

## COMMITTEE ON FINANCE

**May 6, 1998**

**Immediately Upon Conclusion  
of Special BMA**

Mayor Wieczorek called the meeting to order.

The Clerk called the roll.

**Present:** Aldermen Wihby, Klock, Reiniger, Sysyn, Clancy, Pinard, Shea, O'Neil, Girard, Rivard, Pariseau, Cashin, Thibault, and Hirschmann

**Messrs.:** R. Lemaire, B. Vigneault, L. Lafreniere, R. MacKenzie

Mayor Wieczorek acknowledged Ms. Elise Hood's government class that was here to see their government in action.

Mayor Wieczorek advised that the purpose of the meeting was to initiate discussions with various departments relative to the 1999 proposed budget as follows:

### **Elderly Services**

Ms. Vigneault stated with the Mayor's recommended budget, we have \$214,311. The additional request that we put onto our department budget request was a telephone line item and also we had furniture and fixtures where last year we had nothing in that line item and this year they had approved \$2,000. The majority of the monies that were in the additional request fell under a new position that did not get funded and was not recommended to be funded for this year. With that \$214,311 that is recommended by the Mayor, it will bring our service costs for our units of service for individuals and units of service to about \$6. So, with the numbers of people that the department serves, the department has four and a half people.

Alderman Wihby stated your salary is going to go down \$4 so that is not a big deal. Your salary account is going to go down \$4.33 I guess, according to Personnel.

Ms. Vigneault replied salaries do include, why that is a little confusing is that salaries do include the 2.5% increment, but the reason they went down from the 1997 expenditure to the 1998 is because there was a temporary employee in the department last year for a short while, while one of the employees was out on leave.

Alderman Wihby asked about Account 750. When you came and talked to us, didn't you ask for furniture and fixtures? Wasn't it in your budget?

Ms. Vigneault answered yes, but because this is zero based budgeting, the additional amounts were on paper. All the additional amounts were on the additional request forms.

Alderman Wihby asked so we don't have anything in front of us regarding what the requests were.

Administrative Assistant Thomas answered it is not in the budget book, no.

Mayor Wieczorek stated I thought we were going to get them the budget additions.

Administrative Assistant Thomas stated I was not aware that you wanted me to give them the budget additions. They can have them.

Ms. Vigneault stated I can read them off to you. The new position was \$29,653 plus \$10,379 in benefits.

Alderman O'Neil asked what is the position.

Ms. Vigneault answered it was for a coordinator position to help with coordination in the community for services mostly because of the state's proposed long-term care change. The other expenditures were, the capital expenditures we asked for was \$2,450 and the Mayor had recommended \$2,000. We had budgeted the telephone as I said got approved. That was \$355 that is what was approved. The rent increase of \$258 was not approved, but last year we had budgeted \$200 that was allowed for them to increase as the tax rate went up and because they had gotten an abatement at that rate it went down \$4,000 so we did not need it for this year. Our last year's amount should be able to take care of that. We had put in an electrical increase of \$408 and none of the departments were allowed, I was informed, an increase for electrical.

Alderman Wihby asked is there any way we can get this information. When we get to the big departments we don't want them reading off their whole list.

Mayor Wieczorek answered we will get those additions. They were on a separate sheet.

Administrative Assistant Thomas stated what we will do is have the Clerk's Office collect the binders again and we can supplement the information for each department.

Alderman Wihby suggested that they all be put together in a packet.

Mayor Wieczorek stated we will put them in a packet instead of collecting the books again.

Alderman Wihby asked if, at the end of the budget time, we decide that we are going to make some cuts, 1%, 2%, 3%, tell us what you would cut based on the number you gave us so far.

Ms. Vigneault answered because we only got the \$2,000 for furniture and fixtures, that is where we would have to cut. The other is zero based as you see since last year and I can't see any cuts there.

Alderman Wihby asked this makes you whole and includes raises and steps and everything else, right.

Ms. Vigneault answered yes. That \$2,000 for furniture and fixtures is to replace the draperies and curtains at the West Side Center because they need it so they really can't clean it again. It was about five years ago that we said that was it.

Alderman Shea stated Barbara and I kicked around the idea of a permanent place for the Seniors and I noticed that the largest amount here is the rental of a building and I think that is really something that...you know I think you mentioned it would be three years before the lease was up and I really think it is a thought anyway that we should kick around. There should be some type of investigation as far as trying to find a permanent solution. I know the area downtown doesn't lend itself, at times, for Seniors because of the parking and because of the fact that it is congested sometimes in terms of the parking lots and things like that. It is just a thought, but if there could be some kind of thought or at least I am floating the idea that possibly it might be a good idea. In the long run it might be helpful for an aging population that we have here, your Honor.

Mayor Wieczorek asked in line with what he is saying, have you ever thought of any other locations. Maybe you have got something in Ward 7.

Alderman Shea stated I don't have anything in Ward 7. I am thinking of the whole City in general, your Honor, and where it would be most feasible for people to get to, parking and a pleasant surrounding in terms of shrubbery or things of that nature.

Mayor Wieczorek asked do you have any problem over there, Barbara.

Ms. Vigneault answered no but when we went there in 1986, we had things evolve and change. We had a number of people who took buses and the bus people wanted it downtown. They had a really strong opinion about wanting it downtown because that is where they could go with buses and transfers are sometimes a problem. As I was discussing with Alderman Shea, as the aging population lives longer than, I mean people are more well for a longer period of time, a lot of Seniors are continuing to drive and they are having some problems with parking downtown. We have the Victory Garage, but that causes a problem for some people who have mobility problems because that is a couple of block to walk. Parking downtown at meters is difficult because you can only stay there for a couple of hours and then they have to leave so any program that lasts more than that, they have to keep feeding the meters. We have a lot of people who are dropped off which makes it difficult on family members. So as things change, and they are changing rather rapidly with the elderly population, we are seeing that you have the younger elderly population and the very old population.

Mayor Wieczorek asked for clarification on the younger elderly population and the very old elderly population.

Ms. Vigneault answered our category is 60 and over for eligibility, but we have people who are in their 90's who are requiring services as well. A 90 year old has different needs than somebody who is in their 60's or 70's. Some people age differently so you can have one person, you can have a very old person who is very young and a very young person who is very old. It depends on their health, etc. We find sometimes in implementing programs that we have to meet the needs of these two different groups. We have been working on an intergenerational program with the school system and we have asked the School Department to implement that and supposedly it is waiting an allocation of a federal grant. It will start as a title project in the local schools. It will be a really fantastic idea and it is a great concept because we would have Seniors who are being used and our youth's need the exposure to people who have a lot of skills and a lot of coping mechanisms and a lot to give youths. Youths as well have a lot of things to give

Seniors because there are a lot of things that...it is very rewarding working with kids who are in the elementary school grades. We see, because of the changes, we see families not having extended families at home and not having grandparents around so we need to have an atmosphere where we can bring that together and that is what we are trying to do with the intergenerational concept. The volunteers who will be Seniors, if anyone is interested, would be able to work with kids in the school and be able to do a number of things with the child that really develops some close relationships as well as help the School Department personnel and help kids.

Alderman Girard stated I am a bit surprised to hear that the Elderly Services Center site is not adequately serving the needs of the people who drive and things of that nature. If you recall, a couple of years ago, it might have been last year or the year before, there was a proposed consolidation when this lease expired here at the Mirror Building that would have relocated the Elderly Services Center to 50 Bridge Street in conjunction with the Health and OYS Departments and at \$10 per square foot with plenty of parking in a City garage right behind it, seems to me that not only would we have saved something in the order of \$17,000 off of what we are currently paying in rent had that relocation taken place, but these problems with dropping people off, picking them up and having adequate parking would have been addressed also. I realize that there were some policy concerns with that consolidation at the time that the Board had, but to now say that the space is not serving the need when the opportunity to move it at great savings comes before the Board I am a bit surprised because one of the things that the Director told us at the time was people who walk to the Center would find the Bridge Street site inconvenient. So now on the other hand we are worried about the inconveniences of parking and this is the type of thing we have to get a handle on. You know it is unfortunate now that these driving concerns are being brought to the Board's attention because that \$10 a square foot we could have saved an awful lot of money for the citizens of the City who pay the taxes and we could have provided better space and accessibility for the Seniors who use the Center.

Mayor Wieczorek stated I think that you are right in some respects, but you know that building has changed hands and those rents are going up substantially. As a matter of fact, I think we are going to have to vacate those premises so that is something we are going to be facing here this year.

Alderman Pariseau suggested that as we travel through the efforts of the Civic Center, maybe we ought to look at providing an Elderly Community Center within the confines of the Civic Center if and when that is ever constructed.

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Ms. Vigneault stated in all due respect Alderman Girard, if you remember right the issue was that the Seniors would be housed with teenagers who are at risk with the Office of Youth Services and it was not that the Seniors could not get there it was because they would be housed with kids that are at risk. The other thing is that

when we did have an issue the landlord did decrease the rent by approximately \$20,000 which is a lot. So those are the two reasons why we did remain where we were.

Alderman Shea mentioned that Barbara didn't indicate that it wasn't adequate, but what my suggestion was that she is looking for or at least my perception is that she is looking at what is best for her Seniors and she is indicating some of the difficulties that they have. I mean we can verbalize all we want about how important it was to move from one street to the other and so forth, but in essence she is doing a wonderful job. I called her recently and she was overwhelming cooperative and I think that to start nitpicking about a certain thing doesn't add anything at all to a discussion about a department head, your Honor.

Alderman Girard stated as I noted in the comment that I made, there were policy issues or concerns that were raised with the consolidation, but the idea that the youth services and elderly services were going to be in the same space was not accurate either because if you recall the floor plans, the Elderly Services was going to be on the first floor for handicapped accessibility reasons and OYS and Health were going to be in a different place in the building. Just to make sure that the record is clear on that point, no one was going to suggest that 13 year old juveniles with difficulties be in the same space with the elderly.

Alderman Hirschmann stated one positive thing I see happening in the inner City is a youth center being built up on Lake Avenue. If that could be envisioned for an elderly center for her to get away from that expensive lease in the next three to five years.

Mayor Wieczorek replied we can't do that. These are funds from the Enterprise Community and it is very specific about how you can use those funds.

### **Office of Youth Services**

Mayor Wieczorek stated I just spent the morning with Regis Lemaire and Sean and Ron Ludwig. We went to Keene to take a look at the Skateboard Park and they have one and I am going to tell you I guess I never knew what a Skateboard Park was like, but it is very interesting. I think it is something that we are going to want to pursue. It is going to be coming.

Mayor Wieczorek asked Mr. Mark Hobson to address the page that was handed out.

Mr. Hobson stated before Regis made his presentation, I wanted to talk specifically about the work that has been done in the departments with Payroll costs. As you know, as a result of the conversion we have had to do some training and some learning curve within each department with our Payroll numbers and what you see before you first of all is a memorandum that explains to you, as the Board of Mayor and Aldermen, and copied to all of our Department Heads. It says that there is a spreadsheet that is on the reverse side of this memo and in the final column we project a difference in the calculations between the Mayor's budget proposal so that is the numbers that were given from the departments to the Mayor's budget, and the latest review of the Payroll costs with each department and Human Resources staff. We have had multiple meetings and multiple discussions between department Payroll people and our Payroll people and the Finance Department. There are two departments that need further review. One is Parks, Recreation and Cemetery which I will discuss in a minute and the second is the School Department. You will notice that for the General Fund and the School Food & Nutrition, those line items are at a zero level. We have received and it was given to you last evening, the School Board's budget proposal. We now have to take a look at those salary numbers with Director Mark Burkish and the Business Administrator, Mr. Richard O'Shea. We will do that for you on a timely basis, I assure you. If the Payroll calculations hold that we have done through the entire process with each department, there is a projected savings of \$79,115 from the Mayor's proposed FY99 budget. In other words, if we take a look at each one of those departments on the spreadsheet and we take a look at the differences and we literally move dollars from one department line item to another to make those departments whole according to the Payroll calculation that we estimate, then we will have a \$79,115 savings from the Mayor's budget. Two departments where there is some rather large discrepancies. The first is the Health Department and the second is the Parks. The Health Department is off by \$175,000 strictly from coding problems that are related to federal funds and federal grants. So when the numbers were given from the Health Department and our department for the Mayor's budget, we were off by fairly significant dollars because of federal funds. On the other line item, Parks & Recreation, what took place there was an over statement of temporary workers and part-time workers, some of the summer workers, etc. We have since gone back and straightened out that with their Payroll staff. The only issue is that we have not had the opportunity to sit down and talk about this issue, as you know, your Honor, with Director Ron Ludwig. The key players with the Parks Department and the Finance Department, the Mayor's Office and our department haven't been able to get into the same room together and we have a number of staff members who are in Florida on HTE training this week as well. So we are fairly confident that these numbers will hold. We believe that, for example, if you take a look at the Office of Youth Services we need, in order to staff properly OYS, we need to move \$24,813.96 into Regis' Payroll

account. I believe that Regis and his people will agree with those numbers. Again, a lot of work has gone in. To a degree, you will agree with us. I just wanted to take a few moments to explain to you the process and I would be happy to answer any questions, your Honor.

Alderman Wihby stated when we go forward with all these departments, I think that we should be telling them that they have this amount, I mean this should be the sheet that we go with so he shouldn't have to sit there and tell us he needs \$24,000. He should be already notified that this is the new sheet we are going by.

Mayor Wieczorek asked did every department get this yet.

Mr. Hobson answered they were sent out this afternoon to all of the department heads and they were faxed. We will send them by Courier first thing tomorrow morning.

Alderman Girard asked in the salary numbers, is there a non-affiliated pay increase budgeted.

Mr. Hobson answered yes.

Alderman Girard asked how much.

Mr. Hobson answered steps, non-affiliated and other contractual numbers are in here.

Alderman Girard asked but there is a general increase of what percent.

Mr. Hobson answered non-affiliates were 2.5% for this year.

Alderman Girard asked when was that non-affiliated agreement ratified. Is that an anticipated increase or was one recently passed?

Mr. Hobson answered I am not 100% sure, it predates me, but I believe that this is the last year of the non-affiliated agreement.

Alderman Thibault asked for an explanation of what cuts were made in the Health area from the federal government. Is that what you said?

Mr. Hobson answered no and I am sorry, Alderman, if I didn't say that properly. It was data entry and coding errors for federal government and federal grant numbers. We have gone through this with Fred Ruczek. The Health Department,

the Parks Department, and of course School, but those are two of the more difficult departments in terms of setting up their Payroll Accounts. It is not that they fund people from federal funds, it is that they fund them sometimes from five and six different funds. So one person's salary and benefits might come from three, four, five or six different resources. That was a difficult challenge for people in the conversion process to try to keep those project accounts straight. So the Health Department deserves a lot of credit for working with us and having patience with us to try and straighten that out.

Mayor Wieczorek stated many times we get an overtime sheet and it will indicate somebody from the Health Department that is paid for from either federal funds or state funds. So this is really where this comes from.

Alderman Thibault stated and it is hard to analyze that. Is that what you are saying?

Mayor Wieczorek replied well with the changes they made, you know so much is coming from federal funds and if you don't have them coded properly then you don't pick up the salaries.

Mr. Hobson stated going forward, your Honor, you know I believe we have lived through this once now and so we understand it and appreciate it. Going forward it should be easier, I hope.

Mr. Lemaire stated in terms of taking a look at, before I get into the budget, I just wanted to say that many times we hear that we are not doing a great deal for our youth in the City. I think if you take a look at some of the figures that were included as part of our budget and our mission statement you will see that we are doing a great deal more than sometimes people realize and I think we are going to have to publicize a lot more of what we are doing for youth so that the citizens of Manchester have a better understanding of what is being done, they would have a better understanding of the costs and I think they would contribute a great deal more to the City as I certainly get a lot of support from the Board of Aldermen, the Mayor's Office and the citizens of Manchester when I take a look at a problem that involves youth. As the Mayor mentioned, today when we went to take a look at that Skateboard Park, I think the more that get involved in understanding what it is, I think we are going to have a park in the near future. We are going to have something that is solid for Manchester. Something that has been looked at and something that everyone can agree with, including the youth. I also believe that they have a responsibility of participating in that process rather than jump into it immediately. I think their involvement is going to be important and in listening to the people in Keene that did that process that way, I think we have a better

appreciation that they will be able to maintain such a park and they will be good contributors to the City of Manchester. Looking at my budget, if I take a look at my budget for 1998 and then take a look at our requests for 1999 and take a look at the Mayor's recommendation, and just taking a look at the line items we feel that we can definitely live with the Mayor's recommendations and our requests and what Mark Hobson has just told you in terms of the salary budget projections and the latest Payroll calculations, we would agree with that as well. We believe that that covers us. Also we have worked with Human Resources in setting this particular budget and that is how we came up with the \$281,000 and that is why they are saying that the difference of the \$24,000 is to make it \$282,000. What I am telling you here is we certainly can work and continue to work well with the budget that we have requested and has been recommended by the Mayor.

Alderman Girard asked with the revised figures that we got on the salaries, there is just over \$22,000 worth of increase in the salary line item. I am wondering if that is all attributable to raises or are there other positions in here.

Mr. Lemaire answered there are some step items in there. We worked with Human Resources to look at what is the cost differences and that is how we came up with it. There are some items that included the 2.5% that was mentioned.

Alderman Girard asked do you have new positions in here, Regis.

Mr. Lemaire answered no.

Alderman Wihby asked when budget time comes and the Board goes ahead and cuts 1%, 2% or 3%, what would you get rid of first.

Mr. Lemaire answered we would have to take a look at it and given the small portions of my line items I would probably have to take a look at two, three, or four items and reduce in the percentages of a couple of thousand to make up the difference.

Alderman O'Neil asked the \$306,000 recommended by the Mayor plus the \$24,000 given to us by Mark tonight equals your original request.

Mr. Lemaire answered yes.

Alderman O'Neil asked where is EAP with regards to...

Mr. Lemaire answered EAP is included in the budget and salary request as well and we share with them the items. They are included. I have met with Tom

Jordan who is head of EAP. He looked at our budget in which he is included and he concurs with the figures that are here.

Alderman O'Neil stated so in your organization chart that you provided with the budget book, can you show me where the EAP is there or isn't there.

Mr. Lemaire replied EAP is included, but is not in our chart. We separate the youth from the EAP.

Alderman O'Neil stated so it is 8 plus the EAP.

Mr. Lemaire replied the EAP is included in terms of the cost. You make a good point and maybe the next time I should include EAP in the chart, as well.

### **Building Department**

Mr. Lafreniere stated we are here this evening with the FY99 budget request which essentially for the Building Department represents a level funded situation. There are some deductions and some additions and I can speak to any of them that the Board wishes. I will touch on a few of the highlights without going through line by line. The regular salary item actually represents a decrease if you factor in the 2.5% COLA which is approximately \$16,400. If you added that to our approved FY98 budget, it actually is higher than our request this year and we were able to do that because of the retiring director this past fiscal year and some reductions that we experienced there. Going down the list, we have prepared, as I mentioned previously, a potentially level funded budget. We did have some specific line items that we asked for some budget additions to. We feel that we can certainly provide our same level of service with the Mayor's recommended budget. We feel comfortable with that. Going down through the list, there were some areas where we wanted to put a little extra emphasis. Data Processing is an area where we wanted to, it is a 50% increase which would put us at \$500 for our department. We wanted to purchase some proprietary software that will help us with our administration of the building code and our plan review function. Our postage costs have gone up considerably. I think this really manifests from an increase in activity. There seems to be a lot more activity which generates a lot more mailing. We are distributing permits on an increased basis and are responding to inquiries and so we view that as a positive thing, but it has resulted in a need to increase by \$1,000 our traditional funding level in that account. Some less significant items, Printing, Collation and Binding we wanted a minor increase of \$750. The most significant item that appears on our request is the \$750 Furniture & Fixtures which actually is also the equipment line item. That specific

request is to replace our copy machine this year. Typically we find that we get about three years out of a copy machine and we are now in our fourth year with this particular machine. We have investigated in the past and this time leasing options which did not prove, in my estimation, cost effective for our department on a single unit basis. It is not to say that on a city-wide basis we might see some more competitive advantages in leasing, but for our individual purchasing power if you will purchasing is the most cost effective way to approach it. It is my understanding that the Central Purchasing Committee is looking at various options in regard to both purchasing and leasing options for this type of equipment and they have indicated to me that the time-line for that will probably coincide with the next budget cycle. I am sure that Sean can correct me if I am misstating my understanding there. If there aren't any questions on the expense side...

Mr. Hobson stated I passed out the budget revision sheet. I am not sure if I heard you properly. Do you realize and you may have said this, that the \$4,013 is our new calculation and so, therefore, that would actually go so as we look at your third column you have \$681,739 as a request? Our new number is \$682,452.95 which is a difference in the Mayor's budget by \$4,000. So that is \$4,000 that we have added to your budget. Do you understand that?

Mr. Lafreniere stated yes and I understood Alderman Wihby's comment to indicate that that would be factored in and we wouldn't necessarily speak directly to that. It is my understanding that that is the new number. Would you like me to talk to the revenues or take questions on the expenditures?

Alderman Shea asked when the new City Hall is being finished, are they going to have a large copy machine downstairs some place so that...I know in the School Department here they have large one to run off a lot of papers and so forth. Is there any thought, or are they just going to have copy machines in each department?

Clerk Bernier answered that is correct, each department as it holds today.

Mr. Lafreniere stated I took a few of the revenues on the basis of where I had seen our FY98 budget track and felt that it was appropriate to factor in some increases and that is where I came up with my projection of the \$1,015,100. In that evaluation, I had anticipated that the adoption of the new building code would incorporate a fee structure that would essentially level the playing field, if you will, in regard to how we now assess permit fees for building permit projects. There is quite a disparity between types of projects that we see in the office with regard to a new building for example, new construction, which would include additions and this is where an actual new building envelope would be created.

The building permit fee is now \$3 per \$1,000 of construction. To renovate a structure, the current fees are \$20 per \$1,000 of construction costs. There are some increased expenses that we incur, I believe, on the rehabilitation types of projects but not so as I can justify in my mind the disparity between the two fee structures. My hope is that bringing in a new structure that would raise the base building permit fee level for new construction and lower the current fee schedule for rebuilding and reconstruction would bring us in at a level of funding that is reflected in the \$1,015,100. The Mayor's Office took a look at, I believe, the funding that we have been bringing in using our current fee structure and I don't have a big problem with the bottom line number. I think that it is not out of whack in the level that we see of activity out there and what we know or believe is coming to us in the form of new projects in the coming fiscal year. The only issue I would take is that the increase in the line item under Certificate Compliance Program is probably not an accurate figure. I don't see any way that we could increase that particular line item from \$175,000 to \$359,000. I do believe that we can make up probably that bottom line number spread over some of the other accounts, specifically in building, plumbing and electrical but just where the appropriations lie I felt that I should point out that. There is probably a little disparity there in terms of what we should expect to see, but the bottom line number I think is something that we can generate.

Alderman Pariseau asked could you explain what you mean by that Compliance Application.

Mr. Lafreniere answered the Certificate of Compliance Program is the housing code. These are the fees that are generated by the inspection.

Alderman Wihby asked do you know where you are this year with your revenues. Does anybody have their report that we got yesterday?

Mr. Lafreniere answered I don't have it with me. I should have brought it, but I believe we are at the 75% mark if you will for the fiscal year. We are somewhere over 80% of our target.

Alderman Wihby asked and the target is the \$1.3 million.

Mr. Lafreniere answered yes. We are somewhere maybe higher than that.

Alderman O'Neil asked am I correct in reading this that your budget was \$997,000. Just under a million dollars. Is that correct?

Mr. Lafreniere answered that was the budget request. The adopted budget was \$1,004,050.

Alderman Wihby stated you have almost a million in already with an anticipated \$328,000 for the next three months so they are figuring you are going to get \$1.311 million. Did they go over this? Does Finance do this or do they talk to you about it?

Mr. Lafreniere stated we actually gave those numbers to Finance.

Alderman Wihby stated so if you think you are going to do \$1,311,000 and that is what you are running this year, why don't you think you are going to do more than \$1.4 million next year.

Mr. Lafreniere stated well I think we can. Potentially, I am saying that I believe we can, but my hesitation is in the adoption of the new fee structure because I do believe it will result in a slight reduction of the dollar amount that would come in on a permanent basis. What my hope is, based on information that we have tracked over the last three fiscal years as well as what we anticipate coming in, in the next fiscal year that we may see a reduction in the average cost of a permit. The increased activity in the number of permits that are coming in will bring us up to where we were before.

Alderman Wihby stated it just seems to me that you are probably going to do better than \$1.4 million also.

Mr. Lafreniere stated I certainly would like to think that we would.

Mayor Wieczorek stated maybe you can give it another look before we get it finalized.

Mr. Lafreniere stated my only hesitation is that we are going to generate a fee structure that will potentially make us not as competitive as I was hoping with our surrounding communities. When I bring a fee structure to you, I am hoping that it will be somewhere in the middle of the pack if you will with the other communities in the state. I don't want to be up near the top edge and to be able to commit to being able to bring in that level of revenue or a level of revenue that exceeds \$1.4 million my concern is based upon what I have seen so far from the other communities, it might put us up near the top of the pack for our fee structure. I will try to break that down for you and give you some rationale of where I am coming from on those numbers. I would be happy to do that.

Alderman Wihby stated where it is confusing is you are adding numbers and taking it off of something else rather than...it looks like you have more accounts. Like last year for instance you didn't have a 4556 account.

Mr. Lafreniere stated that is correct. This was generated by the Finance Department with the new HTE system. They are trying to break down and define how are revenue picture is accounted for. Our fee structure is not set-up to align itself well with that level of accounting if you will.

Alderman Wihby asked what do you do. Do you take the top ones, do you take 4556 through 4569 and add that up to 672? Then all the items up there would be part of the 672. You can't compare what you did last year because you got new accounts and you got less in some other accounts. You had \$1,000 Electrical, New Service and then you have \$0 this year.

Mr. Lafreniere answered that is just because of the way they are currently breaking out. We budgeted \$100,000 last year or the adopted budget was \$100,000 last year for Electrical Permit Fees. To date, we have taken in an actual revenue of \$161,443. We are asking for a budget of \$110,000 for next year. Now these are the areas where I would look to absorb some of that disparity between the proposed increase in the Certificate of Compliance Program. I think that we have some room to be able to up the numbers, for example, in Electrical Permit Fees. We haven't budgeted across at the Electrical Permit Fees breaking them down into application and then service because that is not a manner in which we have ever budgeted before, nor is it a manner in which we account for our funds currently. I assume that is something that we are going to be working towards in the implementation of the HTE system.

Alderman Wihby stated I guess I am lost. 4569 this year you have \$100,000 budgeted. What do you expect for next year?

Mr. Lafreniere replied the budget is \$110,000.

Alderman Wihby responded for 4569 you have zero.

Mr. Hobson replied it is 4565, Alderman.

Alderman Wihby asked so 4569 is going to be 4565 now.

Mr. Lafreniere answered right.

Alderman Wihby stated if you look at 4569, you are getting \$173,000 in this year. So you had \$100,000 budgeted and you got \$173,000 in and you are only figuring on \$110,000 next year.

Mr. Lafreniere stated I think the total in so far this year is \$161,000.

Alderman Wihby stated that is 97's revenue. If you look at what you are doing this year for nine months plus your anticipated three months, it is \$173,000.

Mr. Lafreniere stated this is why I said that I believe the \$1.4 million figure is an appropriate figure. I think it needs to be reallocated. The numbers as they have come to you are not in mind accurate the way the line items fall and generate revenue.

Alderman Wihby asked so where don't you think you are going to be. Just that \$359,000 figure?

Mr. Lafreniere answered I suspect that that is going to be the largest disparity, yes.

Alderman Wihby stated you are going to reach \$210,000 this year.

Mr. Lafreniere replied this year had some unusual circumstances with regard to that particular line item because we put some resources into trying to reconcile a number of outstanding accounts in that area and we were fairly successful in doing so. We brought a number of buildings into compliance by virtue of the fact of their spending additional time to get them to correct deficiencies or actually to get them to pay the fees that were owed in previous years. So, I have actually had a staff person on that for a year and that is why that number is what it is.

Alderman Wihby stated I don't want to keep going. Can you just look at those numbers and see if there is any more than the \$1.4 million?

Mr. Lafreniere responded certainly.

Mayor Wieczorek stated then reallocate them and we will print a new page for everybody.

Alderman Girard asked with the vacancy that you have in your department at the Deputy Director's position, I am wondering whether or not you would be willing to discuss with other departments and members of this Board if not the whole Board, potential consolidation opportunities.

Mr. Lafreniere answered I am certainly willing to discuss any type of consolidations that may be directed by the Board.

Alderman Pariseau stated back when I was on the Zoning Board of Adjustment, we were discussing the possibility of instituting penalty fees dealing with these people who have constructed additional apartment units without permits then when they get got they just go to the Board of Adjustment and try to acquire a variance. In the meantime, they haven't paid their fair share to the City coffers by way of taxes and whatever. We were talking about the possibility of instituting some sort of fee to deter these people from doing things without acquiring the necessary permits. I think there is a lot of liability involved when landlords do that sort of thing, especially if the property is identified in the Building Department as a three family and they convert a portion of it to a four family. God help the land owner if there is a fire or something. I would expect that he would be liable for whatever damages are inflicted upon his tenants. That penalty fee was a way to discourage that sort of activity and I don't know if we can do that, not only to generate additional revenues for the Building Department, but also to discourage absent landlords from converting these units without the necessary permits.

Mr. Lafreniere stated we do not have a fee specifically for that case, however, we do have something built into the fee structure that doubles the permit fees for any work that was initiated in the absence of permits. So it is not specific to that case, but any permit or any work that is initiated prior to application of permit as we are made aware of that, permit fees are calculated and then doubled. There is something in the system to deal with that. Whether it is enough or not is a separate thing.

Alderman Pariseau stated I would say that it probably isn't enough and we ought to set a flat fee. If it is an apartment unit then they ought to be penalized say \$500 and if it is two then it is \$1,000. I notice that there are two such items of that sort on the agenda for the Board of Adjustment this coming Monday and other items that are in non-compliance or things done without permits like decks, pools, and whatever. I think that we ought to discourage that and get them into City Hall to get the necessary permits.

Mayor Wieczorek stated I have also seen that work against them. I have seen a situation where a person wants to sell a three family and you find out it has really been registered as a two all of the sudden the price comes down. You have got to sell it as a two instead of a three and then you have to take down the plumbing and everything else so you do have a two. So they do get caught somewhere, but sometimes they get away with it for a long time.

Alderman Shea asked the HTE system, have you been working with that. Has that helped or hindered your department?

Mr. Lafreniere answered we are not currently able to utilize the HTE system for any of our departmental operations save for the financial functions that are already in place for all departments. We are not on-line yet.

Alderman Hirschmann stated I wouldn't call it a fastball, more of a slider, the plan that you are going to bring to us to adjust revenues that would actually reduce your revenues, that is what you are going to bring us.

Mr. Lafreniere stated that is certainly not the goal.

Alderman Hirschmann stated well that is what you intimated to the Committee.

Mr. Lafreniere stated no my goal is that I will bring in a fee structure that will more equitably apply the fees to the work that is done in the City. I also think it is important for Manchester to stay competitive in the realm of economic development and not price our fee structure so high as to have higher fees than any other communities around us. So that is why I am saying that by leveling those fees out and then trying to stay competitive with the fees, I felt that I could budget an increase in fees, however, perhaps not as high as I might have if I were not anticipating this project coming forward with the fee structure.

Alderman Hirschmann stated but you did say that the \$1.4 million number may not happen because of the plan you are going to bring in.

Mayor Wieczorek stated no he said it might be higher.

Mr. Lafreniere stated I have a reluctance, without doing some more analysis, to increasing the \$1.4 million.

Alderman Cashin stated my understanding is that you want to change some of the line items, make them different, but you are not going to change the bottom line is that basically what you are saying.

Mr. Lafreniere stated I hadn't planned to come in with a higher bottom line number unless I could justify it.

Alderman Wihby asked with a 1% or 2% cut, what would you do.

Mr. Lafreniere answered a 1% or 2% cut for our department is really a salary item. Our total operating budget is somewhere in the vicinity of being 28% of our total budget and I can't look at taking 1%, 2% or 3% out of the total budget without affecting our salary account.

Alderman Wihby asked do you have any openings now.

Mr. Lafreniere answered the only opening that I have currently is the Director's position.

Alderman Wihby asked so what would you do, lay-off.

Mr. Lafreniere answered yes in some fashion.

Alderman Wihby asked can you live awhile with the second slot open, assuming you get the Director.

Mr. Lafreniere answered I am at a point where I think that you may all remember that I came before the Board a couple of months ago and sat with the Planning Chair, the Zoning Chair, and the Planning Director and discussed some of the initiatives that I planned. Because of the time of the year that we are in and the level of activity that is generated in the department, as well as the fact that I am providing some fairly significant support hours for the City Hall renovation project, that I find quite consuming, I don't say this to be a martyr at all I am not one, but I work most evenings and at least one day on the weekend just trying to keep a lid on things and it is because of my staffing situation. To say to you that yes I can continue on for an extended period of time will mean that it will affect service delivery.

Alderman Girard asked do you have any idea when the Central Purchasing Committee will be making recommendations on various items like photocopiers and things of the like.

Alderman Hirschmann asked is there still a Central Purchasing Committee. Let me just say that the whole Central Purchasing initiative was referred to Dick Houle and he still has the whole kit and caboodle.

Mayor Wieczorek asked Mr. Thomas to check into that.

Administrative Assistant Thomas stated the Committee is still active and I do believe that in the next month or so they will be meeting on some of the different

parts. One was going to be on the photocopiers. Another was going to be on purchasing of office supplies.

Alderman Hirschmann stated well if you ask my opinion, we spend \$25,000 on a study I say bring the whole thing forward and pass it.

Alderman Pariseau asked isn't it in a state of limbo. It came to the Administration Committee and they wanted to give department heads the authority to go out and spend something like, not having to seek approval for up to \$10,000. I said that is not the purpose of Central Purchasing as far as I am concerned. They just wanted to give department heads the authority to go out and purchase things with a minimum of \$10,000 without coming back to this Board.

Mayor Wieczorek asked are you Chair of Administration.

Alderman Pariseau answered yes.

Mayor Wieczorek asked so where is it. Is it in your Committee?

Alderman Pariseau answered it is in limbo. I don't know.

Alderman Pariseau stated I think it was referred back to Mr. Houle and the Committee.

Alderman Girard asked could you try to give the Board an idea of where these things are.

Mayor Wieczorek answered I will have it for you as soon as I can, Alderman.

### **Planning Department**

Mr. MacKenzie stated in terms of my budget this year, I am not requesting any additional staff people. The operating expense side will actually be down this year and that is primarily because at some point this year we will be moving into City Hall. So in terms of our budget, I wasn't going to go into too much detail on that. I did want to kind of highlight what we see as our 10 major projects this year just so that you can get a flavor of what we are facing as a staff.

Alderman O'Neil asked does your request reflect the \$6,000 that Mark has indicated.

Mr. MacKenzie answered no it does not. I did see that number today and I am not aware of where that number comes from. We had spoken with HR last week and thought there was a number of \$2,900 so I do want to verify that \$6,100 with our staff.

Alderman O'Neil asked, Mark, would you based on what you handed out tonight suggest that the Mayor's recommended should have been \$596,000.

Mr. Hobson answered there was a, if I remember, there was a slight well slight in the sense of a \$2,000 to \$3,000 issue because you had a couple of positions open and we made some internal hires and some of those people had been with the City so obviously their longevity carries with them from one department to the next. So, to answer your question Alderman, right now tonight I would stand by the number that we have on this report, but as I said in my memorandum as we walk through with each department we may need to make some small amendments or adjustments. I do think, Bob, as you are aware being part of the Task Force, when we did budgeting, at some point in time you have to drop the anchor over and say boom here is the staff that we are actually looking at. People are going to come, people are going to go, people are going to transfer between now and June. People are going to leave. So the Payroll budget, the Benefits budget, obviously that can be volatile as time goes by but I think, I feel that we are fairly close with your Payroll staff.

Mr. MacKenzie replied yes, I concur with that. I think we are close.

Alderman Wihby stated but we have to know what that number is though.

Mr. Hobson replied well what I think Bob is saying is that we might have a difference of approximately \$2,900 or \$3,000.

Mr. MacKenzie stated that is what I understood from our staff discussion with Janell late last week. This number may be right, but I just saw it today and would like to confirm it with our staff. We recently did have a key staff person leave and we are replacing it with a person at a lower salary so that number may be correct, but I would like to confirm it.

Mr. Hobson stated we can probably have that number tomorrow morning. I did speak with Janell tonight before coming to this meeting and Alderman O'Neil to answer your question, we still stand by this number but in all fairness to Bob lets give it a little time.

Mr. MacKenzie stated again, I just wanted to highlight our 10 key projects. They are not the most important necessarily, but they are going to be time-consuming for our staff so I wanted to highlight them. The first is the planning and programming for the Parkside addition. There is a lot of work to be done in the next three months to make sure we get it done right. I remember Alderman O'Neil questioning and we want to make sure that we have the right number of classrooms. That is extremely important so the programming part of that project is extremely important. The number two project is completion of the Neighborhood Resource Center on Lake Avenue. That will be important for the center City. I would note though that even though it is in the center City and geared toward center City residents, it will be available for all City residents to go for job training, educational opportunities or job employment opportunities. The number three project is completion of the City Hall and Annex and as Leon mentioned, that is a time-consuming project. We are trying to get that right. There are a lot of goals that we wanted to accomplish in the new City Hall and Annex and we are trying to make sure that it is done correctly. Number four is Millyard planning. There is a lot going on in the Millyard right now. We are trying to keep abreast of that. There is parking issues. There is a cultural and scenic byways program to try and encourage tourism in the area and, of course, there is a Riverwalk, an exciting project. Number five is assisting in the planning of Hackett Hill. That is another exciting project. Both Jay Taylor and Kevin Clougherty have been on the lead so far on that. There is also a need for a lot of planning. Land planning, development planning and we will be participating in that. Number six project is assisting in the planning and design of two major public safety complexes. That is an addition to the Police Station; the planning and design for it, as well as for the rehabilitation of the Somerville Fire Station. Number seven is continuing downtown revitalization efforts, including working with Nadeau on 1037 Elm Street and trying to get that rehabed and in use again, as well as the next phase of street scape improvements in the downtown area. Number eight program is assisting in the planning and programming of park improvements. There are a lot of park projects going on. Parks & Recreation has the lead, but we assist them on a lot of those projects. From the U.S. Naval Reserve Facility to Livingston Park to Harriman Park. We work with them hand-in-hand. Number eight is providing growth management services to key private development projects. We have recognized that there were certain employers in the City we have to help out to keep them. Certainly a Velcro or a Hitachi, Sam Mean or a Polyvac are key manufacturing companies in this City. We can't offer them tax incentives, but we can offer them help in terms of their development activities so we want to make a strong effort in that area. Finally, we would like to bring a new zoning ordinance forward to the Board of Mayor and Aldermen. They are on schedule to do that sometime this year. So those are the ten projects in terms of a lot of time involved. There are plenty of other projects that we will be participating in from

skateboard parks to improvements to Memorial High School, but I kind of wanted to give you a flavor of the projects we are involved in and frankly I wanted to thank the Board for their support in the past in providing the support to attack these projects. This is an exciting year. We have a lot of good projects here, but it takes a lot of staff hours to accomplish these so I wanted to thank the Board.

Mayor Wieczorek stated I wanted to thank you too because I don't know anyone in the City who works harder than you do and you do an outstanding job and you have the right demeanor to be dealing with everybody. I have seen you take some hits sometime that you didn't deserve, but you have always been the gentleman.

Alderman Wihby asked did you have anything to do with the Central and West Heating and Ventilation.

Mr. MacKenzie answered I am on the Committee involved with that, but that is primarily Dick Houle.

Alderman Wihby asked was it true though that we had a bid that would have been good to do, but we decided to go out to bid and it ended up costing us a lot more money.

Mr. MacKenzie answered I understand that they did go out to bid again on that. I haven't seen the bids myself to verify that it was more costly than the original. We had gone out originally and said we would like a three year proposal from the applicant to see if it would be a cost savings. We did take the second year of that and it was cost-effective.

Alderman Wihby asked why didn't we take the third year if it was cost-effective and we end up paying more money.

Mr. MacKenzie answered I am not sure.

Alderman Wihby asked can you get me that information. Maybe every Alderman should have that to show us what we would have saved if we had gone with the bid rather than go out for a new bid. Again, cuts of 1% or 2%, what would you do?

Mr. MacKenzie answered our operating expenses are down fairly low. I could probably find \$3,000 to \$4,000 just getting rid of all equipment and any miscellaneous items but beyond that it would have to be staff cuts.

Alderman Girard stated you asked for just over \$4,000 which was not funded in equipment and I am just curious to know what that was.

Mr. MacKenzie replied that was primarily we had hoped to get a Global Positioning System in order to help out with the digital mapping that we are working on. That was not funded. We will probably look for that next year. We are working with the Highway Department. If they get a GPS we might be able to use theirs for some of our work.

Alderman Girard asked would that equipment have efficiencies for the department or other departments down the road.

Mr. MacKenzie answered in the long-term, digital mapping is the way the City will be going. We have cooperated closely with Highway and Water Works to have a new mapping system so the long-term efficiencies will be good from that, yes.

Alderman Girard stated I think we are all very happy that the City has been as busy as it has been with economic development and things of the like, but as you know the City has been operating without a City Coordinator for a couple of years now. I was just wondering what your thoughts were, Mr. MacKenzie, on how the absence of a City Coordinator has perhaps been an obstacle to getting projects down or opportunities that were missed and how that has affected your department's workload because I understand that you have inherited a lot of it.

Mr. MacKenzie stated there are several questions in there I guess. It has affected our work load. There is a percentage of the work that used to be handled by the City Coordinator that our office does handle. I would also say generally there is relatively a limited amount of management staff in the City. Ten years ago, there was probably double the management staff. We are stretched at this time.

Alderman Thibault asked is there a tentative groundbreaking date for the Parkside school. Do you have any tentative idea as to when, in fact, this may start?

Mr. MacKenzie answered I don't frankly because it really depends on whether we are going to go up, which is probably not likely or if we are going to go out to a side. Again, the ground conditions are very important to determine because the soils vary dramatically on either side of that building so if it is going out, we may be able to break ground before school starts and then try to avoid impacts on the school.

Alderman Cashin stated in the older sections of town, we come in and pave a street and don't do the sidewalks and it really doesn't accomplish what I think we are trying to accomplish. It doesn't apply all over, I am referring to one street that I had paved last year. After we went in and looked at it, it didn't look the way I wanted it. The sidewalks, had they been done too, would have made a tremendous difference. I am asking for this Board to just think about this and it is just something that I am throwing out and I know it is going to cost money, that when we go in to pave a street in an older neighborhood that we consider putting in new sidewalks and curb. We have got to start bringing the old neighborhoods back and I think this would be the way to do it. At least it is a good start. It cleans the neighborhood up. It cleans the street up. By just paving the street, it doesn't accomplish it. If you put the sidewalks in, if you just take the time to look at a street with a new sidewalk and a curb as opposed to a street that has just been paved without the sidewalks, it is like night and day. I don't know what the cost would be and I know you would have to bond something, but I really think before this budget is closed we ought to at least take a look at it and see if we can't come up with some kind of a program to show that we really want to try to take these old neighborhoods back.

Mayor Wiczorek stated that is worth considering because as I said we have Neighborhood Housing Services working very hard trying to restore properties and I agree with you. This is the reason that we were trying to make sure that we can pave the roads. We are trying to do at least 12 miles a year in good times and bad times and this is the purpose of it. I think that is worthy of consideration depending on where we are going to be with the roads.

Mr. MacKenzie added where the City has tried, and they have recently for example Central Street where we went in and used CDBG money. We paved the street, did the sidewalk and put new street lights in. That came out excellent. That actually worked. People started fixing up their houses, etc.

Mayor Wiczorek asked, Alderman Cashin, are you in favor of the fee.

Alderman Cashin answered on the license plate, no I am not, your Honor but I am not opposed to putting it into the tax rate and I can support that and I say it publicly. I have been opposed to all the fees, you know that, and I am not going to start supporting them now. These fees that we are setting up, I think they are regressive personally and the one thing about real estate tax as bad as it is at least you can write it off your income tax. Fees you can't write off income taxes.

Mayor Wiczorek stated if you need \$.60 that bad, I am going to give it to you. We are talking about \$5.

Alderman Cashin replied that is not the point. It is \$5 here and \$5 there and add it all up. Look at your environmental fees now, what that is costing. That is out of sight.

Mayor Wieczorek responded well it is not going to be as bad as the early projections were because that was a concern of mine. You can see what we are spending out there and we are not through. That is a major problem.

Alderman Girard asked, Mr. MacKenzie, would you be willing to sit with various department heads and members of this Board to discuss potential consolidation opportunities.

Mr. MacKenzie answered I am willing to talk about it as long as it is a benefit to the City, yes.

Mr. MacKenzie stated we are showing some increase in revenues from \$318,000 which I think will be just about right on this year, to \$337,000. That is our best guess. It is hard to tell when we are going to get new construction projects in. It turned out that we were fairly lucky this year, but it is hard to predict. We are assuming that we have a moderately strong economy over the next year. That is what this revenue best estimate is based on.

Alderman Wihby asked Community Development Block Grants, how come we are getting less.

Mr. MacKenzie answered this shows we are getting more.

Alderman Wihby replied this shows that we are getting more, but we are only going to hit 142 this year.

Mr. MacKenzie responded I am not sure which information you are looking at, but I think we are going to be close to what we estimated.

Mayor Wieczorek stated I think Kevin Clougherty told us yesterday that the federal funds usually come in the later part of the year. I think that is probably what it is because what the Alderman is saying is that it doesn't look like you are going to hit this year's estimates, but your CDBG funds you get a lot of them in the last quarter don't you.

Mr. MacKenzie replied right and that is reimbursements for staff time. I don't think that had the last month in it. It doesn't sound like it.

Alderman Wihby asked are you doing this or is Finance doing it. It says \$36,000 for the last three months.

Mr. MacKenzie answered I would have to confirm that. It may be based on some information we have given them, but I don't remember that number.

Alderman Shea asked have you have any problems or have you utilized the HTE system. How has that worked out for your department?

Mr. MacKenzie answered it is working better now. We are using the financial module. We expect that we will be seeing a planning and zoning module, but that is not up and running yet. The financial part had some rocky roads initially, but it does seem to be working better now.

Alderman Shea asked would that account somewhat for the discrepancies, the financial aspect in terms of the process that is going on now that hasn't been fully actualized.

Mr. MacKenzie answered it could be. We kept, basically, our own books until we were sure that HTE was up and running properly. I think they are coming very close to being reconciled now.

There being no further business to come before the Committee, on motion of Alderman Thibault, duly seconded by Alderman Pariseau, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee