

COMMITTEE ON FINANCE

May 27, 1998

Upon conclusion of Special BMA

Mayor Wieczorek called the meeting to order.

The Clerk called the roll. There were thirteen Aldermen present.

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

Absent: Alderman Rivard

Mayor Wieczorek addressed item 4 of the agenda:

Resolution:

“Appropriating to the Manchester Aggregation Program the sum of \$748,445.00 from Aggregation Fees for the Fiscal Year 1999.”

On motion of Alderman Pariseau, duly seconded by Alderman Wihby, it was voted that the resolution be read by title only, and it was so done.

Alderman Sysyn moved that the appropriating resolution ought to pass and layover. Alderman Clancy duly seconded the motion.

Alderman O'Neil commented I spoke with the Finance Officer today and just suggested to him that there seems to be some concerns with aggregation and it would probably be in the best interest of everybody that if there is going to be any steps forward that the Board be kept informed or a Committee be informed on that and I believe he agreed to that because there seems to be some miscommunication on it and I think it's important that we do communicate during the next year.

Mayor Wieczorek called for a vote on the motion. The motion carried with Aldermen Pariseau and Hirschmann duly recorded in opposition.

Mayor Wieczorek addressed item 5 of the agenda:

Resolution:

“A Resolution appropriating to the Manchester Airport Authority the sum of \$16,645,500.00 from Special Airport Revenue Funds for Fiscal Year 1999.”

On motion of Alderman Wihby, duly seconded by Alderman Reiniger, it was voted that the resolution be read by title only, and it was so done.

Alderman Klock moved that the appropriating resolution ought to pass and layover. Alderman Pinard duly seconded the motion. There being none opposed, the motion carried.

Mayor Wieczorek addressed item 6 of the agenda:

Resolution:

“Appropriating to the Central Business Service District the sum of \$230,000.00 from Central Business Service District Funds for Fiscal Year 1999.”

On motion of Alderman Reiniger, duly seconded by Alderman Klock, it was voted that the resolution be read by title only, and it was so done.

Alderman Reiniger moved that the appropriating resolution ought to pass and layover. Alderman Clancy duly seconded the motion. There being none opposed, the motion carried.

Mayor Wieczorek addressed item 7 of the agenda:

Resolution:

“A Resolution appropriating the sum of \$3,056,609.00 from Recreation User Charges to the Recreation Division for Fiscal Year 1999.”

On motion of Alderman Wihby, duly seconded by Alderman Klock, it was voted that the resolution be read by title only, and it was so done.

Alderman Clancy moved that the appropriating resolution ought to pass and layover. Alderman Pariseau duly seconded the motion.

Alderman O'Neil stated this is the Enterprise Fund, I take it. How does the paybacks from schools or whatever going to affect this.

Alderman Girard stated I think we're going to have to move that money out of High School Athletics to another account.

Mr. Sherman stated they're anticipating \$650,000 out of next year's appropriation, the General Fund Resolution will have to be amended.

Alderman O'Neil asked wasn't there a split...\$300,000 and \$350,000 from schools, I thought that was brought up last night.

Mr. Sherman stated the full \$650,000 goes into the Enterprise.

Alderman O'Neil stated, Randy, last night there was some talk about a split.

Mr. Sherman stated we'll put it in on the General Fund side, we'll put three hundred in Parks and three-fifty in High School Athletics.

Mr. Clougherty stated if I recall last year, we tried to set the distribution right next year.

Mayor Wieczorek called for a vote on the motion. There being none opposed, the motion carried.

Mayor Wieczorek addressed item 8 of the agenda:

Resolution:

“A Resolution appropriating to the Manchester Transit Authority the sum of \$900,000 for the Fiscal Year 1999.”

On motion of Alderman Thibault, duly seconded by Alderman Pariseau, it was voted that the resolution be read by title only, and it was so done.

Alderman Wihby moved that the appropriating resolution ought to pass and layover. Alderman Thibault duly seconded the motion. The motion carried with Alderman Girard duly recorded in opposition.

Mayor Wieczorek addressed item 9 of the agenda:

Resolution:

“Amending a Resolution ‘Appropriating the sum of \$9,288,448.00 from Sewer User Rental Charges to the Environmental Protection Division for Fiscal Year 1999’ to \$9,575,834.00.”

On motion of Alderman O’Neil, duly seconded by Alderman Shea, it was voted that the resolution be read by title only, and it was so done.

Alderman Pariseau moved that the appropriating resolution ought to pass and layover. Alderman Reiniger duly seconded the motion. There being none opposed, the motion carried.

Mayor Wieczorek addressed item 10 of the agenda:

Resolution:

“Raising Monies and Making Appropriations for the Fiscal Year 1999.”

On motion of Alderman Wihby, duly seconded by Alderman Pariseau, it was voted that the resolution be read by title only, and it was so done.

Alderman Wihby stated in front of you are three pieces of paper that was just passed out by the Clerk.

Alderman Pariseau asked do you need a motion prior to discussion, your Honor. and moved to accept Alderman Wihby’s proposal. Alderman Sysyn duly seconded the motion.

Alderman Wihby stated there are three pieces of paper that were passed out; that one of them has the total of the salary budget reductions (\$113,346.79), now that was the original one that had \$79,000, yesterday it was \$103,000 and today's it \$113,000 and that's shown on the...if you look at the sheet that has all of the columns that \$113,000 is showing up as one whole column there and that's the reduction in payroll that everybody had agreed to; that all of the department's had agreed to when they were here, got that. So, that's where that number came from.

Alderman Shea stated, Dave, everyone agreed to that you're talking about...

Alderman Wihby stated this was in the payroll account, the salary account. If you look at the bottom line on the right it say \$113,347; that is a savings from payroll, after the Mayor's numbers after they went through the HTE system they made some corrections, so that shows up in the second to the last column.

Alderman Shea stated what I'm asking is that everyone has agreed to that.

Alderman Wihby replied those are the ones that when they came to talk to us, we asked them if they agreed to those numbers and they had. So, we already went through that column with them when they came. The other sheet of paper we have which is \$715,000 is the new salary adjustment number and that salary adjustment number is in the middle of the column where all the numbers are in the budget and we'll talk about that once we get to that number anywhere. But, if we go back to what the budget looks like the first two columns are the Mayor's number, the second two columns are the Aldermen's numbers and that's the number we'd be okaying today and then the last four columns explain what happened from the Mayor's number to the Aldermen's number. For instance, if you look at the adjusted expenditures that \$100,000 Parks and the \$150,000 for Athletics (everybody with me on that); that is the difference of what Parks and School wanted to do there, so \$350,000 is the School and \$300,000 is Parks and that \$650,000 is what Randy says goes to the Enterprise for Parks next year.

Alderman O'Neil asked where's the \$650,000, I'm missing it.

Alderman Wihby replied there's \$350,000 in Athletics and \$300,000 in Parks in their total numbers, in their tax rate expenditures and the \$94,000 is additional money for Library to pay the two extra persons. I think it was \$12,000 for some expense item that he needed and forgot what it was and then there's an additional \$46,000 for books on top of the Mayor's hundred, so they have \$146,000 for books; that the other number \$1,327,971 is just a number we put into the School budget which represents what we were talking about yesterday, the increase of two

percent for teacher's effective October 15th with a thousand twenty-five teachers. We assumed at the time and it also includes the step increases that they would be getting, now that's the School Board's money. Once the budget's done this way they can use this for any way they want to use it, they can give out raises for it, they can use it towards their budget, they can do whatever they want. So, I would envision that what we are saying to them by doing this is that they are to decide whether or not there are raises to be given and if so, they have to live within their means to give it, they shouldn't be coming to the Aldermen asking for additional funding for raises because we're saying it's in their budget.

Alderman Shea asked, Dave, what is their total budget.

Alderman Wihby replied the total budget now with that money is the third column (\$60,792,971).

Alderman Shea stated they're asking for.

Mayor Wieczorek stated they asking for \$65 million, but they're going down there.

Alderman Wihby stated I think they're asking for an additional couple of million dollars.

Alderman O'Neil asked, Dave, the \$1.3 million is based on a projected two percent.

Alderman Wihby replied a two percent from October 15th...

Alderman O'Neil stated that is already agreed to.

Alderman Wihby stated no, this hasn't been agreed to. When we were trying to figure out what was in the Salary Adjustment number after we had put it in that number was fluctuating every day because we didn't know what was in it ourselves. So, bottom line when we had to come out to what this number equaled, we had to figure out how many payperiods this would pay for. We originally though we had put three percent in, it wasn't, it's only two percent and we had originally thought it was for the whole year, but it's not, it would be missing three payperiods.

Alderman O'Neil stated that step increases is for just teachers or for any School employee.

Alderman Wihby stated I think it's the teachers, the ones with the contracts still outstanding on because if you don't sign the contract, you don't have to give the steps.

Alderman Shea stated we've signed contracts with the Principals, right.

Alderman Wihby stated that is already in their number.

Alderman Shea asked would this be in this money too.

Alderman Wihby replied it's in the \$60 million.

Alderman Girard stated, Alderman Wihby, the \$1.327 million is a number that I understand includes benefits, so if the School Board decides to give raises with that million three, are they going to be expected to pay the benefits out of their operating budget also.

Alderman Wihby replied that number didn't include...

Alderman Girard asked or the benefits in addition to that million three.

Alderman Wihby replied the benefits were already calculated in our budget, right.

Mr. Hobson stated in order to avoid some of the misunderstandings that happened last year, we included FICA and Medicare and Worker's Compensation benefits; that those are in that Salary Adjustment original number; that the Health & Delta Dental benefits, etc. are on the City's side in the restricted items account, correct. So, those are taken care of and we don't want to confuse...when we say benefits it's kind of an all encompassing issue.

Mayor Wieczorek stated so we don't run into another situation like we had this current year.

Alderman Girard stated if I may, your Honor, that doesn't answer my question. Mark, I thought that in the \$1,327,971 there were benefits.

Mr. Hobson replied yes.

Alderman Girard stated if we put that \$1,327,971 into the School Department's budget and they decide to give pay raises those pay raises...the benefits for those pay raises have to come out of that million three.

Mr. Hobson stated the approximate ten percent that one would need for FICA, Medicare, Worker's Comp yes would come out of that one million three.

Alderman Wihby stated he's talking about the ten percent.

Alderman Girard stated when I talked to you yesterday you told me that the raise amounts were a million two and change and that ten percent of that million two and change (\$120,000) would cover those benefits and that if the pay raises were given that million three was needed to cover everything but that if pay raises weren't given that million three could go straight into the operations of the School Board. What I'm concerned is that they are going to take this million three, have some pay raises and then those benefits are going to come out of those benefit line items with no funding in the line items for them.

Alderman Wihby stated the \$1,327,971 equals \$690,000 which was the two percent based on the 1,025 teachers and then there was \$517,000 for the steps and then it was \$120,000 for FICA and Retirement benefits and then all of that...

Alderman Girard stated so, if you put all of that million three in their budget, then they really can't give pay raises because that million three includes the benefits.

Alderman Wihby stated if they gave...again, it's calculated on a two percent effective October 15th, so they can do two percent October 15th and then that money (\$120,000) would be left over and that would go toward Retirement and FICA.

Alderman Girard stated okay, so that benefit money for Retirement and FICA would come out of their operating budget because it's not budgeted for, right now, on the restricted side of the budget.

Alderman Wihby stated right; that the \$120,000 is in their budget.

Alderman Girard stated we need to make sure that that's clear, so that they don't spend the million three and then come back to the City looking for that benefits money.

Mr. Hobson stated, your Honor, could I ask Mr. Sherman to address that part of it.

Mr. Sherman stated I think it would be much safer if you pulled that \$120,000 out of the School budget and put it down in the FICA and Retirement lines because Alderman Girard is right, they may spend a million two on salaries and use that

\$120,000 on something else and still come back to you and tell you that you have to pay the FICA.

Alderman Wihby stated I don't think they're going to be giving out raises especially with a five million dollar deficit that they have, but what this Board knows when they come to us that we've allocated thirteen twenty-seven to take care of raises and that would take care of the FICA and the Retirement, we know that, we don't have to okay it when they come to us.

Mr. Sherman stated they have never been responsible for any of their benefit lines before and now what you're doing is you're taking a four million dollar benefit line for their FICA and you're telling them they're responsible for \$120,000 of that. You're splitting it there. If you want the School Department to have the benefit of that \$120,000 if they don't give raises you're best bet then is maybe to put it into Contingency and then if they decide that they are not going to give raises you can move that money over to them if you wanted to, but I've got the same concern Alderman Girard does that you're going to put that money in there and it's going to be used for something; that they're going to give the raises and not have the money for the FICA.

Alderman Wihby stated I was trying to keep it in one account, so that we could...so that the same thing that happened this year where money was in Salary Adjustment and nobody knew about it and everybody thought they had a four million dollar deficit until they found it hanging around in some account, I was trying to stop that from happening and I don't believe that they're going to be able to give raises with a five million dollar deficit, so that's why I wanted it clear that that was a number from October 15th, not September 1st and also that it included FICA and Retirement. So, we can discuss that, we've got a week or whatever to change that number, but.

Alderman Thibault stated, Dave, I've got to reiterate what I've said. The problem I have with putting that money in their budget, Dave, you can bet that the School Board is going to leave when somebody says next year that the Alderman don't want to give them a raise, so this is the only thing I'm worried about. If, in fact, we put that money in their budget let's make sure that the whole City understands that they've got that money in their budget and if they come to us for a raise that we can say no and I think that's the thing I worry about and you know we've been caught in this situation many times.

Alderman Wihby stated if you remember that is why I tried to get the input from the Board, it seemed like the majority was swaying to give it to them, let them use it and be accountable for it which is why I did it this way, it doesn't affect the

budget moving it from one account to the other, it doesn't affect anything, we can decide. After what's going on in the other room, you're probably right, Alderman.

Alderman Thibault stated I just want to be on record of knowing and the City should know that we put it in their budget, they can do what they want with it, but we're going to be blamed next year.

Alderman Sysyn interjected I agree with it because we always look like the bad guy after.

Alderman Girard stated certainly I have no problem moving that money into the School Department's budget, I proposed doing that last night, but if we're going to put the whole million three in there, we should tell them that it can't be used for salaries or if we want to give them the flexibility to use it for salaries we should give them the number minus the benefits and keep the benefits on our side of the budget so we don't run into any of those problems on the City's side. I think we can make the choice one way or the other.

Alderman Hirschmann asked in transferring that money can we set up a new account saying that it's a restricted item in the School budget.

Alderman Girard interjected we can only appropriate a bottom line for them.

Mayor Wieczorek stated we already have a line item for FICA, of course.

Alderman Wihby asked does this Board really think they're going to give raises though.

Alderman Clancy asked, David, how much money is put in there out of the sixty million that we are going to give them for the severance and early retirement.

Mayor Wieczorek replied four sixty-five, it's not early retirement, it used to be severance.

Alderman Wihby stated that is a point you've got to make. Normally, there's a special line item for School Severance, this year it's in their total. I took out School Severance and put it in their total, so they will be responsible to pay their own Severance, part of the \$60,791,971.

Alderman Shea stated to be clear the teachers do not have a contract for next year, is that correct.

Alderman Wihby replied right.

Alderman Shea stated so what you're suggesting with this money is that they can give the teachers a two percent raise starting in October, is that correct.

Alderman Wihby replied right.

Alderman Shea stated we've already signed an agreement with the Principals, their three percent raise is in the sixty million and that's taken care of.

Alderman Cashin asked, your Honor, how can you discuss a budget if you don't have mutual trust and respect for either Board, it's obvious we don't. I've heard four or five say while they're in there doing their thing and we're doing our thing, your Honor, I would suggest and it's only a suggested do what you want. But, you set up a sub-committee of this Board to sit down with a sub-committee of that Board and let's work this out. There's no way that this budget is going to work and the feelings between these two Boards are going to be so far apart that we are never going to get them back together again. You've got some major problems here and it's not just financial. We have to start communicating and we're not doing it.

Mayor Wieczorek stated nobody knows better than I do because I go to the meetings.

Alderman Cashin stated well, your Honor, I'm suggesting you set up a sub-committee and let them work it out.

Alderman O'Neil stated a question of Alderman Wihby, \$60,792,971 that includes \$450,000 in severance.

Alderman Wihby stated \$465,000. No, I don't want to mislead you, Alderman. In the Mayor's budget, the budget team decided to give Schools a number and in that number they would have to pay their severance's rather than having additional money or spending additional money later on. So, the Mayor didn't put any money in School Severance. So, that number could be a million dollars, it could be a hundred thousand. I don't know what the number is. Only that they're responsible for paying for their own severance out of the sixty million dollars. Now, they had given a number of saying they thought their number was \$450,000, so that's where the \$450,000 number is being thrown around, they assume it's \$450,000.

Alderman Clancy stated what I don't understand is that I guess the School Board was the one that initiated the School Department was going to have an early retirement system and all of a sudden that's off the board. In other words, if somebody should ask me, Jim, is there any money in that sixty million for early retirement, I'll say no.

Mayor Wieczorek replied right, that would be the right answer, the answer is no.

Alderman Wihby stated I disagree. The answer would be that it's up to the School Board to see if they want it and then come to the Aldermen, if they put some money aside of the sixty million and then come to the Board, the Board could then approve it. But, how are they going to do that if they're short five million dollars anyway.

Alderman Shea stated what I don't understand, your Honor, is they're proposing a budget that is five million dollars more than what we're giving them. How can anyone run...in other words we're saying to them at the end of March if you run out of money, you know it's like go day-by-day maybe. I don't understand how...

Mayor Wieczorek stated I don't think that's the message, Alderman. I think the message is here's the amount of money you have to run the School Department and you have to figure out how to run this department to the end of June with the money that's given to them; that is what it is.

Alderman Shea asked would you be part of the scenario if there was drastic action taken. I mean, you're the head of the School Board too if, for instance, the Superintendent were to say to you look it's April 15th and I simply do not have enough money and I can show you why I don't have enough money, what happens then.

Mayor Wieczorek replied, Alderman, that would be very irresponsible for somebody to be doing that. You get "X" amount of dollars to run a department, just like any one of the departments we have in the city and we expect that that department will run based on that budget and you'll allocate line items based on running till the end of June.

Alderman Shea stated, your Honor, if the Chief of Police came in here and asked for eleven million and we told him he'd have to work with nine million, what would happen then.

Mayor Wieczorek replied he'd work with nine million.

Alderman Shea stated so basically if he didn't have enough police coverage or he didn't have enough inspectors...you know what I'm saying is we may anticipate a problem in that regard.

Alderman Wihby stated if it's okay can we skip the School number, take care of everything else because I think the discussion is going to be on school. Let me go through all the other numbers first and we'll come back to the School number because I think the other ones are less controversial. Continuing down that line for adjusted expenditures there's different money taken out for Health Insurance, Dental, Worker's Comp, Retirement; that there's \$25,000 added into Contingency and that's the last two or three years the Police Department has come forward with a grant matching funds and he's anticipating needing \$25,000 to do that again and it can't go in his budget because it's got to come from some other source and we always stick it into Contingency and give it to him, if they get the grant and the \$10,000 was additional money for Child Health Services that they've lost a lot of money from other sources and asked for an additional \$10,000 and \$7,000 was Employee Medical Expenses, the County Tax is projected at a 1.8 percent decrease, so that's that number. I took out \$100,000 from the Overlay and the Veteran's Exemption was a number that we got from the Assessor's and that number is going down. The next column is just the different cuts that I had proposed taking out of different departments, somewhere between a half percent and one percent. I talked to most of the departments and some of them you can look in that sheet, the packet that they gave us on what a one, two, and a three percent cut would mean and most of them are less than the one percent, so I don't think you'll see a lot of problems with that. I do want to note that the \$50,000 from Highway could come out of Resurfacing, I don't know where it's going to come out of, it might come from there but I don't know and in their one percent cut proposal they said if they had to cut \$80,000 it was coming from resurfacing, it's \$50,000 and I'm assuming it's probably going to come from there, but I'm not sure.

Alderman Clancy asked how much do we really have in the Resurfacing account.

Alderman Wihby replied in Resurfacing we still have half-a-million, \$600,000. The next column is the \$113,000 for the Payroll deductions and then the Adjusted Revenues was additional revenue over and above what the Mayor had said and these are the ones that I could at least have talked to some people and get some sort of a feeling from them with the numbers, it's not as high as Alderman Girard's figures that you see from yesterday because I couldn't verify some of those numbers from the department heads, they still told me no, so I didn't use the School revenue or additional money from Building or some of the Tax Collector's money, so there's probably three or four hundred thousand dollars there that I

probably agree with Alderman Girard that it's probably there, but they're still being conservative.

Alderman O'Neil in reference to the \$110,000 in Traffic, asked is that parking revenues.

Alderman Wihby replied yes, that was the number than Tom Lolicata gave me. So, the bottom line is that it would be a \$32.08 rate, an increase of 2.95 percent or \$.92 cents over last year and so an average house (\$100,000) would be a \$92.00 increase in taxes and the tax would be \$3.720 billion was a good number and as a matter of fact may be between now and next week it might even be higher. So, I'm hoping that it does and he's going to let us know.

Alderman Shea stated that would be adjusted up in Concord accordingly.

Alderman Wihby stated that gets adjusted in October, but he's talking about something that came in from the Mall and he thinks it might even be higher than the \$3.720, so I used that but hopefully we'll hear from here. So, bottom line I think that you're going to see that the cuts don't amount to a lot of disruption among the departments; that the payroll number was already verified, the changes are what some people had come and talked to us about and again the only problem that I do see is the schools; that takes \$200,000 from the Civic Center, the Rooms & Meals money that is set aside this takes away \$200,000 from that as we have been every year, so there's \$.13 or \$1.1 left.

Alderman O'Neil stated it might be an appropriate time, I'm not proposing it at this point, but I did speak with the Finance Officer today about Rooms & Meals and it be appropriate maybe he could just address us on that.

Alderman Girard stated I asked Alderman Wihby where the...is it an additional \$200,000 over what's already been taken out.

Alderman Wihby replied no, the Mayor had already used \$200,000, it's that \$200,000 which is what we had said from the very start that we would only take every year, we wouldn't go above that.

Mayor Wieczorek asked how much is left.

Alderman Wihby replied, I don't know Kevin will tell us.

Alderman Shea stated one year though, Dave, didn't we take four hundred thousand.

Alderman Wihby replied we've already taken out two.

Mr. Clougherty stated Alderman O'Neil had asked me to give him a report in terms of what the money was available currently in the Rooms & Meals Fund and there's \$1,158,530.67 as of April 30th.

Alderman O'Neil stated the question I had asked the Finance Officer was that I know there was a general agreement that the City would use no more than two hundred thousand dollars and I know and I don't want to speak for Kevin but his recommendation is that Rooms & Meals be used primarily for capital and economic development. I did happen to earlier talk with Senator King and we were just talking about a number of issues, but his intent when he introduced the bill about Rooms & Meals was it comes back for property tax relief and obviously education is the biggest part of it. I think we're all hopeful that there is going to be some kind of compromise in Concord and in a year from now we'll be looking at some additional revenues from the State, so I asked the Finance Officer with regards to if we took and I'll just throw a number out (\$500,000) of that \$1.1 million is kind of a one-year fix it to help out with Schools. Again, I'm optimistic that there is going to be some sort of compromise next year in Concord that we will be getting some additional revenue, so I think until we get all of our numbers I won't make that motion tonight, but I think it's something we should consider. It's sitting there, it's really sitting there now for the Civic Center which we may never see.

Alderman Wihby asked is the \$1.1 million that is in there now minus the \$200,000.

Mr. Clougherty replied yes.

Alderman Wihby stated so you already took that \$200,000 out.

Mr. Clougherty stated the question that was asked is can you use it for things other than...under the law it is for tax relief, it could be used certainly at the vote of the Board.

Alderman Cashin asked when does the City next receive its payment of Rooms & Meal Tax.

Mr. Clougherty replied we get it in December, Alderman. Our projection is that it will be a million ninety thousand about that.

Alderman Shea stated I'll second that motion right away, your Honor.

Mayor Wieczorek stated there is no motion.

Alderman O'Neil stated until we get the final numbers...I do believe, your Honor, that it is something we should be considering specifically for schools.

Alderman Wihby asked are there any questions to the rest of the budget, then we can go back to School.

Mayor Wieczorek asked are there any questions of the Aldermen.

Alderman Pariseau stated I don't have any questions, your Honor, but I'll make the motion that we accept the budget proposal and lay over.

Mayor Wieczorek stated I need a motion to amend the resolution before.

Alderman Pariseau moved that the appropriating resolution be amended.
Alderman Sysyn duly seconded the motion.

In response to question, Deputy Clerk Johnson clarified there was a motion on the floor to amend the resolution to the numbers in the handout provided by Alderman Wihby on behalf of the Aldermen.

Alderman O'Neil stated a question, your Honor. If the School numbers...we still can change it again in whatever the period of time is, so if there's some new information with regard to School.

Mayor Wieczorek stated yes, I just met with them till five o'clock today and then we've got another meeting scheduled for Friday with them on the revenues.

Alderman Wihby stated I've got a question too...Randy or Kevin. Is it next Tuesday we have until or can this go further.

Alderman Girard interjected June 9th, we have to pass something.

Alderman Wihby stated so by June 9th we have to okay a budget and if we don't we go back to the Mayor's budget and on June 9th if the Mayor wanted to veto it then we'd have till June 30th, is that right, Tom.

Solicitor Clark replied I believe it calls for June 30th.

Alderman Wihby stated say the Mayor vetoed my budget on June 9th, do we buy additional time so that in the next couple of weeks we try to look into something and if we don't we can okay my budget again or do you have to amend the number or what, can we buy time that way or do you have to come in with a different budget.

Mayor Wieczorek stated I don't think you have to come in with a different one, you can come in with anyone you want.

Mr. Clougherty stated while Tom is looking that up, I think there's another date you have to be mindful of, the 9th is the date for final adoption, but there is also a date that it has to lay on the table, Carol.

Deputy Clerk Johnson stated as I understand it they're discussing laying it on the table tonight and then coming back either next week or by whatever date which is June 9th the last date that they could actually physically vote on it.

Mr. Clougherty stated but you can't miss the date, tonight I think is an important time to get something on the table, what's the last time that something could be laid on the table.

Deputy Clerk Johnson replied next Tuesday.

Alderman Wihby stated so once we lay it on the table we have until June 9th to work with the numbers.

Mr. Clougherty stated to work out the numbers and then by then maybe Tom could give you a ruling on the other.

Mr. Hobson stated something that is probably obvious but new to us with the HTE system is that if we change any of the salary numbers then obviously we need to rerun things like FICA, etc. and make sure we have those correct before we pass.

Alderman Wihby stated that's another thing too, there is a 53rd week in this budget for City employees to the tune of how much, a million something.

Mr. Hobson stated just for the class of classified employees it's a little over six hundred thousand and then we have the benefits on top of that.

Alderman Wihby stated so seven, eight hundred thousand for an extra week we don't have again next year.

Mr. Hobson stated I think the total with benefits comes out to \$750,000.

Alderman Wihby stated which is a one-time charge, next year that goes away along with the Finance how much additional money is that this year, the bond money. What's the additional bond because of the extra thing that we had; that bond money is up higher because of...

Mr. Sherman stated debt service.

Mr. Clougherty stated there was over \$26 million that we issued in debt this year, debt service payments.

Alderman Wihby asked that third payment is how much.

Mr. Clougherty replied about \$3 million higher.

Alderman Wihby stated that \$3 million goes away the following year also. So, that's almost \$4 million that goes away next year because of one-time charges.

Mr. Clougherty stated right, unless of course, you issue something in between.

Mayor Wiczorek stated a little forward planning here is going to go a long way.

Solicitor Clark stated, Mayor and Alderman Wihby, I believe you asked that if the Mayor vetoed on June 9th whether or not that gave you extra time to amend the budget, it appears from reading this quickly tonight that the action of the Aldermen after June 9th would be to override the veto, not to make further changes to the budget resolutions.

Alderman Wihby stated so on June 9th if we don't okay the budget it goes back to him or we override him, override him to what, override him to the budget that's on the table.

Solicitor Clark replied yes.

Alderman Clancy asked what's that ten votes.

Alderman Shea stated your budget is higher than the Mayor's, right.

Alderman Wihby stated I thought maybe if we vetoed it, we could buy some time, but I guess we can't. I thought we could buy from June 9th to June 30th if we vetoed the budget.

Mayor Wieczorek stated I think we'll have to get really definitive.

Mayor Wieczorek stated there is a motion on the floor to amend, Alderman Pariseau, by Alderman Sysyn...

Alderman Girard stated discussion, your Honor, are you going to entertain any discussion on the motion to amend.

Mayor Wieczorek called for a vote on the motion. The motion carried with Alderman Girard duly recorded in opposition.

Alderman Cashin stated, your Honor, before you take another vote. Anything that we vote on everything is laying on the table, everything can be changed, none of the ordinances, nothing's in concrete, we can change anything we want...the resolutions can be changed, everything can be changed. All we are trying to do is get the clock going.

Alderman Hirschmann stated just a question on philosophy for the Chairman of the Board. We all saw the half to one percent cut to get everyone to jump in line and get the budget down and what we are asking you is if you're patted on the back tomorrow and someone is going to find some more revenue will you not give

back their line item, just take the revenue and give it to the taxpayers. This is what we want in stone.

Alderman Wihby replied I think the department's have already said...most of them are going to say that they agree with the cut or they can live with the cut, so if there's any additional revenue that comes in or something else that we find that's not right it should go right to the bottom line.

Alderman Hirschmann stated I do remember past performances of people running down hallways saying "I found some money".

Alderman Wihby stated I want to clarify that first, though. I've been waiting for the revenue from Schools to come and I've told them that if they had additional revenue because I think there's some money there that we would give them that money, at least my proposal was going to give them that money. So, that would be the only one that I would see.

Mayor Wieczorek asked, Kevin, you're going to be meeting with them Friday, aren't you on revenue.

Mr. Clougherty replied at eight thirty.

Alderman Wihby stated in talking to him today he thought there was maybe three or four hundred thousand, maybe five he wasn't sure. So, my proposal at that time would be to use that money to give them additional money, but that the Board would decide that.

Alderman Girard stated I understand that the motion here is to lay this on the table and I understand what Alderman Cashin says that we can change these numbers between now and final adoption, I'm also aware that that rarely, if ever, has happened once a budget has been laid on the table; that is pretty much the budget that has been adopted. The reason why I oppose that amendment are several and first of all, Alderman Wihby has done his usual job of running the numbers and I'm happy that some of the numbers that I proposed last night were helpful to him in his efforts. But, that having been said and just taking a look at some of the numbers that he was able to get that I was unaware of, for example, the decreases in the County tax and the decreases in the Veteran's Exemption which is about \$175,000 if you were to take that forgetting the revenue that he's found in Traffic and other places areas where I was uncomfortable in raising the revenues that would lower the proposed tax rate on the proposal that I set to about under 2.7 percent and if you were to take those additional revenues that Alderman Wihby was comfortable with that \$110,000 from Traffic and \$79,000 from Parks that

would drop the proposed rate on the budget that I proposed to about 2.5 percent; that having been said the other problem I have with the way these numbers have been put together is it doesn't seem that there have been any priorities established. While he spread the cuts across all departments what I tried to do in my proposal was target them and in some areas I did not make any cuts, areas for departments where there were economic development activities, areas like Public Buildings Services we are forever complaining about the condition of the buildings, their maintenance, their cleanliness, and here we are taking money out of that and we're always complaining about the conditions of the parks and the islands and here we are taking money out of Parks, so what I tried to do was target things and while we're all complaining that money is tight this budget still funds several new position requests that were requested by departments and I don't necessarily argue that those new requests are needed, but if we're taking a look at priorities why are we continuing to do things that add to our on-going operational costs until we can get a handle on some of these and yes, I did propose adding the City Coordinator's position back to the budget, but the sole purpose of doing that as was evidenced by the Industrial Agent and the City Planning Director is they need help to move the City's economic development efforts forward and they both testified and the Industrial Agent yesterday quite decisively said we are not doing what we could be doing, we are not doing what we should be doing and our economic development efforts aren't what they should be as a result of not having that, so other than the School Nurse which is not Fred Rusczyk's fault that we build a new school that needs a nurse, those were the only position additions that I had and they had direct purposes. So, there is no change here from business as usual, okay, and to say that I'm sure all of the departments can live with these cuts, but we are going to affect the services in a number of areas which I think we should stop affecting like the buildings, like the parks, like economic development. I tried to target things, I tried to keep things where they were, I tried not to add to existing operations and that's how I went by it. So, if we're talking philosophy of cut or philosophy of budget the philosophy is let's try to encourage the areas where we need the work and as to revenues that couldn't be verified there was only three departments. I did not call the School Department to verify the revenue increase that I proposed because the Superintendent of Schools when he was before us gave us those numbers, it's on public record, I took them. I could not, I did not verify the Tax Collector's auto registration number but I used the projections and the only other number I didn't verify or couldn't get agreement on was the number from the Building Department. Every other revenue I proposed was signed off on by the department and I think I pointed that out in the revision of the proposal that I sent today...I got Mr. MacKenzie's consent on his thing tonight. So, that's why I oppose this, okay. Again, it's a difference in philosophy and in the end they get a lower tax rate.

Mayor Wieczorek stated I am going to let Alderman Wihby respond because now we're getting into philosophy.

Alderman Wihby stated in the Finance number you had taken \$100,000 for Aggregation. I called up Finance and asked them can I take that and they said no, we told him not to take it, he took it. I called up Building...I said a hundred thousand dollars, you gave me twenty. Can I take a hundred...no. I told him no, I asked can I take fifty. Well, you can take fifty I'll try to make that but no more than fifty. I never called the Tax Collector's Office but when I had talked to her earlier even though I agreed that there was additional money there, I didn't feel that the two-fifty was necessary so we only took one seventy-five. So, if you add those three items up that's almost \$300,000 that I could have just added to the bottom line and got lower than you number. It's not your number, this number...I don't think the philosophies are that much different. I think the philosophy of this Board always was to spread it around and to give everybody a little pain and not devastate a department and if you look at some of the big numbers that you took, I took them, they're already done...Fire, Police those were the same numbers that we had taken. In Highway you were taking more money out, I took \$50,000. So, the numbers aren't that different, the philosophy I don't think is that different. You can say our philosophies are different if you want, but there's a lot of time and I appreciate what you did because I know what work it does take to put the numbers together, but I don't really see where we're devastating anybody, I don't see where the philosophy is wrong, we're not pushing for the bottom line numbers...I don't see a difference really. I think you're going to come up with cuts that I don't agree and I'm going to come up with cuts that you're not going to agree with. It's up to this Board that amendments can be done in the next week if somebody wants to take something out and change it or move it or add all those things and come to the table and vote it up or down and numbers change. So, this is just the laying on the table to let people look at it and if they disagree with it, come in with your amendments.

Mayor Wieczorek asked okay are there any other different philosophies now because now I've heard two.

Alderman Hirschmann stated with this budget we really didn't cut from Street Resurfacing. I know there's a \$50,000 problem could you talk to Frank Thomas and get him to cut it from salt or snow removal and not Street Resurfacing.

Alderman Wihby stated I personally don't think he has to take it from Resurfacing.

Alderman Hirschmann stated that was the big philosophy with the Girard budget, he wanted to cut Street Resurfacing and I didn't like that.

Alderman O'Neil commented I hope we all keep in the next week or two keep an open mind with regard to schools and keep the door open for them because if we can find some more revenues, I think it would be appropriate if we can send some more money their way and with regard to economic development probably the most important development project to come along in maybe the last 25 years has been tentatively presented to us and hopefully it will be finalized some time soon and that was delivered without a City Coordinator; that was delivered with the team of the Finance Officer, Industrial Agent and Planning Director, so I don't particularly feel that the City Coordinator's position single-handedly could have delivered that project.

Alderman Girard stated, Alderman Wihby, I agreed with you that the Building Department and I did not reconcile their revenue number and I think I explained why I used that the other night. As to the Aggregation number, what the Finance Department said to me was not that it could not be used, it's just that they did not think it should be. My point in rolling those revenues in from the Enterprise was to recover all of the property tax dollars that had been spent and not otherwise recovered on behalf of creating that Pilot Program and the Aggregation Enterprise; that is why I reflected that revenue and as far as spreading things out, I never claimed that anybody was being devastated by these cuts, but at some point when we look at a Public Buildings Services Department that doesn't have a preventive maintenance program again, yet, and we've been trying to do that for how many years now and we take \$35,000 out of them and he says in his one, two, three percent cut that the preventive maintenance program is the thing he's going to cut, why do we do that.

Alderman Wihby stated I heard him say not fill a plumber and something else, it didn't sound like it was a major thing for the one percent cut.

Alderman Girard stated so if we don't have the plumber on-hand we'll have to have a contract plumber come in.

Alderman Pariseau moved that the appropriating resolution ought to pass and layover as amended. Alderman Sysyn duly seconded the motion. The motion carried with Alderman Klock, Reiniger, and Girard duly recorded in opposition.

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There being no further business to come before the Committee, on motion of Alderman O'Neil, duly seconded by Alderman Shea, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee