll move.

Commissioner Shaw stated you're moving the way he described it.

Chairman Dykstra stated basically to make it an appendix to the Charter, is that correct? You making a motion?

Commissioner Pepino stated appendix is okay, as long as it's tied to the Charter.

Chairman Dykstra stated seconded by Commissioner Shaw, that the boundaries be an appendix to the Charter. We're going to discuss it now. We're open for discussion.

Commissioner Pepino stated that's it.

Commissioner Hirschmann stated my question is if it's an appendix, does it still have the teeth where it takes a Charter Amendment to move the boundaries.

Commissioner Pepino stated the solicitor said it was an appendix to the Charter, it's the Charter. It's part of the Charter.

Chairman Dykstra stated it's part of the Charter.

Commissioner Shaw stated then I withdraw my second.

Deputy Solicitor Arnold stated if you did it as an appendix, it would be part of the Charter and subject to the Charter amendment or revision process. You could also, which is what I originally suggested, rather than even putting that in the appendix, you could say that the City shall be divided into 12 wards which will remain as presently constituted until such time as they are changed by law.

Commissioner Pepino stated I'll move on that language right there.

Deputy Solicitor Arnold stated and that would essentially refer back to the language that is in the present Charter.

Commissioner Pepino stated that's good language. That's better language.

Commissioner Hirschmann stated I'm all set.

Commissioner Cook stated just a question for clarification. As I understand it, every time there's a decennial census, a committee of some ward boundary committee that generally is not politicians but people who are experienced in those things come up with new proposed ward boundaries. How is it that they get adopted? Do the Aldermen adopt them, or do they submit them to the vote?

Deputy Solicitor Arnold stated that was a Charter Amendment.

Commissioner Cook stated so it was submitted for a vote of the new…so then, the follow-up question to that though that has always intrigued me is what if they vote it down? Because you're required by one man, one vote to have the new boundaries.

Deputy Solicitor Arnold stated if it was voted down, I presume it would be subject to court challenge under the one man, one vote rule.

Commissioner Cook stated okay, but it is voted on, and it would be voted on the same way under this language, so we're not changing the process any. We're just taking a bunch of pages out of the Charter.

Deputy Solicitor Arnold stated that's correct.

Commissioner Cook stated okay, that's fine with me.

Commissioner Shaw asked Charter Amendments require what vote from the citizens?

Deputy Solicitor Arnold responded majority vote.

Commissioner Shaw stated one over 50.

Deputy Solicitor Arnold stated one over 50 percent.

Commissioner Hirschmann seconded the motion.

Chairman Dykstra called for the vote, and the motion carried.

Chairman Dykstra addressed item 5 on the agenda:

> Chairman Dykstra advises that the Commission will now proceed with considering remaining items flagged for discussion; and that the Commission may remove Agenda Item 5 from the table for discussion at any time they deem appropriate.

Commissioner Hirschmann stated point of order. There was a tabled item on the back that's put out of order.

Commissioner Pepino stated number six.

Chairman Dykstra stated well if you want. If you want to move on that one first, it doesn't make any difference. That's just the way they put it together. This has to do with the fallback budget.

Commissioner Hirschmann stated usually you go over the tabled items on your agenda. Then you go to other business.

Commissioner Pepino asked you want to move that?

Chairman Dykstra stated wasn't this tabled?

Commissioner Pepino asked you want to talk about it and get rid of it?

Deputy Clerk Pieuch stated item five on the agenda is the entire items flagged for discussion.

Chairman Dykstra stated you can go in any order. I have no problem. If you want to move on item six, that's not a problem. Do you want to remove it from the table?

On a motion by Commissioner Hirschmann, duly seconded by Commissioner Pepino, item six was removed from the table.

> Motion that the salary for aldermen and school board members shall be set at 8% of the Mayor's salary starting in the year 2006; current salary to remain in effect until December 31, 2005; and that the Board of Mayor and Aldermen cannot increase the aldermen's of the school board members' salary.
> (Tabled 1/12/03 pending further deliberation of salary issues.)

Commissioner Pepino moved the Board of Mayor and Aldermen, their pay remain the same. The Mayor will get a benefit package. The Aldermen will not, and I don't know how you can word this in the Charter, but I don't want to see any language of money in the Charter. Money does not belong here. Your Aldermen's pay raise. The Mayor's raise, it's their business. They have to vote on it. It's up to them to take care of their business, not for us to say to do something here that the Aldermen haven't got the guts to do.

Chairman Dykstra stated just for clarification. You're saying that you want the Mayor's salary to remain the same with benefits, the Aldermen's salary to remain the same without benefits and not to be listed in the Charter.

Commissioner Pepino stated nothing should be in the Charter.

Chairman Dykstra stated does everyone understand that motion?

Commissioner Wihby duly seconded the motion.

Commissioner Cook stated there are so many issues running around in the salary issue that I think Commissioner Pepino hit several of them, but whether he hit them all or not, I'm not quite certain, but we have the issue of who sets the salaries because the Aldermen up till this point, the Aldermen have set the salaries for School Board and Aldermen. School Board doesn't set anybody's salary. Mayor is set by Charter unless it's changed by the Aldermen. It's set by Charter. $68,000 is in there. It gives the Aldermen the opportunity to raise it if they want.

Chairman Dykstra asked was it in the previous Charter, Brad, before that?

Commissioner Cook responded I don't remember, but the question…and then we have the benefits issue that comes into it which I haven't got a clue what the majority of people feel, but it was always a surprise to me that people could kind of opt into their own raise. I think Commissioner Shaw's type of proposal or the Providence kind of mechanism that Commissioner Hirschmann just passed out to us where there is a commission set up in the city that's kind of a non-partisan look at the thing, so there is some kind of a mechanism to do this is the fairest way to handle it because very frankly, it gets into a last minute total wrangle where there's political posturing that doesn't put a good face on the process, number one because it always looks kind of tacky, and puts people in a terrible bind because although I've never heard of a system that allows a sitting board to set their own salaries, it's always for the next board. We never have a complete turnover so people are in fact voting on their own salaries, so I'm going to vote against this motion with the hope that we have a follow-up motion, mechanism or that there's an amendment so that we have some automatic mechanism that sets the salaries and not that we leave it to the Aldermen because frankly that'll just cause a mishmash.

Chairman Dykstra stated I'm going to call on all of you, but I just wanted a clarification. Commissioner Pepino, did you want to also include the School Board members in that motion?

Commissioner Pepino responded yes.

Chairman Dykstra stated if so, if you want to amend your own motion, you can.

Commissioner Pepino stated all elected members.

Chairman Dykstra stated but you mentioned Aldermen, and I think you mentioned the Mayor and Aldermen. I don't think you mentioned School Board members. We need that to be clarified.

Commissioner Pepino stated later on I'd like to see the Welfare Commissioner brought back to elected office.

Chairman Dykstra stated but in this motion of the Mayor, no benefits for the Aldermen, same salary for the School Board members and no benefits, is that correct?

Commissioner Pepino stated right. Can I make a point? This Charter we have now, it's the first time a Mayor's salary was ever addressed in that. The Board of Mayor and Aldermen vote for that because when I came on board, the Mayor's salary was 25, and it went to 40 and stayed there, and the last Charter brought it to

68, and as far as getting—it's hard for me to say—even getting a non-political committee to look at anything in this City is a joke. Now, let's make that very clear. And another thing, another thing like Commissioner Cook said, the body voting on their own salary, well I did it when I was here, and I'm in Concord every session. Every two years, I vote for my own salary, and I always vote it down because they try every year. They give us a little bit in mileage and my mileage right now is $15 a day. I cashed four checks today, 60 bucks, four days work. That's the way it works in Concord. That's what I would like to see, and as far as a committee to look at this and being non-political, show me one in the City that's not…I've never seen one in my life, a non-political committee in the City. Never.

Commissioner Shaw stated well, I do want to comment. I don't favor not putting the money in the Charter. I don't care if you give the Aldermen a dollar and the Mayor a hundred dollars his first job for a year. People should make that decision, but I think we should put it in the Charter. We should take away the right of the Aldermen to raise the salaries forever and that if we was to raise the Mayor's salary from one dollar to two dollars, we would put that as a Charter Amendment where 51 percent of the people could vote up or down their wages. I don't favor what Alderman Pepino has said at all on this particular issue. You know, my 70 percent, 80 percent, 90 percent was a method to make it fair, but from the phone calls that I get and talking to people, I haven't met anybody that wants to make the Mayor or the Aldermen's salary fair. Even my own wife doesn't want to make the Mayor or the Aldermen's salary fair, all right. In addition to that, I haven't found a single citizen, and especially because we're self-insured that wants to insure elected officials. I haven't found that, and personally, my own personal view is that I don't want to give a retirement pay to any elected official. Now, that's my own personal view. So, in the beginning, I'm going to vote against Alderman Pepino because I think within the Charter, I think that it only comes up once every ten years or something where people should sit down and think of fairness. Fairness. That's what has to be in each of your heart, fairness. Okay, you do not expect, you know, it's a joke that we pay the people in Concord a hundred dollars. It's a joke, but we can't stop the joke because we're known nationwide for the joke. I mean really, we don't want to change the punch line by paying the people two hundred bucks. That would make us fools.

Chairman Dykstra interjected two hundred for two years.

Commissioner Shaw stated whatever, it's two hundred now for two years. The point is that people shouldn't be governed by people who can't be fair. That's my personal opinion, and as I said, those people who don't want to give the Mayor a raise, then 70 percent won't give him a raise if it's the Governor's salary. It does

tie it to something, okay, it ties it to something, and like I said, pay the Mayor a dollar, what the heck.

Chairman Dykstra stated pay him a dollar, anybody want to move on that?

Commissioner Duffy stated Madame Chair, I think we're discussing the motion that's on the table, and the motion is Commissioner Pepino's.

Chairman Dykstra stated that's correct, I understand.

Commissioner Duffy stated I think there is some merit in terms of his motion with respect to the benefit issue for members of the Aldermanic Board and School Board. I think it's inappropriate that the benefits be part of whatever the compensation package is. There needs to be some recognition for the time put in by Aldermen that certainly are serving the City and spend a great deal of time in that capacity, and I think there needs to be some recognition for it. Secondly, as far as the Mayor is concerned, I do think that in light of the fact there seems to be support for the fact that as the chief executive officer, we need to have compensation that in fact recognizes the kind of skills and talents of a person that we expect in that office. I am in support of what I thought Commissioner Shaw was offering as a suggestion last week, and that is that we tie it to something that recognizes that there are changes over time that we can't expect to set a number and have it last for ten years, nor do I think it's appropriate that the Aldermanic Board make that adjustment because obviously it's not going to come up. Realistically, it's not going to happen, so I'm in support of what Commissioner Shaw has mentioned as an alternative to what the language is in the Charter today.

Commissioner Pepino stated two points. I could almost change my motion to half of what Commissioner Shaw said. Now, I'm going to go back a few weeks. You were carrying that paper in here every night and showing it to everybody. You wanted everybody to read it. We all read it. It said one day on the front of the newspaper, "The City is broke." And then it went on to say, "Our City has been mismanaged" with the ten percent tax raise, eight percent, whatever it was. Then it went on to say, "The Charter Commission is looking to give these mismanagers a pay raise." Now, I read that. I'm part of this Charter Commission, and I believe what I read.

Chairman Dykstra stated don't look at me. I certainly agree.

Commissioner Pepino stated that's my point.

Chairman Dykstra stated Commissioner Shaw, they keep talking about what you're proposing. I think you were supposed to look and see how much the

Mayor was supposed to be getting under your proposal and to come up with anything.

Commissioner Shaw stated one of the things we received, a communication from the City Clerk. If that is still out there, if we're going to do the recommendation of the City Clerk, and the failure was this, we should have received the information from the City Clerk and filed it. There's a motion of the floor, so we can't do that, so this perception of people that we're going to follow along, and we're going to give the Aldermen this kind of money or this group is fictitious. I don't know of a member on this thing that accepts the City Clerk's recommendation. Maybe there is one person, but I don't know him speaking to me about it. What I had tried to do, Alderman, was this, to set a salary that would only gain marginally. People are not going to pay the Governor of this State very much money to do his job, and so 80 percent. That was based on 68 today is $80,000 ten years ago. It's worth $80,000. No matter how you do it, three percent compounded on 68 comes out to 80. So I picked 80, okay. That was the reason I picked 80. Had Brad Cook and his cohorts gone along with my suggestion, the Mayor of Manchester today would be paid 81 thousand, something dollars. We wouldn't even be arguing the issue, okay. Nobody accepted my suggestion then, and it's most likely nobody will accept it now, but let's just presume you don't want to give the Mayor a raise, and you want to tell the citizens of Manchester you don't want to give him a raise, then set the thing at 70 percent. Give him an extra $2000. If the Charter fails because of $2000, so be it, okay. If the citizens are too cheap to pay the Mayor 2000 more bucks, then the Charter should fail just for that.

Chairman Dykstra stated Commissioner, I don't know if you could call the people cheap. I mean, there's a lot of things going on. Taxes are going up, a lot of people losing jobs. Some people can't even afford that. I mean, I don't understand tying people's hands into the future like that. I don't support giving raises. I mean, let me just mention one thing. When I came home from my vacation…a couple weeks ago, I had a message on my recorder from Carol Resch who was a former School Committee person, and she asked me not to vote for the pay raises for the School Board members and not to give them benefits because she said they're part-time elected officials, and they should not get…this is a person that served on that School Committee for many years, and I tend to agree with her.

Commissioner Shaw stated well, she accepted to the best of my knowledge…

Chairman Dykstra asked accepted what?

Commissioner Shaw responded the health care plan.

Chairman Dykstra stated it was there.

Commissioner Shaw stated to the best of my knowledge, okay, and I was opposed to it then, but it isn't just the cost of the health care plan that saddles the taxpayers you know. An Alderman who is not elected is allowed for 18 months to continue the plan, okay. That's bad. Now, if the Alderman who's not elected continues the plan and happens to have a high health care cost, we're talking a hundred thousand dollars in extra benefit to somebody. No, but it's possible. Is it Cobra?

Commissioner Cook responded yeah, it' Cobra.

Commissioner Shaw stated the people are mistaken that the City of Manchester buys the health care plan. It does not buy a health care plan. This is important. It is a misleading thing. What we do, what we do is we self-insure our losses, all of them, 100 percent of our losses, a hundred percent. Now, people who are not elected get to pay a premium, but it's quite possible that the premium doesn't equal the cost. It could. It could equal the cost. We could make a profit on a person who keeps it, but it's a potential. I just learned today that retired people get to keep a hundred percent of the health care costs and pay in to keep their claim, but you see as people get older, we pay up to $100,000. It's an important point. The taxpayers could easily by these…that's why I want to eliminate the benefit because later, nobody, nobody will cost me as a taxpayer $100,000. Nobody. That's what I want.

Commissioner Pepino stated two points. We got Commissioner Soucy, Hirschmann, you, myself, we got four former Aldermen here. There's two points I'd like to make. Do you think if you were sitting on the Board, you wouldn't want a raise? You know the work there's to be done. They say how hard they work. I don't know, I was only there eight years, and I never worked hard, so I couldn't tell you.

Commissioner Hirschmann stated I'll answer that. Every year that I was on the Board, when we voted on the budget, we voted to cut City departments, the Alderman's line item was a department, and we took the pay cuts with everyone else. It never bothered me. I'll lower the salary right now.

Chairman Dykstra stated same with me, and not only that, when I was in the House, I always voted against that for ten years.

Commissioner Pepino interjected me too.

Chairman Dykstra stated for ten years. I was there…it's a citizen form of government. I did it as a thing I wanted to.

Commissioner Pepino asked Commissioner Soucy, do you think it's worth more money?

Commissioner Soucy responded no. I wanted to ask what the current compensation level is as of this time?

Commissioner Pepino responded I think it's around 5000 plus a health package.

Deputy Clerk Pieuch stated for the Board of Aldermen, it's $5000.

Commissioner Soucy stated correct. There used to be compensation and then an additional stipend for expenses.

Deputy Clerk Pieuch stated it's 4000 and a thousand dollars.

Chairman Dykstra stated that's right. You're correct.

Commissioner Soucy stated okay, so it's 4000 and then a thousand dollars as a stipend for expenses in addition, and the School Board's only 2000.

Deputy Clerk Pieuch stated that's correct.

Commissioner Pepino stated I never could figure out why they gave me the thousand dollars for expenses.

Commissioner Duffy stated when you're talking about compensation, it's appropriate to include salary. In this case, you're talking about a thousand dollars for expenses and benefit, so instead of just talking about what the salary is, we need to talk about the compensation for the elected officials. It's all-encompassing, so we're back and forth, you're suggesting, Madame Chair, that somehow or other, you don't want to give a raise, and yet you're not recognizing that some people are getting benefits and other people are not getting benefits. What's the total compensation of a person that's an Alderman, a School Board member that's getting a benefit of health insurance, and somebody else isn't? There's a considerable difference in the compensation of that person.

Chairman Dykstra interjected I can understand that. I have my right to disagree with you, Commissioner. I do not want to give a nickel out, and that's the way I feel about it.

Commissioner Duffy responded well, you're suggesting that somehow or other what is being proposed is increasing. I'm suggesting that it may in fact be a

decrease if you take it all into consideration. Talk about compensation instead of just salary.

Commissioner Shaw stated I think we should split the issue. I think we're getting bogged down with what we think part-time Aldermen should get along with what a full-time Mayor should get, and I mean, I think we should first set the Mayor's salary. Separate that out and then take up the other half of what we think the Aldermen should get. It's not right to lump the two together.

Commissioner Tessier stated he's a full-time employee.

Commissioner Shaw stated it's not right, and it confuses me.

Chairman Dykstra stated this was the first year, the first time we put a Charter together, they put it in. All those previous years we had the Charter, we never ever listed the amount of money they got.

Commissioner Shaw asked is that correct?

Chairman Dykstra responded you don't even like that, the new Charter anyways, so you would think, you would go with the old one. You were the one who wanted the old Charter. Didn't have anything mentioning salaries in it at all.

Commissioner Shaw stated I know, but I had hoped that the vote might be fair enough, Madame Chairman, to see that a full-time elected official deserves a certain amount of salary. Do I think a vast majority of the department heads are overpaid? By far, and why I went to 70 or 80 percent was I would be able to then say, "Look it. If all we're going to pay is 80 percent of the Governor's salary then we're only going to pay 80 percent of the Solicitor's salary, and if you don't want the job, we'll get the Solicitor for God's sake."

Commissioner Pepino stated I'll split the issue.

Commissioner Cook stated there's a motion on the floor.

Chairman Dykstra stated no, no, we're still discussing…a motion that you made.

Commissioner Pepino asked who made?

Chairman Dykstra responded you.

Commissioner Pepino stated all right, I'll split my motion then.

Chairman Dykstra stated well wait a minute now, we're still discussing the motion.

Commissioner Hirschmann stated Commissioner Duffy wants to adequately discuss compensation, so if you started with the Mayor and adequately discussed compensation, the Mayor receives $68,000, U.S. dollars, okay. If you took out a calculator and you took an IRS sheet and said how much is the company car worth and the Visa card that puts gas into the company car, the IRS says that's at least worth $5000. So, the Mayor's salary then would be up to $73,000, and then if you took the Mayor's health plan which is about $8000, the Mayor is then up into the 90s as a compensation package. That's as far as I'm willing to go, okay. That's as far as I'm willing to go. Then, if you look at the Aldermen, Commissioner Duffy is right.

Commissioner Shaw interjected it was separate though.

Commissioner Pepino stated separate issue.

Commissioner Hirschmann stated I have floor. It's part of the motion.

Chairman Dykstra stated he has the floor, and that was the motion, Commissioner. He's allowed. Go ahead.

Commissioner Hirschmann stated the Mayor's compensation all encompassing is an attractive package for a Mayor in my opinion. The caliber that we've attracted…Mayor Baines is a qualified Mayor that's administering the City. He's running for a third term. I'm not endorsing him, but I'm saying that the salary is adequate. In 2010, maybe it won't be adequate, but in today's dollars, it is adequate. As far as the Aldermen go, Commissioner Duffy I agree with you. The health insurance is costing the taxpayers. I agree that we should get rid of that. It doesn't cost necessarily on the Cobra plan because that is a hundred percent pay unless there's a casualty of some sort, but regardless, that should be gone. It should be a flat stipend I would call it for the Aldermen. You called them part-time. We all know that served on the Aldermen's Board, you wake up an Alderman. You go to bed an Alderman. What little money you get, it's like being a State Legislator. $5000 is approximately what they get right now.

Commissioner Soucy asked for the motion to be repeated.

Deputy Clerk Pieuch stated the motion on the floor currently is that the pay remain the same for the Mayor including benefits, that the Aldermen's pay remain the same with no benefits, the School Board pay remain the same with no benefits,

and with no reference in the Charter in the amount of the salary for these elected officials.

A roll call vote was taken. Commissioners Hirschmann, Pepino, Wihby, and Dykstra voted yea. Commissioners Cook, Duffy, Shaw, Soucy, and Tessier voted nay. The motion failed.

Commissioner Shaw stated so the pay issue is dead.

Commissioner Cook stated no. I'd like to make a motion that the Mayor's salary be set at $80,000 commencing January 1, 2004, and that it be increased every two years at the beginning of each term in the amount of the increase of the cost of living index for the New England area calculated since the last calculation of the salary.

Commissioner Duffy duly seconded the motion.

Commissioner Soucy stated a question of Commissioner Cook. And you're proposing that that language be made part of the Charter?

Commissioner Cook responded yes. I'd like to speak to it if I could. I actually had it written down to have the Aldermen and the School Board in it also, but it's easily split. This does several things. My rough calculation, and Commissioner Shaw's calculation on the increases since the last Charter were about the same. I don't believe that you ought to have changes in the salary during a term. I don't think we've ever had changes in salaries during terms. I think there ought to be an automatic mechanism for an increase. This is one. Pegging it to another salary is one. Having a commission set it is one. There are many mechanisms. Probably the most objective one is the cost of living. You'd use the New England area because very frankly if you use a national one, you might have what's going on in San Diego which really has nothing to do with what's going on in Manchester, New Hampshire. He's a full-time employee. He'd have benefits like other full-time employees of the City, and the issue would be off the table in terms of partisanship. My intent would be to make the same motion for Aldermanic salaries at $5000. Forget the thousand dollars of expenses, and some of it's salary, and some of it's this, and some of it's that, without benefits. And make the School Board 3000 bucks. They haven't had an increase forever, but I don't care if it's 2000 bucks or 2500 bucks. I don't care, with the same mechanism for increasing it, again increasing at the beginning of a term, having it stay level during a term, and then this issue is automatically handled and goes away.

Chairman Dykstra asked how much of an increase was that you said, Commissioner, every two years?

Commissioner Cook responded two years, it would go up by the amount that the cost of living index had gone up since the last calculation, so if your cost of living increase…if inflation is at two percent right now and it was two percent for two different years, it would go up four percent. If it was more, it would be more. If it was less, it would be less.

Commissioner Shaw stated well, I think the easiest way…I thought there were other ways we could defeat the Charter when it comes up in September or November, but the easiest way is to give the Mayor a raise. It'll be a political issue. It'll be an unfairness thing because you'll force both candidates to refuse the raise. I do not favor Commissioner Cook's plan at all. If he would modify it to the year 2006, I might favor it, but I don't favor it as…I don't want the Charter to be defeated over wages. People aren't…

Commissioner Cook interjected well, if you want to make an amendment to it, that's fine.

Commissioner Tessier stated I support Commissioner Cook's proposal, and if you look at the cost of the insurance that the City is putting into Aldermen and School Board members, you don't have to be a rocket scientist to know that that's going to be the biggest issue as far as the teachers' salary this year, and I think you're going to be saving money in the long run with Commissioner Cook's proposal if you're taking the insurance benefits away and offering them…what was your… $2000, $3000 for the…three and five?

Commissioner Cook responded I don't care. I had three and five, but that wasn't part of the motion.

Commissioner Tessier stated you're paying more than that on some of those packages for insurance right now for some of these people, so I support that.

Commissioner Duffy stated I also support that. In view of the fact that this current salary went into effect what back in 96 and here we are in 2003, any change that would not take place during the life of this Charter could put it out to the year 2013. To have the same salary from 1996 to 2013 flies in the face of anything reasonable in terms of what we expect to pay for a full-time CEO of the City. So I think we have to come to grips with this and not try to paint this as though…the reasonable voters are going to be able to understand that if we're going to have a chief executive of the City, we have to be willing to come to grips with that. So I do support it. I am sensitive to the point that has been made that Commissioner Shaw has suggested that it could possibly go into effect 2006. That's an

alternative, but quite honestly, I think we need to come to grips with it as a Charter Commission.

Chairman Dykstra stated I just want to clarify. So it's $80,000, and that's including the benefits.

Commissioner Cook interjected plus benefits.

Chairman Dykstra stated and his credit card and counting his credit card or whatever he uses, so we're talking in the 90s.

Commissioner Hirschmann asked your motion included COLAs for an automatic raise?

Commissioner Cook responded pegged to the cost of living for the New England area.

Commissioner Hirschmann stated I can't see that, elected officials getting COLAs. I mean there's people in City government that don't get raises because there's times we can't afford them. We have to negotiate them. There's all kinds of problems with that. I don't like that COLA bit.

Commissioner Cook stated if I might address that. I don't care if it's that mechanism or Commissioner Shaw's mechanism of 80 percent of something else. The goal of the proposal is to keep it from being a political nightmare issue and have it automatically adjusted. If the cost of living increase is the wrong mechanism, if it should be pegged to something else, if it's the Commission thing that automatically looks at it and considers the whole thing, this has the elements in it that I think ought to be in it to take it out of the political sphere, not that I think…I just wrote this down. This isn't, you know, a long-standing thing.

Chairman Dykstra stated I still see it political.

Commissioner Shaw stated way back in 84 when I came into office, I was offered these things—a salary, a car, gasoline for the car, okay, and I don't see that the Mayor has done anything different. I didn't take the car, and I couldn't get the gas in my own car, so it was…a moot point, but giving an executive a credit card is only a method to keep track of the expense, all right. He is allowed in his budget, I presume it's the same concept that he gets a certain amount of expense that he can spend a year any way that he wishes without regard to somebody challenging that. He can't get the cash, but he can go to Washington D.C. with his expense account if he so wishes. At least, I was able to, all the way to Colorado if I wished. So, I don't see saying that the Mayor's benefit package includes his

expenses because you see, he has to have expenses in order to do his job. And the car, the car really and truly, yes it saves the person from buying a car, but you have to presume the man who's got the office had two cars to begin with, so now he gives one to his 17 year-old, and he saves a few bucks, but I mean really and truly, you're nitpicking the whole darn thing because you'll have Mayors that come into office that don't need the health care plan. Their wife works, and she might have a better plan than the City offers, hard to believe, but it's possible. Our Mayor has a wife that works for the City, and she has a health care plan equal to his. Okay, so he maybe gets no benefit at all. I don't know whether he's insured under our health care plan, but if he isn't, then his wife is insured by it. My point is I'm not going to vote for Commissioner Cook's…

Commissioner Duffy interjected Commissioner Shaw, just a point of correction here. I'm sure it's possible that we could have a woman as Mayor and therefore her husband could work.

Commissioner Pepino stated if my memory serves me right now, if a person from Group I, and you should know this, retires…

Commissioner Tessier asked I'm sorry, from what?

Commissioner Pepino responded from Group I with the teacher and they retire and they want to take health insurance, they go to their previous employer which could be the City, and the State will send down a check for $500 a month towards her plan, and they will do the same thing through Group II. Now, what I have wondered was all the retired employees we've had through Group I and Group II, if they are taking health insurance through the City and they are getting their $500 a month on their health insurance from the State which is $6000 a year, so their insurance is costing hardly nothing.

Commissioner Shaw interjected that's false. Could I answer his question? That is false. You have to understand what self-insurance means. Self-insurance means when the bill comes in, you pay it. So if the State sends $500 back, and the person has $100,000 cost to provide the benefit, we don't buy insurance in the City of Manchester. You think you have Blue Cross. You don't have Blue Cross. You have a city-funded self-insurance program that pays dollar one of expenses if there is some deductible on Blue…so Aldermen, when they send back $500, it doesn't do us any good. The best thing that could happen is if they went out in the marketplace and paid the 500 and never came to the taxpayers to cover their costs. It's a fact.

Commissioner Pepino stated what you're looking at is if people get sick. Now, let's put it this way. In the last five years, if I was an Alderman, I'd have my wife

covered. We'd have broke the plan. We'd have broke the plan. What I'm talking about is cost to the plan, eight, nine thousand dollars is what I'm talking about, not what if this person gets sick, what it's going to cost because if I was an Alderman since 1998, we'd have broke the plan.

Commissioner Hirschmann stated let's move to the question.

Chairman Dykstra stated okay, if you want to move the question, that's appropriate. Okay, we're going to move the question. We're going to call for a roll call. Start with Commissioner Hirschmann. Do you want to clarify the…everybody knows what the motion is. Commissioner Cook's motion…

Commissioner Cook stated my motion which was the Mayor at 80 starting in 2004 was not amended plus cost of living with benefits.

A roll call vote was taken. Commissioners Soucy, Tessier, Cook, and Duffy voted yea. Commissioners Hirschmann, Pepino, Shaw, Wihby, and Dykstra voted nay. The motion failed.

Commissioner Shaw asked could I make a motion?

Chairman Dykstra responded yes, it's very much appropriate you make a motion.

Commissioner Shaw stated in the year 2006, I make a motion that the Mayor's salary be 80 percent of the Governor's salary with health benefits and without retirement plan. In the year 2006.

Commissioner Cook asked you mean commencing January 1, 2006?

Commissioner Shaw responded 2006. That's the same type of motion that Mr. Cook made. It allows for inflation, presuming the Governor gets inflation. It allows his health care.

Commissioner Cook duly seconded the motion.

Commissioner Hirschmann asked what is the salary of the Governor?

Commissioner Shaw responded $102,000, I think.

Commissioner Pepino stated $102,000 and change.

Commissioner Hirschmann asked how often does the Governor's salary increase?

Commissioner Shaw responded seldom.

Chairman Dykstra stated well, it can. Doesn't mean, you know, doesn't mean it won't.

Commissioner Shaw stated it's tied to department heads' salaries, which is tied to negotiated wages, right?

Commissioner Hirschmann stated it is an alternative to what we've discussed although you're leaving our local government up to others. You're leaving the taxpayers unknowingly open. Say, a Governor got a raise to $150,000. Then you'd be paying 80 percent of that sum, so you're leaving yourself wide open for the exposure, okay.

Commissioner Tessier stated I wanted to ask you about the retirement. You stated it was without any retirement.

Commissioner Shaw responded I do not favor elected officials receiving…the Governor doesn't receive retirement plan. The only reason…they only had one Mayor in recorded time that has been on the retirement plan, okay, one Mayor. Under the retirement plan, it's really risky because under that plan, the retirement plan, we would have to self-fund his or her health care plan, and that could easily cost us $100,000.

Commissioner Tessier stated if his or her were collecting retirement from a previous…

Commissioner Shaw interjected oh, that has no affect, no affect on that. Retirement from the office of Mayor.

Commissioner Tessier responded okay.

Commissioner Pepino stated now, let me get this straight now. So what you're saying is what the Governor takes home every year, you want to go 80 percent of that. Well, what if this Governor we have now, Benson gets six years. He's going home with nothing.

Commissioner Cook responded no, his salary is set. He might not take it, but his salary is set.

Commissioner Pepino stated his salary is not what he's getting. He's getting nothing.

Commissioner Cook responded that's a different issue.

Commissioner Shaw stated he's taking it and giving it out as…

Chairman Dykstra stated it's what he's still getting. He can do what he wants with his money.

Commissioner Shaw stated if Alderman Hirschmann is correct that we would pay the Governor of the State of New Hampshire $150,000…

Commissioner Cook stated my understanding of your motion, just for clarification because I'm not sure it says it in the exact language is as the Governor, and I know this is clear but I just want to make sure the language says it, as the Governor's salary increases, the Mayor's salary increases, and so it's pegged to it. It's not set on January 1, 2006, at 80 percent of what the Governor's is and never changes. It increases with it. Okay, that's how I understood it. I just wanted to clarify it.

Deputy Clerk Pieuch asked so would you like to amend the motion to say that because the motion does not have that. It was in the year 2006, 80 percent of Governor's salary with health benefits and without a retirement plan. It didn't peg…

Commissioner Shaw stated well peg it to start…

Commissioner Cook stated and will increase as the Governor's salary increases.

Commissioner Shaw stated every sense of my motion was to use peg. The idea is that it's three years away before we give them it. 2006.

Chairman Dykstra asked what makes you think they need to have that kind of money?

Commissioner Duffy stated as I think about how this would be implemented, does it make sense to tie it to a certain period of time such as January first, 2006, and then each successive term, so that it isn't something that can't be budgeted for what have you. It provides an opportunity for properly budgeting.

Commissioner Shaw stated I don't think you should wait two years to do it. That's my personal opinion. I mean he's supposed to get 80 percent of somebody's salary. When that man gets a salary increase, the Mayor's going to get a salary increase, that week. It's debated for so long to give a Governor a salary increase that we'll know five years in advance that the Governor's going to get a salary increase. That's my opinion.

Chairman Dykstra asked how can you tie the taxpayers' hands? How do you know if we're not in some kind of a budget deficit in a few years? I mean, how can you project into the future? This Charter has never ever had…I didn't vote for that increase last time, a 75 percent increase. I didn't think we should have put it in the Charter. It's never been in the Charter, and all of a sudden here, we're discussing it. I mean, why are we making this…you're making the Charter more political by involving all these pay raises. Go ahead, Commissioner Shaw.

Commissioner Shaw stated I think that by pegging the Mayor's salary to some kind of an index which Cook had wanted to do is fair. Now if giving the Governor any type of raise in a $250 million business could cause the taxpayers concern that…you know for that particular issue, I find that ludicrous. I find that what's wrong with this government, and you only had to watch and I hope you watched the reruns of the Aldermanic meeting last night, what is wrong with this government is this is so important to me…to last night they adjourned. I have to stop you here. They adjourned for a finance committee meeting. They read titles, and the clerk came back, and I found this the most humorous part of the whole procedure, "after due and careful consideration", the Aldermen from the finance committee proposed to the same people, which is the Board, that they approve something. They never said a word, never said a word, and yet after "due and careful consideration", okay…what we need to do in this Charter in my opinion is to make them do due and careful consideration to everything they do.

Chairman Dykstra interjected including pay raises.

Commissioner Shaw responded well, we have a right to set their wages.

Chairman Dykstra stated they have the authority right now.

Commissioner Shaw interjected but I want to take that right away.

Chairman Dykstra stated right now, under compensation of officials, and this is the Charter that you loved, that you wanted to support, the Board of Mayor and Aldermen may determine the salaries of the Mayor, the Aldermen, and the School Committee by ordinance.

Commissioner Shaw stated I don't want to do that any more.

Chairman Dykstra stated provided that no ordinance affecting any such salary shall take effect until the commencement of the next term of office of the Board of Mayor and Aldermen.

Commissioner Shaw stated but Alderman, I don't want any longer the Aldermen…did you notice that I didn't give permission to the Aldermen in the Charter. There is no permission in the Charter for the Aldermen to ever, ever give the Mayor a raise. That's the key thing here. Not after due and careful consideration should the Mayor get a raise but forever he shall not get a raise by the Aldermen.

Commissioner Tessier stated move the question.

Chairman Dykstra stated all right, move the question. Let's have a clarification of this motion, Commissioner Shaw's motion. She can read it. Make sure everybody knows what they're doing.

Deputy Clerk Pieuch stated starting in the 2006, the Mayor's salary will be pegged at 80 percent of the Governor's salary with health benefits and without a retirement plan.

Commissioner Cook stated to be pegged…to be automatically increased as the Governor's salary increases.

Commissioner Shaw stated it doesn't allow anybody to increase his salary.

A roll call vote was taken. Commissioners Cook, Duffy, Shaw, Soucy, and Tessier voted yea. Commissioners Hirschmann, Pepino, Wihby, and Dykstra voted nay. The motion carried.

Commissioner Hirschmann asked post notice at this meeting?

Chairman Dykstra responded you can post notice of reconsideration, yes you may, and it'll be taken up at the next meeting.

Commissioner Hirschmann stated I post notice for reconsideration on that issue.

Chairman Dykstra stated you don't need a second on that.

Commissioner Cook stated how about another motion.

Chairman Dykstra stated okay, right now, let's complete this. He has given a notice of reconsideration, so this will be brought up again at the next meeting.

Commissioner Cook stated I'd just like to make a motion on the Aldermanic and School Board salaries, that the Aldermanic salary be set at $5000 per year without benefits and the School Board salary be set at $3000 a year without benefits.

Chairman Dykstra asked do you have the cost of living involved?

Commissioner Hirschmann asked how does one get an increase?

Commissioner Shaw stated there is no increase.

Commissioner Hirschmann stated that is an increase.

Commissioner Tessier duly seconded the motion.

Commissioner Pepino asked what's the School Board get now?

Chairman Dykstra stated $2500, I think.

Commissioner Tessier stated two.

Chairman Dykstra asked is it $2000?

Deputy Clerk Pieuch stated currently it's $2000.

Chairman Dykstra asked what's a thousand here and there?

Commissioner Cook stated the School Board gets two now, and I've made it three.

Commissioner Shaw stated I disagree with that.

Chairman Dykstra asked can we have that motion again?

Commissioner Shaw asked do we have a second?

Commissioner Tessier stated yes, I seconded it.

Commissioner Cook stated the motion was very simple. It was to set the Aldermanic salary at $5000 without benefits and the School Board salary at $3000 without benefits.

Commissioner Hirschmann stated starting with School Department dollars, I'd prefer that they went to education rather than School District members' salaries. I would tend to like to stay with the current salary. If it's $2000, I'd like to stay with that. Your Aldermen, if they're getting $5000, I'd like to stay with that. I don't see a reason to increase at this time.

Commissioner Cook asked did you want to amend the motion, to change the three to two?

Commissioner Hirschmann stated I'll amend the motion if you'll allow me to give the School Board members their current salary without benefits.

Commissioner Pepino duly seconded the motion.

Commissioner Duffy stated it seems to me that…I'd like to pick up on a point that Commissioner Hirschmann made just a while ago, and that is by calling the sums that we pay Aldermen and School Board salary, I think it's somewhat misleading. I think a stipend is a more appropriate term to reference what it is that they're receiving. It's not a salary per se, cause salary connotes getting benefits that just goes with it, so I would suggest that it's a perhaps a small point but something in the language of the Charter that we refer to it…

Commissioner Cook interjected I'd accept that. Instead of salary, just have either compensation or stipend or something.

Commissioner Duffy stated even compensation is not the right term. Stipend.

Commissioner Cook stated stipend would be perfect.

Commissioner Shaw stated I think I need to ask a question of Mr. Cook. Commissioner Cook, you served on the School Board. Where is it designed that the School Board works only half as hard as the Aldermen? Where is that written in granite? Or that since they spend over half of the City's budget, why they aren't just as important as the other half that spends half?

Commissioner Cook responded first of all, I don't think the worth or importance of an official is pegged to what they get compensated. I don't think…at least half of the School Board members I know who have run for that office didn't know there was any compensation at all when they ran for it. I certainly didn't, and I was surprised. It probably comes out to about 15 cents an hour. They work very hard. Aldermen work very hard. Everybody works long hours. Neither of these stipends is pegged to an hourly rate for value. They are some kind of recognition that we have traditionally had that people are working and ought to have at least some monetary recognition for the fact that they're in these jobs. I would have no objection except that I thought the controversy of changing it from the present level or virtually the present level would be more than it was worth given the amounts involved. I have no problem if the School Board members made the same amount as Aldermen.

Commissioner Shaw asked can I make an amendment to an amendment?

Commissioner Cook stated well, there's an amendment of the floor.

Commissioner Shaw asked can I make an amendment to amendment? Can I do that?

Chairman Dykstra responded first of all, we have to decide what we do with this amendment. Then you can make another amendment.

Commissioner Shaw stated no. I want to amend his amendment.

Chairman Dykstra stated well, we haven't even voted on this amendment.

Commissioner Shaw stated I know that, but I have a right to make an amendment to his amendment.

Commissioner Pepino stated I was before you. I had my hand before him.

Commissioner Shaw stated he gets to talk first, the I want to make an amendment to an amendment.

Commissioner Pepino stated I'll give you a solution to that. You want to give the School Board members $3000. Cut the Aldermen's pay $1000. Give them four. Self-fund it. No cost to the taxpayers. How's that?

Commissioner Cook stated I don't care what they make.

Chairman Dykstra stated I just got a ruling. We do have to vote this amendment up or down.

Commissioner Shaw asked why.

Chairman Dykstra stated if you just keep amending, where are you? If you have one motion on the floor and 16 amendments, how do you know where you are? You have to vote that amendment up or down.

Commissioner Shaw stated I want to substitute my amendment for his amendment.

Commissioner Hirschmann stated I'm going to call the question the amendment. Then if it fails, then he can…

Chairman Dykstra stated that's right. Then we go on from there. That's the ruling we have.

Commissioner Shaw asked can I substitute…

Chairman Dykstra stated after we vote on this one, you can amend anything.

Commissioner Hirschmann stated roll call.

Commissioner Pepino stated move the question.

Commissioner Shaw stated no, first I was ready to make an amendment, which she ruled that I can't make an amendment.

Chairman Dykstra stated I got a ruling that we cannot.

Commissioner Shaw stated I can make amendments.

Chairman Dykstra stated I got a ruling from the Solicitor that we cannot.

Deputy Clerk Pieuch stated we need to take a vote on this amendment first.

Chairman Dykstra stated that's correct. That's parliamentary. That's Roberts Rules, parliamentary procedure, and we're going to follow it correctly.

Commissioner Shaw stated I've never heard of that. I've never heard of that. It's not in any rulebook, any Aldermen's rules.

Chairman Dykstra responded Commissioner, it is. Believe me. I do.

Commissioner Shaw stated you shouldn't do that, Madame Chairman.

Chairman Dykstra responded well, you're going to blame me for this Bob. I'm really upset. Come on, let's move the question.

Commissioner Shaw stated I'm going to save them even more monies.

Chairman Dykstra stated it was ruled by the City Solicitor who you want to sit here and give advice also that I am correct. Thank you. Let's just move the question.

Deputy Clerk Pieuch stated we're voting on the amendment by Commissioner Hirschmann by Commissioner Pepino to amend the School Board's pay to $2000, besides setting the pay at $5000 for the Aldermen with no benefits.

Commissioner Shaw stated stipend was the word.

A roll call vote was taken. Commissioners Cook, Duffy, Hirschmann voted yea.

Commissioner Pepino asked that's for the $3000?

Deputy Clerk Pieuch stated $2000.

Chairman Dykstra stated $2000. It stays the same with no benefits.

Commissioner Soucy stated no, it has nothing to do with benefits. My understanding, point of order…

Deputy Clerk Pieuch stated to amend it to $2000.

Commissioner Soucy stated exactly. It has nothing to do with benefits.

Commissioner Pepino stated back to $2000, no benefits.

Chairman Dykstra stated wait a minute, we need a clarification. He said no benefits.

Commissioner Hirschmann stated she read exactly what we're voting on.

Commissioner Soucy stated which is your amendment, which changes the amount from three to two. The underlying motion has the benefits, not the current amendment.

The roll call vote continued. Commissioners Pepino, Tessier, Wihby, and Dykstra joined Commissioners Cook, Duffy, and Hirschmann in voting yea. Commissioners Shaw, Soucy, and Tessier voted nay. The motion carried.

Commissioner Hirschmann stated the amendment passed.

Deputy Clerk Pieuch concurred, the amendment passed.

Commissioner Shaw stated so the motion…

Chairman Dykstra stated we have to vote on that. Wait a minute.

Commissioner Shaw stated no wait, but the main motion is this here, that the salary be five and two.

Chairman Dykstra asked you want to amend that motion?

Commissioner Shaw stated I want to amend the motion.

Chairman Dykstra stated that's fine.

Commissioner Shaw stated even though we've taken a vote, I have a right to amend it.

Chairman Dykstra stated you can amend that motion, yes.

Commissioner Shaw stated then I propose that the Aldermen and the School Board be paid $3000 as a stipend without benefits. They all get the same amount. I think the job is equal.

Deputy Clerk Pieuch stated he can amend it. He's amending a motion.

Chairman Dykstra stated okay, you're amending the $2000 to $3000. You're keeping the Aldermen the same at $5000.

Commissioner Shaw responded no. $3000 each.

Chairman Dykstra stated you're reducing the Aldermen…

Commissioner Shaw stated Aldermen from five to three and the School Board from two to three.

Commissioner Hirschmann stated I'll second for discussion. So you're giving one Board a 50 percent raise, and are you taking some away from another Board? Is that the motion?

Commissioner Shaw stated well, I don't know the percentages, but it's quite a bit.

Commissioner Hirschmann stated so, you're giving a 50 percent raise and you're taking away from another guy, and the Mayor, you've shot him up in the wind and gave him $80,000 plus whatever you gave him.

Commissioner Shaw stated may I speak to his concerns. The first thing we should try to determine is the responsibilities of each board and the work ethic of each

board and what we expect from each board. And in my opinion as a former chairman of the school board, and as the mayor of this City, a former mayor of this City, serving on both boards its lucky that we can get people to work for so little with so much responsibility okay versus the other side with so much responsibility and so little work ethic. So I think that the citizens of Manchester would be well served that both of them would be paid the same and yes you're right, a 50% increase because of their work ethic and a major cut in pay because of their work ethic.

Chairman Dykstra asked if there was any further discussion on his amendment.

Commissioner Soucy stated I just want to clarify something that when we were talking earlier of compensation for the mayor we were talking about a compensation package, down to whether or not the gasoline put in the car that he may or may not take was part of that whole package. Now we are talking about taking compensation away, mainly health benefits from people to give them a little more money is not an increase because you have taken away if anything it's still a decrease at $3,000. because of the value of the health care package. I agree with that, that we shouldn't dip. I will vote to take away the health care package, but I think it should be clarified that that is a significant benefit that the majority of our school board members and aldermen avail themselves of. That is significantly more than $5,000.00, significantly more than $3,000.00. It is a very valuable part of their compensation. So to leave them at the same level or even to give them a slight increase, even if you went to $2,500.00. It's still a net loss to anyone who decides to run again who is currently in office.

Chairman Dykstra called for further discussion.

Commissioner Hirschmann stated I've sat through so many budget hearings, budget meetings, budget festivals, department meetings, school board members don't do that. They don't sit there and listen to numbers of 25 departments. I'm sorry but they don't. They have one district, you're a district now and you've got it. If you want to spend your education dollars on what official salaries power to the group of you but I'm not doing it, okay. Aldermen, you talk about all these departments it's a $250 million corporation, the mayor does not administer it alone, I'm sorry. I'm sitting here with all I can take about the mayor, the mayor, the mayor. It's the Board of Mayor and Aldermen, and there are enough of us at this table that know and my patience is wearing out with this whole thing. Give them all nothing all right, they'll be equal.

Commissioner Shaw stated one of the meetings this week on the Aldermanic agenda was the committee on accounts. They go over the spending of the city. To the best of my knowledge, and the clerk can correct me on this, I didn't find that

on channel 16 or 22, I didn't find that meeting, and yet when the finance committee of the school board meets, it's a three or four hour meeting just on finances of the school, the fine tuning, the corrections. All I am saying to you is there is an impression from one side that the other side doesn't do anything and I disagree with that, I'm sorry.

Commissioner Cook stated not that this is terribly relevant, but I've been around Manchester government longer than any rationale human being could be, and in my experience aldermen work very hard, school board members work very hard, they all harder than they get paid for, we may like what they do sometimes, we may not like what they do sometimes, but I have never observed that they weren't hard working people. So the idea that we are comparing who works harder is a little bit like my father can beat up your father. You know, these people work very hard, and they certainly work harder than we ever in our fondest imagination are going to come up with, only one of us has a father who was an alderman so that wasn't' a shot at one, but these people work hard and the question is are we going to pay them the same amount are we going to pay them a different amount are we going to give them benefits. I don't care if we say we give them all $7,500.00 or $3,000 or $5000 I don't care but this idea that we are somehow penalizing somebody or rewarding somebody for working harder than somebody else, these folks work hard for the people of Manchester. Sometimes we don't like the results but that's politics.

Chairman Dykstra stated we have a group of people here some definitely want to give out salaries, let's call it the way it is, some want to give out raises some do not. I'll be very honest; I do not feel we should. Very honestly the people have spoken also. The majority of people do not want increases. I mean we are not an employer and these are our employees and we are discussing what work they do and what kind of benefits we're going to give them. We're the charter commission. It was already left in the hands of the board through ordinances and now we are going to take this upon ourselves. And right now many of you know if it happens it happens I'm going to vote my conscience but we know darn right that if the salaries come within this charter and they're listed that the monies that you're talking about this charter is dead, and it's a shame that we are spending taxpayers' money of over $20,000 to put together a charter, I don't think the people wanted this charter to give more money when they don't even have jobs themselves. That's my feeling.

Commissioner Shaw stated did my motion lower the salaries more than.

Chairman Dykstra stated you just gave $80,000 to the mayor.

Commissioner Shaw stated we're not discussing the mayor.

Chairman Dykstra stated that's money.

Commissioner Hirschmann stated you're amendment was an increase.

Commissioner Shaw stated no. No. I thought we passed the mayor's salary and now we've moved on to the school board and aldermen.

Chairman Dykstra stated we did.

Commissioner Shaw stated we did. And you have a motion before you under your philosophy of government, I have lowered the cost of government substantially, okay. Once you take 12 times 3 is 36, it used to be 60.

Commissioner Hirschmann asked you have.

Commissioner Shaw stated I made a motion.

Commissioner Duffy stated it seems to me that in your previous statement Madame chair that this continues to be ignoring the fact that there is a benefit being paid today to members of the school board and members of the Aldermanic board is in fact costing the city money. You can't just ignore that. We have a grade for the most part; every motion we've had on the table here has excluded benefits from the two boards. All right, so that in fact in and of itself means we are talking about less money for the city than what is currently being paid. So let's not keep going back to that. We need to put it out on the table.

Chairman Dykstra stated commissioner I don't know where you think that you have the right to tell me how I should think and what I should say.

Commissioner Duffy stated I am not, I'm suggesting we need facts.

Chairman Dykstra stated I have the floor and I am responding to a comment made to me. Now, I am not happy with these kinds of salaries going out to the mayor. I don't think the people are going to accept it, that was my comment. I have the right to make it.

Commissioner Tessier stated first of all I thought the mayor's was done.

Chairman Dykstra stated you're right it's done but there is a reconsideration for next meeting.

Commissioner Tessier stated what we should look at is what is the cost right now of a family package for the health insurance for Ms. X or Mr. X that's on the school board. Now take that and take it away.

Commissioner Shaw stated it was about $10,000.

Commissioner Tessier stated it's about $10,000.

Commissioner Pepino suggested it was $15,000.

Commissioner Tessier stated but you are taking that away, and you are giving them $1,000 more, that's a minus in my book. That's a minus, don't you agree that's a minus.

Chairman Dykstra stated I don't see that as a problem. We have gone around discussing other things so I don't need to include aldermen but.

Commissioner Tessier stated well isn't that the motion that is on the floor right now.

Chairman Dykstra stated right that's the motion on the floor.

Commissioner Tessier stated, but you don't seem to understand.

Chairman Dykstra stated oh I think I do understand. I have no problem taking away the benefits.

Commissioner Tessier stated so that's $12,000 to $8,000 taken away from them.

Chairman Dykstra stated and you support taking money away from the aldermen's salary and giving more to the school board.

Commissioner Tessier, I said I think most of us are in agreement that we are going to take the benefit package away from these two groups, okay, and change the stipend of the school board, I think the motion now is $3,000 which is $1,000 more. So if you are taking $10,000 away and you are giving $1,000 more the City is gaining $9,000, simple math.

Commissioner Shaw stated could I clarify for aldermen Hirschmann, under my thing with three and three, comes to I thought 72, the present salary is 64. So presently all aldermen receive in cash $84,000 and school board members together cumulatively. 2,000 times 12 is 24, and 5 times 12 is 60.

Commissioner Cook noted it was 14, there were 14 members.

Commissioner Shaw stated that's even better.

Commissioner Cook stated it was 14 time 7 which is 28, 5 plus 2 is 7, times 14 is $98,000.

Commissioner Shaw stated cumulatively. And we're going down to 12 people. Alderman Hirschmann we have lowered the salary account for elected officials by $26,000. My 3 and 3 comes $26,000 less, so we go to the citizens.

Commissioner Hirschmann stated just out of fairness, you're so concerned with that date for the mayor's salary 2006, I say you put 2006 on these salaries as well so that when you're campaigning for mayor next fall these salaries don't kick in next year.

Commissioner Shaw stated for the aldermen.

Commissioner Hirschmann stated well the school board members you're giving a big fat raise too.

Chairman Dykstra recognized Commissioner Pepino stating then they were going to move forward and clarify this motion here.

Commissioner Pepino stated the papers we got from the city clerk, they've been talking about an $8,000 or $9,000 health insurance. It says here it costs $15,000 for a family plan, that's the papers I've got here from the city clerk. And we are talking 8,000 or 9,000, the figure here is 15,000 not 8 or 9. Can I tell a little story here. When I worked over the courthouse. We were getting $50 a day, $200 a week and getting a health plan. So when I ran for State Representative, I worked Monday and Friday and I got $100 a week. So after I got my $100 a week I said to my wife how long are they going to pay this plan. They called me in and said we are paying you $5,000 plan, we're giving you $8,000 worth of insurance, we are going to take that back. We'll call that the outside. They don't pay these. So we are taking away something they never should have had in the first place. Call it a savings.

Commissioner Shaw stated we've agreed that they don't need a health plan. If somebody wanted to take a separate motion to take the health plan away we'd have a nine by nothing vote and we'd move along.

Chairman Dykstra stated we have a motion on the floor and we are going to have a vote.

Deputy Clerk Piecuch stated the amendment to the motion Commissioner Shaw by Commissioner Hirschmann that aldermen and school board be paid a$3,000 stipend each.

Commissioner Hirschmann stated he wished to remove his second.

Chairman Dykstra asked if there was another second to the motion to amend.

Commissioner Cook seconded the motion.

Chairman Dykstra stated it's seconded by Cook and it's $3,000 for the school board members, $3,000 for the aldermen with no benefits.

Deputy Clerk Piecuch stated no, this is just the amendment.

Chairman Dykstra stated I just wanted clarification, just the amendment, thank you very much, and asked for a roll call.

Commissioners' Cook, Duffy, Shaw, and Tessier voted yea. Commissioners' Hirschmann, Pepino, Soucy, Wihby, and Dykstra voted nay. The amendment failed.

Deputy Clerk Piecuch advised the main motion was on the floor was to set the aldermen's stipend at $5,000, and the school board stipend at $2,000 with no benefits.

A roll call vote was taken. Commissioners' Cook, Duffy, Hirschmann, Pepino, Soucy, Tessier, Wihby, and Dykstra voted yea. Commissioner Shaw voted nay. The motion carried.

Chairman Dykstra stated it was a five to one vote, it was basically to keep the aldermen at $5,000 and to keep the school board at $2,000 and take away the benefits.

Chairman Dykstra noted they had a notice of reconsideration brought forth by Commissioner Hirschmann on the mayor's salary and that will be brought up at the next meeting. There was something that we did have on here we did ask the city solicitor to look at the fallback budget, it was in here on item 5.

> Proposed language submitted by Deputy Solicitor Arnold for fall back budget was distributed.

Chairman Dykstra referred to flagged items #23, will the charter contain a fall back provision and we've asked the city solicitor to give us some information on this.

Deputy Solicitor Arnold stated basically the commission asked me to draft language that provided that should the law so allow that the budget from the prior fiscal year be the default budget rather than the mayor's budget. You should all have language in front of you that I believe does that. Please note that looking at what I've done here does not address any of the other issues that you may have with this particular section of the 1982 budget. I know that for instance the finance officer mentioned a concern with setting down the exact date for the budget hearing.

Commissioner Cook stated first of all we don't have a motion on the floor but I would like to propose that, cause what I think what Mr. Arnold just said is, the finance issues are a kind of comprehensive thing given all the information that we got from the finance officer and all of the sections that are involved in finance, and if I had time, and I didn't I was going to try to come in with a segmentation of the elements given what Kevin had said so we could consider them all as a part. Mr. Arnold certainly did what we asked him to do, come up with language if we wanted language that would have a different default budget. Cause he's not making a proposal, he's saying what you asked me for was language, I think I would change the language slightly to say should state law at any time, which I think is two words, shall permit, just as language, but it seems to me that in our discussion of this and all of the finance issues we ought to probably take them all at once as opposed to one at a time. I have no objection to a full debate about it, but I think there are a million issues running around finance.

Chairman Dykstra stated we are actually now discussing the information brought forth, we can make motions, or you want to discuss it, it's fine.

Commissioner Hirschmann stated Solicitor Arnold, the law at this time does it permit us to use that language right now.

Deputy Solicitor Arnold responded you can put this language in the charter, but having the prior year's fiscal budget as your default budget will take a change in state law before this language will become effective.

Commissioner Hirschmann stated because I read 49 over the weekend and the way I read it is that it's enabling for municipalities that do not have a charter, is the way I read 49.

Chairman Dykstra commented it is enabling.

Commissioner Hirschmann stated it says the intent was for municipalities that didn't have a Charter to adopt that instead of making up their own.

Deputy Solicitor Arnold stated 49-C:23 Budget Process and Fiscal Control. "The Charter shall provide for the following."

Commissioner Hirschmann responded you are reading the wrong section. If you read the purpose of that whole section that is enabling legislation and we haven't adopted that. When you read the intent it is for municipalities that don't have a Charter. They can adopt that as their Charter – all of those sections.

Deputy Solicitor Arnold replied I would say that that is not the case.

Commissioner Shaw stated it says "should the law at any time so permit." So if it is determined at some point the law permits then…

Commissioner Cook interjected Keith's point is a question on whether 49-C set the parameters of what has to be in every Charter for a City or whether it is only for cities going forward. We had that question in 1996 and the Attorney General's Office and the City Solicitor's Office and counsel for the Charter Commission all said there are permissive sections in 49-C. You can pick – the strong Mayor's form or the City Manager's form but your parameters as a City Charter writing group for every city in New Hampshire when they are writing a new Charter have to follow 49-C, not if you…because remember what we said last week. We sent stuff up to the Attorney General that didn't have things from 49-C in it and they sent it back and said you have to. I understand what…we had the same confusion in 1996. Is this permissive or is it mandatory. The answer came back from everybody that was reading it that it was mandatory.

Commissioner Shaw stated it seems to me that the City attorney said should the law at any time so permit. So if somebody wants to challenge the whole concept of the Mayor's budget, it is saying that the law doesn't allow that by going to court or whatever method or getting the legislation passed. We provided for both methods. I want to make a motion under Section 6.04 as presented to you that the total paragraph as written and crossed out be adopted for the Charter that we are presently constructing except for the first four words of the paragraph "the Finance Committee of" should be stricken.

Chairman Dykstra asked you want the part that is crossed out.

Commissioner Shaw answered no except those parts that are crossed out. In other words if you read it herein and then it goes on. I want this as written except I don't want the first four words of the paragraph. I want "The Board of Mayor and Aldermen shall conduct reviews and studies of the proposed appropriations, resolutions and budgets thereof" and we don't send a Charter amendment that says that a Committee of the Board of Mayor and Aldermen should do that.

Chairman Dykstra stated but the Finance Committee is the Board of Mayor and Aldermen.

Commissioner Shaw replied it does not necessarily have to be. They are present but I don't think they should be.

Chairman Dykstra responded they are. The Finance Committee is all 12, all 14 Aldermen.

Commissioner Shaw stated but Alderman that is because it has been practiced. If we made one thing in this Charter, threw out all of the wages and everything else, we should get rid of the Finance Committee as it is presently constituted but Alderman you shouldn't have to put in the Charter that the Board of Aldermen send to a Committee. If the Board of Aldermen wish to send it to a Committee that should be their right to do that. We shouldn't state which Committee.

Chairman Dykstra replied but they are the Board of Mayor and Aldermen.

Commissioner Shaw stated you are back in the past. Come into the future. So what have I said here, Alderman. The Board of Mayor and Alderman shall conduct a review and study the proposed appropriation thereof and then it follows what they should do with it.

Chairman Dykstra asked everything but what is crossed out, right. Everything but what is crossed out is what you want except the first four words "The Finance Committee of." Do I have a second to that motion?

Commissioner Tessier duly seconded the motion.

Commissioner Cook stated this 6.04 before we rush to this, this 6.04 budget adoption section is from the 1983 Charter with some deletions and additions that were proposed by Mr. Arnold. In adopting this we have not compared it, especially as to notices and hearings, amendment before adoption, adoption processes, all of the procedures that are in the present budget adoption process that are in the 1996 Charter. My point a minute ago was we have a very complex finance process that **cracked** (?) State law significantly when it was adopted in

1996. We have also had testimony from a lot of people on how the budget ought to go and we have had testimony from the Finance Officer and floating around someplace in our issues are what is the budgetary role of the Finance Department if you take away their auditing role, which we haven't even talked about yet. So before we adopt 6.04 to the exclusion of all of those other budgetary items I think we ought to consider all of the issues because otherwise we are going to come up with a mismatch.

Commissioner Shaw stated I disagree with Commissioner Cook. I think we have to take these items – 6.04, 6.05 or whatever up one at a time and then relate it back to what is our intent. The intent of Commissioner Hirschmann is that when State law changes we will have the Mayor's budget as a fall back budget.

Chairman Dykstra replied no we will have the previous year.

Commissioner Shaw responded right I mean the previous year. That is a major change in the government. A major change. It needs some modifications maybe as to bonded debt that has to be accounted for and contracts but the basis for us is how is the budget presented and how is it adopted. I say that is up to the Board of Mayor and Aldermen as to what they wish to do with it because we have said they shall conduct reviews and studies of the appropriations. There are some problems with this language. There are some problems with that. We just don't tell them how to do it.

Commissioner Soucy stated the problem with that is that there are other items in 49-C:23, the State law which has the budget process, which says the Charter shall provide for the following: one or more public hearings on the budget before its final adoption and it has a whole list. Those items are contained in 6.04, I believe, in part because the last Charter Commission reviewed this but also because the Attorney General said you have to have it in there or guess what, you are not having a Charter. We need to make sure that we take all of that into consideration and it seems fruitless to just take a piece when the work has been done for us in the existing 6.04, which we know meets legal muster. I mean at the end of the day I hope that all of us come up with a product that all of us can agree to but even if we don't it still has to go to the State and if the State turns us down they will tell us to change it.

Commissioner Hirschmann replied then we will rework it.

Commissioner Soucy stated right and what I am suggesting is that we work at it right now to try and eliminate those problems when we know that they will come up.

Commissioner Duffy stated I concur that there has been a fair amount of guidance this evening as far as the budget adoption in terms of why the language that is in the 1996 Charter is applicable today and secondly I concur that we ought to defer action on this until such time as we consider the total matter. To have this inserted at this stage is going to further complicate and result in confusion about what it is we are adopting and where it gets placed in the Charter. There is no reference to where this is relative to what we know needs to be included under 6.04 under budget adoption.

Commissioner Pepino stated getting back to the City Solicitor. It says, "should the law so permit at any time." There is a bill up there right now asking for default budgets for municipalities. There is one in there right now. I don't know where it is going but there is one there.

Commissioner Cook replied that is for towns.

Commissioner Shaw stated I think that when you go to do the budget you got part of this thing here and you have got part of 6.04 and then there is the next number, the next number and the next number and you break them up one by one and you make the modifications. The thing that I had proposed right here is simplistic. It only says that the fall back budget be last year's if allowed by law. I don't understand why we can't move from that. The only thing I had wanted to do and you don't have to do it but sending it to the Finance Committee it is hopeful that the next Board of Aldermen will restructure their government to accomplish some tasks and the Finance Committee should probably disappear but if you put in the Charter that it should be sent to the Finance Committee then the Aldermen will say well we can't restructure because it requires that you have a Finance Committee. I thought we were here to make the government run more efficiently and effectively.

Commissioner Hirschmann stated this is a big improvement over the current Charter from the standpoint of fiscal responsibility and forcing the City fathers to work on the budget otherwise…I mean you put in this provision for a default to revert to a previous year as a conservative mechanism. You have to remember that the numbers that the Mayor puts together…he does his numbers in January pretty much and the Aldermen streamline those numbers and make up an alternative budget until June so if any year we ever have the opportunity to have to enact the Mayor's budget we are probably in more trouble than enacting a previous year's budget and that is the truth.

Commissioner Cook replied my concern about adopting the provision at this point is not, does not go to the alternative default language. My concern about adopting the entire paragraph, which goes to the entire budget process…I mean I will speak

to the alternate default when I figure out what I think about it, which I haven't yet figured out but my concern of adopting this entire section and I understand the change that we asked Mr. Arnold to write went to the default language on a) can you do it, and b) what would it read like and that is not my concern. That is either going to pass or not pass as a provision. My concern goes to all of the other things in this paragraph, which was the prior Charter's…a portion of the prior Charter's budget process that is being taken out of context of all of the other provisions of the prior Charter and the present Charter as to budgets and saying we are going to adopt this. Any time we want whether we use the old Charter or the new Charter, we can use this language as the default because the Mayor's budget becoming the default, which present State law will be in either one because that is the law and we can insert this language after it. I am concerned more about the other language here than that. That is all I am talking about.

Commissioner Hirschmann replied I agree. It is just like on Boards and Commissions. Commissioner Duffy says we are not done. Well we are not done budgets here. This is just one implementation of a budget. We are not done.

Commissioner Shaw stated I would need a clarification from the City attorney on the words "a majority vote". In my opinion and it says, "the majority vote of the whole number of the Board of Mayor and Aldermen." In our future form of government there would be 13 members. In my opinion by State law the Mayor can veto anything he wishes. A 6-6 tie, the Mayor being a member of the Board is the seventh vote and could pass the budget. I just want people to know that. That is what I think. In other words no super majorities, no nine…it is simple majority of the Board. Seven Aldermen pass the budget the Mayor gets to veto the budget. It takes eight to override the Mayor's veto under the future form of government. I favor what Commissioner Hirschmann said. This is only a segment of it. Just a segment.

Chairman Dykstra stated the motion is on the floor. The motion was made and seconded and we are still discussing it.

Commissioner Cook stated forget the default language. That is an issue either way. Would one of you two gentleman explain to me why 6.04 from the 1983 Charter is better than 6.04 from the 1996 Charter in its sections on notice and hearings, posting the budget, amendment before adoption, adoption…forget the default language. Why is this paragraph, which is homogenized, better than the detailed adoption process adopted in the 1996 Charter, which took a heck of a lot of work and input from Finance?

Commissioner Shaw responded and was poorly administered after that.

Commissioner Cook replied I am talking about the language. I am not talking about the administration.

Commissioner Shaw stated the thing is there is nothing wrong with the 6.04(A) and 6.04(B). In other words you can add in those things that you want but separate them out from the body itself. If you wish to have a date certain for the budget to go before the citizens you could make such a motion, you could make such an amendment but the question is…in my opinion we don't have to do the whole finance at once. Let's do it a piece at a time and then thankfully Commissioner Cook will correct our mistakes.

Chairman Dykstra called for a vote but asked for a clarification of the motion first.

Deputy Clerk Piecuch stated the motion is to accept the language as provided by the Solicitor's Office taking out the first four words "The Finance Committee of" and the strike outs in the language as presented.

Chairman Dykstra asked for a roll call. Commissioner Cook, Duffy, Soucy, and Tessier voted nay. Commissioner Hirschmann, Pepino, Shaw, Wihby and Dykstra voted yea. The motion carried.

Commissioner Cook stated I would like any member of the Board to explain to me which sections of 6.04 in the 1996 Charter they sought to replace as to its detail because I have got to tell you…

Commissioner Hirschmann interjected point of order. We are not working from the 1996 Charter. We moved in our first meeting to work from the 1983 Charter.

Commissioner Cook replied that wasn't my question, Commissioner. My question was what any one of the detailed provisions in the 1996 Charter that went to a budget process was the 1983 better than because it is a very detailed provision and nobody knows what they just voted on.

Commissioner Shaw asked can I speak to that. The fall back provision is the best part. That alone worked for them and that is what the citizens' want. They don't want the Mayor's budget.

Commissioner Duffy moved to adopt from the 1996 Charter Section 6.04(A), 6.04(B) and 6.04(C). Commissioner Soucy duly seconded the motion.

Commissioner Hirschmann asked that is not to replace the one we just adopted is it.

Commissioner Duffy answered my understanding is what was just adopted is really a replacement for 6.04(D). Items A, B and C are the procedural aspects of budget adoption with B being the fall back provisions.

Chairman Dykstra asked so you are making a motion to adopt A, B and C.

Commissioner Duffy replied yes – notice and hearing, amendments before adoption and adoption.

Chairman Dykstra asked is there a second.

Deputy Clerk Piecuch answered yes I have a second.

Commissioner Shaw asked could we call the last one…would people understand if the last one was 6.04(A) and then bring all of these forward that you would like by making them B, C, D and E.

Commissioner Duffy replied my suggestion is that you would use this language leading off the section, the language that was just passed and then you would include A, B and C as the procedure aspects of budget adoption.

Commissioner Shaw stated but the usual method on the Board, Madame Chairman, is this here. The Mayor presents his budget to the Aldermen and then dates and things are set after the fact.

Commissioner Cook replied but that is in 6.03, not 6.04.

Commissioner Shaw stated my point is just the numbering thing. I have no problem personally. Notice and hearing. What is wrong with that? It is just common sense.

Commissioner Duffy replied that is what I…

Commissioner Shaw interjected I just didn't know the numbering sequence. Is 6.04…

Chairman Dykstra interjected I am going to call for a vote if there is no further discussion.

Commissioner Shaw stated there is a trick here somewhere.

Chairman Dykstra replied when you are in doubt you vote no, Commissioner.

Commissioner Shaw responded that is why I am saying that 6.04 not be enlisted as…all I am saying to you is 6.04(A) is what we just passed. I just want this to be the first thing that is read in the book.

Commissioner Duffy stated that is what I said. That is what I said as part of my motion.

Commissioner Shaw asked that A come after this section. Okay.

Commissioner Hirschmann stated I agree that is important language.

Chairman Dykstra asked for a roll call vote. Commissioner Cook, Duffy, Hirschmann, Pepino, Soucy, Wihby, Dykstra voted yea. Commissioner Shaw and Tessier voted nay. The motion carried.

Commissioner Hirschmann stated it says School Department. I like that.

Chairman Dykstra stated right now there are other things…it is 6:45 PM. We can discuss another item. We have the flagged items. If there is anything else on there that you want to take up or anything you want to discuss we still can discuss another issue before we adjourn.

Commissioner Shaw stated item C that we just passed contradicts the very concept that we had moved the taking of office on the second Tuesday. We took that vote. The whole reason to move the election forward was to give the City departments enough time to make their budget and to move the dates forward. This is a critical issue and it is not just that I am advocating for the schools. I am not. I am telling you that everybody who is in business knows that when the cream of the crop is gone…by accepting C on this budget and without amending it you have doomed our children to less than the best that might be available for them to have as teachers; less than the best. Everybody knows that 50% of the doctors graduated in the bottom half of their class.

Chairman Dykstra asked are you making a motion, Commissioner Shaw.

Commissioner Shaw answered I think we should reconsider Item C on the dates. I think this is an important issue as to the dates that we presume that the budget would be finished. I move that the budget of the City of Manchester be finished not later than March 31. That the budget for the City of Manchester not be finalized…it must be finalized by March 31.

Commissioner Tessier duly seconded the motion.

Commissioner Pepino stated in March, April, May or June the revenues could change drastically.

Commissioner Shaw replied revenues have nothing, nothing at all to do with spending. Revenues only decide how much the tax rate is going to be.

Commissioner Pepino stated the budget is based on revenues.

Commissioner Shaw replied no it should not be based on revenues.

Commissioner Wihby asked who is this motion to help. Who is it for?

Commissioner Shaw answered it is to help the hiring process.

Commissioner Wihby asked of which department.

Commissioner Shaw answered half of the City, the schools. It doesn't affect the other schools. I have prepared budgets for the City of Manchester. The first thing in the budget of the City of Manchester you should put down is what were prior year's expenses. The second item should be truly in a democracy should be those things that the department head believe are in the best interest of the City and the third, which we have given the Mayor the power to do, is to present to the Board of Aldermen what he considers is correct for the City. Now the Mayor in making his budget proposal to the Aldermen on what is best for the City has to take into account what he thinks the proper expense for taxes for the citizens should be. That is part of his consideration if he does the job correctly. So, what we have done by tying the school's hands and forcing them to lay people off for no particular reason and to not hire anybody because they don't have any indication of the income they will have for next year is wrong. So we moved the election up. I thought that is why we did it. My intention was to move the election forward a month and a half so that gave the Mayor a month and a half extra to do it.

Commissioner Cook stated point of clarification. We did not move the election up. We moved the swearing in date up.

Commissioner Shaw replied excuse me. I apologize. You are correct. Don't do it again.

Deputy Clerk Piecuch stated I have the motion on the floor as the budget for the City of Manchester must be finalized by March 31. If you look further it also says "by the action of the Board of Aldermen any veto shall be completed by June 30." Are you going to bring that date up also?

Commissioner Shaw stated on Item C I want to bring all of the dates forward.

Chairman Dykstra asked to March 31.

Commissioner Shaw answered yes to March 31.

Commissioner Cook stated the issue here and I am very sympathetic having been the Finance Chair of the School Board is very complicated. We went through this process the last time and the conclusion we came to was this. The City went to a fiscal year some years ago, which was July 1. When it went to a fiscal year it did so for all sorts of reasons but that put the budget cycle out of whack where it had previously been a new budget was adopted to go into affect on January 1 because it was an annual year fiscal year. That was way in anticipation of the State law on giving teacher's notification of pink slips or anything. You knew farther in advance than this proposal would say what your budget was going to be. The City went to a fiscal year and as the City and the School District are tied together for budgetary purposes at least, the School District had to go to a fiscal year. We have three choices. We can leave it the way it is with all of the imperfections and awkwardness and out of sync that there is and everyone I know that has dealt with budgets say that things become clearer the later in the year you get and, therefore, you know your revenues better and with all due respect if revenues don't have something to do with expenditures I didn't take Economics 101 properly. I understand what you are saying on what the expenditures are and you know what your expenditure needs are but it is better to know and certainly there have been a lot of budgets and I have been in budget negotiations when they have said, especially the Aldermen who were crafting the budget, if you can find some more revenue we can give you some more spending because they are tied together. We can make a proposal here that the School District budget be prepared in a different sequence than the City budget. The fear I have in that regard is because of the natural nature of people to be conservative, the School District will get a lower budget than it would otherwise get. I think if we adopt Commissioner Shaw's proposal it would accommodate some things but I think we would also get a budget that is smaller for the whole City and, therefore, for the School District also than we would otherwise get. Reluctantly because I am appreciative of the goal, but reluctantly I have to tell you that the conclusion I come to is with our fiscal year structure and with the two budgets tied together and the need to do a budget with as much knowledge as you possibly can I think the way it is with all of its imperfections is probably better than any alternative.

Commissioner Shaw replied first I am the only person here who has introduced a budget for the City of Manchester. I took office in 1984 and the rules for my Charter said I could open the budget. Not only could I open the budget but I had to have it done in 90 days. The City Solicitor's Office said to me, Mayor Shaw,

don't forget that the budget must go to public hearing so I never had 90 days to do it. The budget in the City of Manchester used to be prepared in January, no December for the following year without knowing what the revenues were going to be the following year. Revenues are going to be what the revenues are. Now we have a Governor in this State and the Governor is required to produce a budget. It does not have to be passed until July 1 I think but the Governor must produce his budget within a few days. He is not even given the authority, which we did under the swearing in part, that the new Mayor comes in and immediately does it. Now there is another part of this whole thing. By tradition and I hope it doesn't go too long but by tradition Mayors are thrown out of office within two terms. That means their second, third and fourth budgets…you are only talking about one moment in time when the man takes office he has to…you understand that every other year other than the year when the man raises his hand and now we have moved it to November, he has always had…the problem with the budget process is we set a date and this administration and others say well that is when we are going to do. So let's move the date up and make it tight. If Shaw can produce a budget for the City of Manchester in 45 days and it was a completely new budget in 45 days and the taxes went down…if I can do it then brighter people will be elected to the City and will be able to do it all so.

Commissioner Tessier stated I would like to speak to Mayor Shaw's motion as well. I think what you are looking at for some of you folks is just the people that we have to pink slip or let go because of the budget but it also handicaps the School District in the hiring process. A six month budget, when we submit our school budget in January and we don't know what the amount is until June 30, that is half of the calendar year that is spent on preparing a City budget. I find that far too long and I think that to answer Mr. Wihby's concern as to who we are helping with that, well we are helping 28,000 students. That is a large part of our population in this City. I think that we need to move back. It is a cost-effective thing. We are buying things late. We are putting programs in late. We are missing good staff to other districts and it is getting very competitive.

Commissioner Shaw stated it frightens our own staff.

Commissioner Wihby asked how many teachers a year do we hire on average. Is it more than 30?

Commissioner Cook answered it is way more than 30.

Commissioner Tessier stated this year it was over 100.

Commissioner Cook stated given the number of retirements you have in the current cycle and given the number of changes and frankly some people leave because of the insecurity in this process and we have 1,200 teachers it is…

Commissioner Tessier interjected it is not just that. If you have one opening that is a Latin opening at one of the high schools there aren't a lot of Latin teachers in the State waiting for Manchester to call them on July 1 because Concord, Nashua, New London or wherever has their budget in place. Then we are going to get people in our schools who are not certified to teach what they are teaching and there is a ripple effect there. It is not just a small thing that affects one or two teachers. It affects everyone who has children in the schools.

Commissioner Pepino stated Commissioner Cook you said before that if the language could be changed somehow with their budget it would take care of this problem. What did you mean by that?

Commissioner Cook replied I said if we could change the language so that…well two things could be changed. The date on which…let me back up. Commissioner Tessier is correct that the pink slip problem is not the only aspect of the problem. She is correct about that clearly because hiring new people whether you are going to pink slip other people or not is something you want to do as early in the process as you possibly can. If you know what your budget is going to be, you can do that. If you know your budget is in jeopardy and your far largest cost is salaries, which it clearly is all across the City but certainly in the School District, there have been times when pink slips, not because your teacher is no good and you have to get rid of a new teacher but because you don't know how you are going to fit the things in the budget otherwise, have been given out piece mean because you didn't have the budget at the time and, therefore, your concern made you do it and that terrorized a bunch of families and that is not fair. If we could have language that said the school budget or the personnel part of the school budget would be set by March 31 that would be fine except I don't think you can break them up. I don't think you can do it. I think you have to do it all together. I said that if you could come up with language that would do it, that is fine. There is language in the Legislature, which Commissioner Hirschmann just passed around and I had seen previously, changing the date on which notification had to be given to people that they weren't working in a place anymore and they peg it to the adoption of the budget in any municipality. I think when very frankly the teacher organizations realize how that is pegged to city school districts and Nashua and we both have fiscal years, there will be strong resistance to that frankly because people won't be getting notification that they don't have a job anymore until the end of July and that is a heck of a position to put them in. My conclusion is that I would love to accommodate doing this differently and I would love to have it fit and I would love to have us on a different fiscal year and I would love to have that fiscal year

match where our revenues come from but I can't think of a better way, frankly to get it done than the way it is already there.

Commissioner Hirschmann stated one thing I can remember, Commissioner Cook, is when you were the Chairman of the School Board…

Commissioner Cook interjected I was never Chairman of the School Board. That would be the Mayor.

Commissioner Hirschmann okay the Finance Chairman of the School Board and bringing the budget forward to the Aldermen and I would sit there and listen to your presentation and I remember State aid…there are different numbers of revenue that come in late in the year. Now if you folks think you are going to do the School Department a favor by moving your date up, you could be doing a detriment because you don't know those late numbers. Is that correct?

Commissioner Cook replied that is what I think I said.

Commissioner Hirschmann responded so we agree.

Commissioner Cook stated I think I said because of those things that sometimes come in late and this is every other year because obviously the State does a biennial budget…

Commissioner Hirschmann interjected you could decide you have to have a significant cut and send those pink slips out when, in fact, you don't have to pink slip anybody at all if you stay pretty close to where we are.

Commissioner Cook replied that was my concern that the earlier we force a budget…

Commissioner Hirschmann interjected I think those late numbers do materialize.

Commissioner Shaw stated they don't. They really don't. I am telling you the object of the budget is that the Mayor should produce a budget and departments should to the Mayor their concept. The Governor has just produced a budget for the State of New Hampshire projecting income two years from now. It is a science. It is not willy nilly throw darts. If you want to do that, let's give it to monkeys and let them do it.

Commissioner Duffy stated Madame Chair there seems to be a number of uncertainties in terms of this dialogue relative to this.

Commissioner Duffy moved to table the motion to have the City budget finished no later than March 31. Commissioner Hirschmann duly seconded the motion.

Chairman Dykstra called for a vote. There being none opposed, the motion carried.

Commissioner Tessier stated I didn't think we were having a meeting next week.

Chairman Dykstra replied yes we are.

Commissioner Duffy stated there was some question about meeting next week. We won't take this item off the table next week if, in fact, there is some concern about it.

Chairman Hirschmann stated Item 8, Boards and Commissions. In looking at that in the 1996 Charter I think we should add 3.14. We adopted 3.11 and 3.12 I believe but we did not adopt 3.14. It has a lot to do with Commissions.

Commissioner Cook replied I think my motion…

Chairman Hirschmann interjected read your draft Charter. It is not in there.

Mr. Steve Vaillancourt stated it is. It is numbered differently.

Commissioner Shaw asked are you making a motion to accept this.

Commissioner Cook stated Mr. Vaillancourt is telling us it is not a necessary motion because it has already been done.

Deputy Clerk Piecuch stated it is in there but it is numbered differently. It is in the revised Charter that was handed out to you earlier. It is under Section 3.05.

Commissioner Duffy stated in light of the fact that we just got this before the meeting, it would be helpful to hold off…

Commissioner Cook interjected I think the intent from the Clerk's Office was that we look at it and discuss it next week.

Chairman Dykstra stated in all fairness let's read it.

Commissioner Shaw asked, Mr. Cook, why do we have to give the Aldermen permission to create Boards and Commissions. Why do we have to do that? I am

just asking Mr. Cook because he was there the last time. Why is it that a Charter Commission has to tell a Board of Aldermen what they can or can't do?

Commissioner Cook answered if the Charter is the enabling document of the City and it allows the powers and grants the powers to different groups, I think what we said was…we had a corporate model theory that said the Aldermanic Board can create additional boards and commissions as they want to. They haven't created any.

Commissioner Shaw stated my point to you is why does the power for them to do it have to be granted by the Charter. I just want to point out to the members here that the 1984 Charter ended at page 135 and the new Charter ends at page 215. There is a lot of…

Commissioner Duffy interjected a good part of that is listing the ward boundaries.

Commissioner Cook stated the answer to Commissioner Shaw's question, which was why does the Charter have to grant permission to the Aldermen to create additional Boards and Commissions was that we said this document should not be read as limiting any flexibility in the structure of government to what is listed in here and if they find it necessary to create another one they have that power just to make it clear. Now if your point is they have that inherent power we just wanted to make it clear, that's all.

Chairman Dykstra asked does anybody want to bring anything else up on the flagged items or anything else at this time or do you want to wait until the next meeting.

Commissioner Shaw stated I want to bring up something that is very important. It is something in the 2…

Chairman Dykstra interjected you are not abolishing the Board of Aldermen or anything like that are you.

Commissioner Shaw stated the governing body.

Commissioner Duffy asked which Charter are you looking at.

Commissioner Shaw answered I presume it is the same in the new and the used one. My point is the verbiage.

Commissioner Cook asked 2.01 is that the section you are in.

Commissioner Shaw answered yes. The governing body as written. My point is the very writing itself of that concept especially why is it written that way? The governing body of the City shall be the Mayor and 12 Aldermen. My point is that it gives an impression that there is a Board of Aldermen, which I want to somehow eliminate. A Board of Aldermen. There is no such thing in the City of Manchester. A Board of Aldermen. You see I want to make the presiding officer the Chairman, which is the Mayor.

Commissioner Cook stated that is already in there.

Commissioner Shaw replied no. My point on 2.01 is this. The governing body of the City shall be a principle officer called the Mayor and 12 Aldermen. Not a Board of Aldermen, which in their joint capacity shall be called a Board of Mayor and Aldermen. In other words, there is no such thing as a Board of Aldermen. This created a great problem this time when the Finance Director of the City felt that he was a part of the Board of Aldermen, a thing that isn't here. The City is governed by the Mayor and Board of Aldermen, which should always act jointly. I wouldn't mind that but they cannot act separately. Just the fact that the Mayor is not present doesn't mean that there is not a Board of Mayor and Aldermen. It is written wrong.

Commissioner Pepino stated it is in here somewhere where the Board of Aldermen can call a meeting if the Mayor will not call a meeting. Eight or nine of them…

Commissioner Shaw interjected but they don't meet without the Mayor being present. It is the Board of Aldermen. They never call the Board of Aldermen. They are called…the Aldermen have a right to call a meeting of the Board of Mayor and Aldermen and they act jointly. They never can have a Board meeting without the Mayor being present and we would never want that.

Chairman Dykstra replied we have done it.

Commissioner Hirschmann stated anytime the Mayor doesn't show up that happens.

Commissioner Shaw replied yes but still one person, an Alderman, has to step down and Chair the meeting. The meeting has been called for the Board of Mayor and Aldermen. It is never called…my point is that I would like to tighten up the thing and clearly state that the City is run by the Board of Mayor. That is my point.

Commissioner Cook stated 2.01 in the present Charter, not in the prior Charter, did not take away something acting together being the Board of Mayor and Aldermen.

It says the administration of the fiscal affairs, municipal resources and other affairs of the City shall be vested in a principle officer to be called the Mayor, that is right out of 49-C and a Board of Directors to be called the Board of Aldermen who as a body acting together shall be known as the Board of Mayor and Aldermen. It just broke it down a little clearer as to functions but together they act and that is how they act as a Board of Mayor and Aldermen.

Commissioner Shaw replied but 2.06 does not allow meetings of anything but the Board of Mayor and Aldermen in the new Charter. There are three ways that the Aldermen can meet and in each case there is always the Board of Mayor and Aldermen. What I am trying to do is make sure that somebody doesn't sense that there is another entity here that can act separately from the constituted body of the City, which is the Board of Mayor and Aldermen.

Commissioner Duffy stated I would like to interject a point here. Under governing body I do think that the reference to a Board of Directors to add the Board and suggest that is identical to a Board of Aldermen I think is a misnomer. I don't think that that language belongs in that paragraph. I do think that by referencing the Mayor and the Board of Aldermen acting as the body together is all you need. I think referencing Aldermen as Directors is misleading. My suggestion is that when we rewrite this we would delete the reference to Board of Directors.

Commissioner Hirschmann stated I will second that if that is a motion.

Commissioner Duffy replied I am not making any motion at this time.

Commissioner Hirschmann moved to delete the words "and a Board of Directors to be called." Eight words to be deleted so it leaves it the Mayor and the Board of Aldermen acting together. It just gets rid of the reference to the Board of Directors.

Chairman Dykstra asked, "to be called the Mayor and the Board of Aldermen." Is that what you want?

Commissioner Hirschmann answered yes.

Commissioner Cook stated taken together it is the Board of Mayor and Aldermen.

Commissioner Hirschmann stated we are just deleting the language that says that it is a Board of Directors.

Commissioner Duffy replied there is just some redundancy.

Chairman Dykstra asked do I have a second.

Commissioner Shaw duly seconded the motion.

Commissioner Soucy asked could you just clarify which words you are removing from this section and how it would read.

Deputy Clerk Piecuch replied if I understand Commissioner Hirschmann, he is removing eight words "and a Board of Directors to be called."

Commissioner Hirschmann responded I think we have to leave "and" in. Take out "a Board of Directors to be called."

Chairman Dykstra called for a vote on the motion. There being none opposed, the motion carried.

Commissioner Shaw asked do we have time for Section 2.05. In the old Charter under 2.05(B) General Powers and Duties of the Mayor…

Commissioner Hirschmann interjected that is Item 3 on our list.

Commissioner Shaw stated under Item B of that Section my point is that I think the Mayor is the Chairman of the Board of Mayor and Aldermen. He may be the presiding officer and Chairman.

Chairman Dykstra replied no.

Commissioner Shaw asked why not.

Commissioner Hirschmann stated under the current system the Chairman of the Board is a voting member of the Board. The Mayor is a parliamentarian of the Board. He is not a voting member unless there is a crisis at hand. I don't favor him being the Chairman of the Board.

Commissioner Shaw replied at the School Board they could have veto power. I don't think you can have two Chairmen. I always felt that the Chairman is the one who presides at the meetings. Is that incorrect? In most corporations or whatever it is the Chairman of the Board that presides at the meeting. Now he might not vote until…you know most Chairman don't vote until last and only in the case of ties or special circumstances but we haven't put that system into effect. I don't think that you can have two Chairmen of the same group.

Commissioner Wihby asked who would preside if the Mayor is not there.

Commissioner Shaw answered the Vice Chair.

Commissioner Duffy stated I am somewhat confused about the use of these terms and I think they are being batted around fairly loosely. First of all this reference to this group called the Board of Mayor and Aldermen and all of the sudden saying that the Mayor is a corporate entity is misleading to start out. Then to introduce the title Chairman further complicates things. Let's keep things as this is a political boss and this is the situation that we need to make sure that people understand who it is that is running the meeting. It is the Mayor. The Mayor runs the meeting and he doesn't need another title in order to do that.

There being no further business, on motion of Commissioner Pepino, duly seconded by Commissioner Duffy, it was voted to adjourn.

Respectfully submitted,

Deputy City Clerk

Approved for Commission:_____
Donna M. Soucy, Secretary