

COMMITTEE ON FINANCE

May 8, 2000

7:00 PM

Chairman Cashin called the meeting to order.

Chairman Cashin called for the Pledge of Allegiance, led by Alderman O'Neil.

A moment of silent prayer was observed.

The Clerk called the roll.

Present: Aldermen Wihby, Gatsas, Levasseur, Sysyn, Clancy, Pinard, O'Neil, Lopez, Shea, Vaillancourt, Pariseau, Cashin, Thibault, and Hirschmann

Messrs: F. Rusczek, J. Brisbin, G. Sower, M. Hobson, G. Sullivan, M. Vandeboncoeur, K. Clougherty

Resolution:

“Raising Monies and Making Appropriations for the Fiscal Year 2001”

On motion of Alderman O'Neil, duly seconded by Alderman Thibault, it was voted to read by title only and it was so done.

Chairman Cashin advised that the proposed budgets for departments as listed shall be discussed. Motions to amend the resolution may be considered.

HEALTH

Mr. Rusczek stated earlier when I was scheduled to present on the day before Easter, I submitted some supplemental material. In it there were some color pie graphs and if the Board concurs, I will speak to the supplemental material since I think it has the best detail.

Alderman Lopez stated I thought the department heads were going to go off the same sheet of music we were.

Deputy Clerk Johnson replied we did forward it to all of the departments.

Mr. Rusczek stated sure. On this sheet I will point out two errors. Under health insurance, item 211, there is an error to the amount of \$207,172. The number entered is too high.

Chairman Cashin asked are you sure you are in the right place.

Mr. Rusczek answered these two figures...they are both restricted items and not entered by the Health Department but in speaking with the Human Resources Department afterwards, there is an error. It must have been a keying error so again item 211, health insurance, is \$207,172 too high. Item 230, FICA, is \$193,198 too high.

Alderman Vaillancourt asked can you give us what the correct line should be.

Mr. Rusczek answered using the sheet that the City Clerk's Office sent out, the fifth line down 211, health insurance, the figure is \$207,172 more than it should be.

Alderman Vaillancourt asked which figure is incorrect. Which column are you in?

Mr. Rusczek answered column FY01 Mayor's Recommended. It shows \$448,184 and it should be \$241,012. Down below under FICA it shows \$333,920. That should be \$140,722. Combined, the two amounts add up to \$400,370.

Alderman Wihby stated we had a list, Mark, that told us what everybody was at. Is that list...I don't have it in front of me but is that list what he is talking about and it is right on your list and these numbers are wrong or is that a new correction.

Mr. Hobson replied we are going to look it up right now. We need a few minutes.

Alderman Pariseau asked is everything else okay, Fred, our are you going to comment on the material that you gave us.

Mr. Rusczek answered those are the only errors. When you look at the remaining increase in our budget, a chunk of that is due to increased lease costs for our health department space. We did sign, since it was the plan last year that we would be going to the Police Department, we did sign a three-year lease where we are at and with that came some improvements and an increased lease cost. Some of the additional monies that are new this year, \$42,500 was to cover the cost of three LPN's for school health that were only funded for 1/3 of the year last year.

Alderman Thibault asked where is that.

Mr. Rusczek answered that would be an increase in the salary. It wouldn't show on your City Clerk's portrayal. It is in the supplemental material. I was just trying to explain where our increase was derived from.

Alderman Thibault asked knowing that chances are you are not going to be going there, how does that affect your budget.

Mr. Rusczek answered we signed a three-year lease and kept everything as low and as cheap as we possibly could. Our building is not ADA accessible and it is not a great place for the Health Department. We are hoping that once this budget is set, we will be able to begin plans or the City will be able to begin planning to find a more permanent home. This has been temporary space for us for 20 years now.

Alderman Pariseau stated if I can go back to the sheet that you were just looking at with the changes in FICA and stuff, does that mean that the comparison between FY01 and FY00 is \$977,000.

Mr. Rusczek asked are you looking on the last sheet.

Alderman Pariseau answered yes. If you take the difference of \$403,740 and add it to that \$574,913?

Mr. Rusczek stated you would actually be subtracting it from that \$574,913.

Alderman Pariseau asked so \$171,253.

Mr. Rusczek answered correct.

Alderman Pariseau asked then you would add that total, that \$171,253 to that \$407,675.

Mr. Rusczek answered to bring you back to the difference on here but that is money that is not needed in the budget. I see behind you, Alderman, that the HR Director is waiving his hand and I don't know if that means that the money is not there or is there.

Alderman Cashin replied we are going to find out right now.

Mr. Hobson stated the last column of the spreadsheet shows FY01 proposed changes. Those are the proposed changes from Page 4 of the revised proposal for general fund restricted line items that we handed out last Thursday night I believe. So, we are a little bit off from Fred. Fred said something like...I forget but we are at \$214,373. That is our proposed change for his health for coming down and then FICA \$192,171.

Alderman Pariseau asked but that change is is \$214,000 less than FY00.

Alderman Hirschmann asked is there a change in dental too.

Mr. Hobson answered there is a change in dental for \$1,030. It is coming down. As we had said earlier, we had a column for the proposed changes that we were bringing forward. The group would have to approve that.

Mr. Rusczek stated so our figures are off by a few thousand dollars. I just got this document today and didn't note that so the \$407,000 would be off of what shows as a \$574,913 increase in our budget when the \$407,000 is taken off we are still in the same ballpark or roughly \$167,000 over last year.

Alderman Wihby stated going back to the one page we got with the 6.72% increase and it has restricted items in it, do we have a new up-to-date one with the restricted items not there and in the department as we are proceeding. If you look at the Health Department total it is \$2.928 million. If you look at the sheet we were given, it is \$2.059 million. The difference there basically is that there are five or six items that are on here that are in the restricted columns on the one page, but are a total in the Health Department on the other pages. We need a new page; a one-pager that shows the restricted items put back into each department.

Chairman Cashin asked Wayne do you agree with that.

Mr. Robinson answered it can be done.

Chairman Cashin stated the number I am looking at here like Alderman Wihby just mentioned, for the Health Department I have \$2,059,604. Is that the bottom line or isn't it?

Alderman Wihby replied that is without restricted items.

Mr. Robinson responded correct. It is without restricted items.

Chairman Cashin asked what are the restricted items. Do we know that that is? The total?

Mr. Robinson answered I don't know it off the top of my head, but I can get it for you.

Alderman Wihby asked is pension payroll a restricted item.

Mr. Hobson answered yes.

Alderman Wihby asked and health, dental, life, worker's comp, City contributory system, FICA, unemployment compensation, and tuition.

Mr. Hobson answered yes.

Alderman Wihby stated so there are nine items in the restricted.

Alderman Pariseau asked where are you getting this stuff.

Alderman Wihby answered if you look at the Health Department budget on 48, Page 1, and if you look at 170, 211, the numbers on the left, 212, 213, 214, 228, 230, 260, 270 and on the next page 521, all of those items equal the restricted items. So, since we decided to go with this form and put the restricted items in with the departments, we should have a new one-page total so that the restricted items in the middle would all be gone and they would all be incorporated in departments themselves, which would correlate with these pages that we have in front of us that we said we wanted to go with. So your \$2.928 million number that you have there and now Fred is telling us it is too much money, will we take it off of there or is that the right number.

Mr. Clougherty replied this is the Mayor's budget. We haven't made because the Board hasn't asked us to make any of those changes so we haven't done that.

Alderman Wihby stated so any negatives that are on this sheet would come off of those numbers.

Mr. Clougherty replied yes.

Chairman Cashin asked, Alderman Wihby, if we got copies of this wouldn't that give you what you want. Can we get copies of that?

Alderman Gatsas asked how many total employees did you have at the end of 1999.

Mr. Rusczek answered the only additions we have made in total employees since 1999 have been three LPN's for the schools. I don't have the number in front of me but let's say we were at 61 and we are now roughly 64. The only difference is the three LPN's that were added.

Alderman Gatsas asked is that a chargeback.

Mr. Rusczek answered that becomes a chargeback; correct.

Alderman Gatsas asked so in your number of expenditures for FY99 of \$1.487 million does that include chargebacks or not include them.

Mr. Rusczek answered that does include chargebacks.

Alderman Gatsas asked so the wages for the other three employees really aren't significant to us as we speak.

Mr. Rusczek answered correct.

Alderman Gatsas asked so in FY99 3% and 2% on the Yarger Decker was that on a partial year or a full year.

Mr. Rusczek answered a partial year.

Alderman Gatsas stated so if I take \$1.487 million and use a full 5% number on that, that brings me to a number of \$1,561,466.

Mr. Hobson stated just a point of clarification on the question. Alderman Gatsas, the question that you asked of Mr. Rusczek about the partial year of Yarger Decker, that is true, however that is for only the non-affiliated employees. His affiliated employees, such as school nurses, did not receive anything from Yarger Decker in FY99 just so you know.

Alderman Gatsas replied what I am saying is that if I took the \$1.487 million and put the full 5% against it that should compensate for the raises correct.

Mr. Hobson responded it would be close.

Alderman Gatsas stated so if I took that in your revised budget of FY00, you are actually a little bit higher on that budget. About \$100,000. So, I don't know why that number would move that way.

Mr. Rusczek replied prior to the collective bargaining agreement where Yarger Decker was accepted and after the FY99 budget was set, it is my recollection that there was another one-year contract that was kind of a bridge. If I recall, FY99 did not reflect that additional budget that others got earlier in the year. I think it was September of 1999 when that contract was finally adopted. September of 1998 actually.

Alderman Gatsas asked so if we use your number for revised budget for FY00 and you are running pretty close to that number on a year-to-date basis if you do the multiplication out, if I take the 5% Yarger Decker and carry that through, it seems as though the Mayor's recommended side is \$150,000 more in wages for what you complement of employees is. Is that with open positions?

Mr. Rusczek answered there are two things that happened. Some employees moved from 35 to 40 hours and those employees got what amounted to an additional 14%. That alone...the cost to transition 14 employees from 35 to 40 hours was approximately \$55,000. The other thing that doesn't reflect in the FY00 figure is that the three LPN's who were hired were only hired for 1/3 of the school year so the difference in that cost to have them for a full year is roughly \$42,500.

Alderman Gatsas asked but I thought you said we weren't concerned with that because it is a chargeback.

Mr. Rusczek answered the number is still in here. It becomes a chargeback so when you asked about being concerned about that I thought you meant isn't that a chargeback anyway. The school salaries are still in all of our figures.

Alderman Gatsas asked benefits too.

Mr. Rusczek answered correct. School health comprises about 50% of our budget overall.

Alderman Gatsas stated but it is still about \$100,000 off in wages. \$1,664,595 times 5% brings us to \$1,727,457. Now are you at full complement right now?

Mr. Rusczek answered yes.

Alderman Gatsas asked can you help me with that \$100,000.

Mr. Rusczek answered my figure is a little lower than \$100,000, but what I show is that being pay increases for two fiscal years because of when Yarger Decker was accepted by the union staff.

Alderman Gatsas asked do you mean FY99 and FY00. I am giving you 5% in FY99, which is much more...I am giving you the benefit of the full year of 5% on the entire wages and some of that 5% is already in that number.

Mr. Rusczek answered some employees, the non-affiliated, received the Yarger Decker raise in what would have been FY99, but they wouldn't be reflected in this budget. Also in FY99 that is not reflected in this budget and again my recollection is that it was September of 1998 were increases for our affiliated staff.

Alderman Gatsas stated I am not looking at budget, I am looking at actual expenditures. You have the same sheet we have. That very first column that says expenditures so those are actual expenses that you spent in FY99 for wages.

Mr. Rusczek replied in FY99 we did not maintain a full complement throughout that period. This has probably been our best year ever with turnover. We are at full complement now and hopefully we will stay that way. Our median length of employment is only about five years. We have had some really tough years when we had a lot of turnover. FY99 was one of those years. If that is the actual expenditures, it is because we did have vacancies.

Alderman Gatsas stated right but you are back to the Yarger Decker increases and I am saying that includes it. If you take it to the FY00 number, which I am not questioning and you take 5% of that, you are still about \$100,000 off on wages. I know that \$100,000 based on \$1.3 million is not much, but it is about 8%.

Mr. Rusczek replied with Yarger Decker there also were some increases for staff who needed to be upgraded to higher pay. They, I am sure, enjoyed something better than a 5% average.

Mr. Hobson asked, Alderman Gatsas, what you are suggesting to Fred is that based on his FY99 actual expense to FY00 you did an estimate of 5%.

Alderman Gatsas answered I took the 5% on FY99.

Mr. Hobson asked an on FY00 what did you do.

Alderman Gatsas answered I took 5% on FY00.

Mr. Hobson replied that would be too low. The average percent for his non-affiliated and affiliated employees is higher than 5%.

Alderman Gatsas asked 7%.

Mr. Hobson answered give me a minute to look at that.

Alderman Gatsas stated but I gave him 5% for the whole of FY99, which already has some of that increase in there.

Mr. Hobson stated my last payroll projection for his department from March 22 shows a percentage change for his department, including the LPN's of approximately 12%. So before the Mayor's changes, etc., the Health Department increase for FY01 over FY00 in salaries would be approximately 12%. Also, we need to remember as Fred pointed out that in FY99 I believe you said 14 positions but I think you had 15 that were in the non-affiliated world that went to a 40 hour work week. That is about a 14% increase in wages and then those people got Yarger Decker increases on top of that. Correct?

Mr. Rusczek replied correct.

Alderman Shea asked for clarification would this be a 26% increase in certain instances.

Mr. Hobson answered no. The people who went to 40-hour work weeks were non-affiliated and not covered by the contract. Those are people who were not affiliated and they got their Decker increase in FY99 and went up to 40 hour work weeks in FY99 so those funds then would be carried over into FY00 and I just wanted to point that out as Alderman Gatsas was making estimated with percentage increases.

Alderman Shea asked what was the average pay increase in the Health Department from FY99 to FY00 to FY01.

Mr. Hobson answered I don't know.

Mr. Rusczek stated I don't know.

Alderman Shea stated but that would impact your department profoundly wouldn't it.

Mr. Rusczek replied for our department, the biggest increase from Yarger Decker came from transitioning from 35 to 40 hours for non-exempt staff. There were 14 who were affiliated and I believe 11 or so who were non-affiliated. That is where a big chunk of money came from. Most employees received moderate increases. Some of the clerical staff and one or two other people received more substantial increases.

Alderman Shea stated I am just trying to get this in my mind for comparative sake. In your department, what would you estimate the percentage of increase would have been? Would it be 5%, 7%, 12%, 14%? Just a ballpark figure.

Mr. Rusczek replied if it is a ballpark figure and you are looking at the figures we have here, it suggests roughly 11% or 12%.

Chairman Cashin stated but that is to bring them up to a 40-hour week from a 35-hour week also.

Mr. Rusczek replied to bring some of them up. It is kind of split.

Alderman Gatsas stated from FY99 to FY01, it is a 25% increase in wages. I will help you out.

Alderman Vaillancourt stated I am just trying to figure out how much discretion we have here. Are we in a position where we can say we are going to give a 3% increase on the salary line from last year to this year? Do we have that discretion? Can we say we will take your salaries from last year and give you 3% more?

Chairman Cashin replied I am not prepared to say that, but we can do that.

Alderman Wihby stated we can do it, but it might mean that there would be some cuts.

Alderman Vaillancourt stated well I don't understand giving 12% or 15% increases. It is just beyond me.

Chairman Cashin replied I think we discussed this at length on several occasions and we talked about increasing from a 35-hour work week to a 40-hour week. You won't see this again is my understanding. Am I right?

Mr. Hobson responded as we showed you two weeks ago, your big spike for your contracts and Yarger Decker implementation is this year. Going into FY02 you level off to an average of about 4.3% to 4.6% overall in salaries.

Alderman Vaillancourt stated that was my question. Have we revocable agreed to that or can we retract that? I certainly never agreed to it, but I wasn't here.

Mr. Hobson stated in terms of putting salary caps or ceilings, Alderman Wihby is correct. What you would be doing is you already have signed contracts and you have the salary and benefits structure for those people through FY02 so in order to put a percentage increase on top of a department's budget or on top of all employee's budgets you would be looking at non-affiliated salaries that you could change or amend and you would also be looking at deleting positions or not filling other positions that are open.

Alderman Pariseau stated this brings back the concern that I had a month or so ago which is and I guess it is a question for Mr. Hobson for those non-affiliated people who went from 35 hours to 40 hours do we have to maintain that schedule or can we cut them back to the 35 hours and make sure that the departments maintain the coverage from 8AM-5PM. They can have people come in at 9AM or 10AM and work until 5PM or 5:30 PM as long as their office is scheduled from 8AM to 5PM right so what is to stop us from reverting those people back to the 35 hours from the 40?

Mr. Hobson replied the cost originally was \$400,000 for affiliated and non-affiliated to bring them to a 40-hour work week. After you brought it up that night, Alderman, the next day I ran a very quick draft number so this is something that I would have to research and get back to the Board with a finite number, but my draft number is it would be approximately \$200,000 out of next year's budget if you took the non-affiliated, non-exempt employees and brought them back to 35 hours.

Alderman Pariseau asked effective July 1.

Mr. Hobson answered yes.

Alderman Pariseau asked could we get those numbers by department. The difference in their salary?

Mr. Hobson answered we could get something for non-affiliated, non-exempt employees by department. Yes.

Alderman Wihby asked could we do that for the union contracts. So, aren't we just going to tell all of the non-affiliates to join unions? Isn't that what is going to happen?

Mr. Hobson answered obviously if we allow the affiliated employees to stay at the 40 hour work week it is going to have an impact on the non-affiliated employees. They are going to respond in one way or another.

Alderman Clancy asked, Fred, the employees went from 35 to 40 hours. What percent did they get?

Mr. Rusczek answered 35 to 40 hours is about 14.3%.

Alderman Clancy asked did everybody get that.

Mr. Rusczek answered yes. Five additional hours adds up to 14.3%.

Alderman Clancy stated plus another 12% so they got a 25% raise. Is that right?

Mr. Rusczek replied it would be 14% plus the transition to Yarger Decker. If I could just speak to the Yarger Decker salary for a minute, in the business of public health there isn't any equipment, there is not a bigger bulldozer, there is nothing that will make us do our job more efficiently than experienced, knowledgeable staff. The way we retain staff is with the competitive wages and we have that now. We haven't had the turnover that we had years ago. In 1990, we lost 45% of our school nurses. Some of you may remember it was like a revolving door. For many of those years, we averaged a 25% turnover in staff and finding staff was quite difficult. Our median length of employment is now up to just under five years. Just under five years in government is not a lot of experience, but I will tell you that we have the very best staff that we have ever had and they are committed and they want to stay and it is because they see some hope and promise in the Yarger Decker study. We are struggling in-house with the increase from 35 to 40 hours in terms of changing our schedules around and doing the best that we can for the public. We have what we call a service exploit team, which is a total quality management team that is looking at that very issue. Okay, we have increased hours, but if we have increased hours are we still just providing the same services in more time? So, we have a good committed staff and those are the sort of things that make us more efficient. We will be able to go through and make certain our services are the absolute best that they can be for the community.

Alderman Pariseau asked so are you saying that if we were to revert back to the 35 hours that it would negatively impact your office.

Mr. Rusczek answered yes it would. This is a great time to be in public health or anything health. There are a lot of jobs out there and there are very competitive wages.

Alderman Levasseur stated as a restaurateur, I would like to say that you guys are very efficient. You are very tough and you do a good job and the people who work for you I have been dealing with for many years and we have had our battles over the days but I would say that you guys run your operation very efficiently and your people are very nice to deal with. What I have to ask you about is the bottom line here is \$2,521,062 after you deducted that number. Now about these school nurses, where is the number in here for a chargeback? If your number is \$2.5 million rounded off, shouldn't there be a number in there also that you are going to be allowed for a chargeback so that your number would not actually be this number. I don't see a number in there and it really seems to be...if that is not your real number I would like to know what it would be minus the chargebacks.

Mr. Rusczek replied there was a chargeback number submitted with the budget. It is not reflected here. The figure that I submitted didn't include the restricted items but if you can bear with an approximate number, the chargeback number is approximately \$1 million.

Alderman Levasseur responded okay so it is not broken down by department. I see that number now. Do you have any idea what that would be from your...a rough estimate?

Mr. Rusczek replied about \$1 million.

Alderman Levasseur stated so you are going to chargeback for \$1 million.

Mr. Rusczek replied actually it is a little bit over \$1 million.

Alderman Levasseur asked have you been receiving that without any problems or is this just because of the transition.

Mr. Rusczek answered in the transition here currently all of that money sits within the City so we in turn charge the School District. It is kind of a paper transfer and I am sure that Kevin can elaborate more on that if need be.

Alderman Levasseur stated I am interested because I would just like to see how each department is affected and what that number is and how it is totaled out. It is starting to become this divorce that we are going through right now and it is causing a lot of confusion and I would like to see how it affects each department, especially yours because that is a very large number. I would like to see if it could be narrowed into each budget in each department what those numbers are going to be so when we do this divorce it comes out so that the numbers are not kind of in the gray area, I would like to see them in black and white. I think it affects the

way you do business very seriously and I would like to make sure that you are not being penalized for that in any way.

Mr. Rusczek replied also added to that is that there is a lot of revenue that in turn comes in as...State grants for example that in turn come in as revenue to offset some of these costs. When it is all said and done, when you take out the school health services, our public health services cost about \$10 per resident.

Alderman Lopez asked under line item 390, other services, what is that.

Mr. Rusczek answered other services includes contracted positions like our school positions, it includes nurse practitioners for our STD clinics, it includes laboratory testing for environmental health things such as air quality samples and water quality samples, and it includes a consultant pharmacist to come in and look at the way we handle drugs and medications in our clinics.

Alderman Gatsas asked can you help me out. This pie chart that you provided us shows administration costs of 27% of the total wages, which is about \$670,000. How many employees does that make up?

Mr. Rusczek answered I think on your next sheet...I need to address that but the sheet right after that shows the employees that are included in what is called administration for the budget purposes. The top pie chart that you have, Aldermen, reflects our budget as it shows before you in terms of cost centers, but that isn't really 27% administration. A lot of that is not administration at all. So that is why we provide three different pie charts. When we break it down by the functions of a department to show where the costs are and that reflects the direct and indirect cost of each service and the bottom is after you add the revenue we get to the budget how our budget breaks out. The top pie chart, though, is just based on the cost centers where we put people for the budget purposes.

Alderman Gatsas asked how many people would you call administration.

Mr. Rusczek answered we would say that there are four people who are administration. The Health Officer, Deputy Health Officer, the Administrative Services Manager and the Accountant. They are the ones whose services are looked at as indirect costs, but included in the administration budget that you have, the 27% in the pie chart, includes two Customer Service Reps who are only involved in clinics and clinic intake and it includes an Administrative Assistant who only works in environmental health and provides those sort of direct services.

Alderman Gatsas asked so it is a total of seven.

Mr. Rusczek answered the total...on your sheet here you have nine, but again those are not all administrative people, but they show in that cost center. Our epidemiologist, for example, shows as a Public Health Specialist II provides no administrative services whatsoever but that was the cost center to put the person in so it is no confused with clinic or school activities or anything else.

Alderman Gatsas asked so if I use nine people that would be to your benefit and said that they average \$74,000 each on a budget that is \$1.8 million, which is almost 30% administration.

Mr. Rusczek answered nine people is what the full-time equivalents add up to but when you look at the budget for administration, that also includes lease costs. Half of our expenses, half of the things that aren't salaries and wages are lease costs. So if the \$170,000 is what we have for expenses, if you cut that in half, half just goes to our landlord and for electricity.

Alderman Gatsas asked so if we did it, let's assume we did that number by 10 and said that the lease cost would be one employee. That is an average of \$67,000 per employee. It is still a 1/3 of your total wage number.

Mr. Rusczek answered in administration, we have costs and expenses that we can't break down. For example, printing and publishing, in this portrayal.

Alderman Gatsas asked why don't you help me out. Maybe you can give me some easier numbers or I can go through this.

Alderman O'Neil stated I just think that the way it is being presented is somewhat misleading because there is administration to run the various programs, but direct full-time employees, as the Director just pointed out, is only four. The average cost of administration per person is not \$67,000 in that department. That is a pretty lean department for administration in all honesty. I don't care how it is grouped together on a piece of paper. It is certainly not a top-heavy department.

Alderman Vaillancourt stated while we are waiting for an answer, can I just clarify this 14%. You mentioned 14% to go from 35 to 40 hours.

Mr. Rusczek replied there were 14 affiliated staff that went from 35 to 40.

Alderman Vaillancourt responded this is where I am terribly confused because if that is true, 14% of your overall salary line is about \$220,000. Now we are being told that the overall for the whole City is only \$400,000.

Mr. Hobson replied what he is saying is that over a two-year period he moved 25 people who were non-exempt hourly people from a 35-hour work week to a 40-hour work week. Is that correct, Fred?

Mr. Rusczek responded that is correct.

Alderman Gatsas stated but he said that affected it this year by \$54,000. Is that right, Fred? In your budget number when I said we were looking for \$150,000, you said that moving people...

Mr. Rusczek interjected those are the 14 affiliated staff. That transition this year was roughly \$55,000.

Alderman Gatsas stated so \$55,000 on the \$200,000 is about...

Mr. Rusczek stated all of our staff didn't go from 35 to 40 hours. All of our school nurses stayed at 35.

Alderman Vaillancourt stated even if it is \$55,000...

Alderman Gatsas interjected I think where Alderman Vaillancourt is going is that obviously if Mr. Hobson is saying that the total City is \$220,000 and Fred's is \$50,000 then there is a problem somewhere because he has one of the smallest departments around.

Mr. Hobson stated not necessarily. What I said was that it costs approximately \$400,000 to bring everyone up to it. I said that you probably have about \$200,000 of that tied up in non-affiliated costs for next year in FY01.

Alderman Gatsas replied but he is saying non-affiliates just in his department is \$50,000.

Mr. Hobson responded okay. It depends on the departments.

Alderman Gatsas asked how many non-affiliated employees do we have in the City roughly. 600+?

Mr. Hobson answered close to 500.

Alderman Pariseau stated it is about 70 hours a week more.

Alderman Gatsas asked just in his department. That is why I am saying his number of \$400,000 can't be right because 14 people here are accounting for \$50,000 and if you just use those percentages and take what 14 is to the 600, it is going to bring that number up to almost \$1 million. That is all I am saying. It is just not correlating. The two numbers aren't coming out in sync.

Mr. Hobson stated most of the affiliated employees, as I look at my sheet and again remember I said that it came up a couple of weeks ago and no one officially asked us to pull this together and we are happy to do it but we are sort of winging this. Most of the people who are affiliated throughout the City who went up to 40 hours, most of them would have been in Fred's department because most of the Fire and Police and Highway employees who are affiliated we already at 40 hours. So, the affiliated people who would have gone from 35 to 40 would be in Parks, Health, and I would probably have to go through and pick out a couple of more by department. We could break it out non-affiliated and affiliated for the general fund for next year and produce a report for you. I would be happy to do that for you.

Chairman Cashin asked would you please do that then.

Mr. Hobson answered yes.

Alderman Hirschmann stated going to the budget summary page, I know you probably don't have that Fred but Alderman Levasseur brings up a pretty good point. This is a transition year and I know that Mark Hobson mailed over transition number to the health line, but when we see the department we don't see the Schools transitioned out of the budget. Are the chargebacks on a revenue sheet that I don't have? On this summary sheet, school chargebacks are \$6,641,000. Can someone in this room tell me if \$1 million of that Fred's chargebacks? I want someone from Finance to tell me that. I want to make sure because some of these numbers are in question here.

Mr. Rusczek replied I don't have the number that you have there, but if you look...the City's Clerks sheet that we are supposed to be working off is the Health Department all together, but in your budget package you also have organization 4104, which is school health. Most of that figure, except for the school nurses that provide services in the parochial schools, is a chargeback to the School District.

Chairman Cashin asked so it is in excess of \$1 million is what you are saying.

Mr. Rusczek answered right.

Alderman Hirschmann asked is there any one in the room that is going to answer that.

Chairman Cashin answered I believe Wayne has gone to get you an answer.

Alderman Wihby asked on the sheet you had, in FY00 you had 66 employees you said and now you have 64. 66 I guess included two grant funded positions?

Mr. Rusczek answered the 66 to 64 figure...we are losing part of an employee. Our lead poisoning prevention case manager was funded full-time by the State and the funding was reduced so there is a reduction of .4 individuals there. The rest were some changes we made in the School health program last year in reducing a few hours here and there. I will tell you that the only thing we added were those three LPN's over the last few years. When you add up the FTE's, some people may have moved over. For like the project funded person, when we lost the money we did ask for a budget addition to keep that person full-time rather than lay her off for those hours.

Alderman Wihby asked so in FY01 how many new positions are funded from grants or not funded from grants. Are there any new funded positions?

Mr. Rusczek answered in the FY01 budget there are no new positions. There is a reduction of .4 community health nurse because we received a reduction in State funds. We did ask for money as a budget addition to keep this person's full-time status and that wasn't granted in the Mayor's budget. We are getting some additional money for TB control starting sometime in July, but that is a new activity and we haven't determined what staffing yet we need to do that. We have to sit and negotiate with the State. It is Center for Disease Control money that is coming up through the State and we haven't gone through all of the negotiations, but we are requesting authorization in the CIP Committee tomorrow night to proceed. Again, I can't take that money and offset something else that we are doing now unless...for example I can't take revenue from two different sources and pay for the same person.

Alderman Levasseur stated I am looking at your number for your weekly fluoride rinse program. What was the average cost of that per individual?

Mr. Rusczek replied it costs about \$1 per year per individual. If you had our budget detail from last year you will see that with going to fluoridated water we will be saving some money as well as improving our efficiency by not having to do that.

Alderman Levasseur asked so by adding the fluoride to the water, did you deduct that amount out of your budget.

Mr. Rusczek answered yes I did.

Alderman Levasseur asked so that was about \$1,656. Is that about the right number?

Mr. Rusczek answered I think I actually deducted \$2,000.

Alderman Levasseur stated if you include the 766 fluoride treatments that is probably the same number.

Alderman Wihby stated on the back-up I have of the one page sheet, which I guess is the same date it said you went from 66 in FY00 and there is an asterisk there that says including grant funded positions and in FY01 you are going to 64 and there is no asterisk next to it so that tells me that you probably had two grant funded positions that you are no longer going to have, but yet when you look at the sheet submitted by you on February 17, the total is 57 to 59.

Mr. Rusczek replied the sheet that was submitted with the 57 or so doesn't reflect employees who aren't in the City budget. They are paid strictly by outside funding source.

Alderman Wihby stated but it shows that you are going up two then from FY00 to FY01 you are going up two licensed practical nurses.

Mr. Rusczek replied we were requesting to go up.

Alderman Wihby asked so these sheets are what were in your proposed budget and not the Mayor's numbers.

Mr. Rusczek answered right. Those two LPN's were not granted.

Alderman Shea asked are all public schools now covered by school nurses or a reasonable facsimile now.

Mr. Rusczek answered all of our public schools are covered by a school nurse every day. Some of them do not get 35 hours of coverage. The smaller schools might get 25 or 30 hours. Our high schools also have an additional LPN because of the 2,000 or so students in each high school.

Alderman Shea asked how about the parochial schools.

Mr. Rusczek answered our role in the parochial schools is really more of a public health role. To go in and make certain that the hearing and vision and height and weight screenings are done and immunization checks are done. In that role in the parochial schools, some of them might only see a nurse one-day a week. Trinity High get the most coverage. They get three days per week coverage.

Alderman Shea asked are the nurses in the parochial schools also working in the public schools or are those nurses working strictly in the parochial schools. In other words, one day at St. Anthony's, one day at St. Catherine's, one day at St. Marie's or something like that?

Mr. Rusczek answered today we have two school nurses who provide services to just the parochial schools.

Alderman Pariseau asked do the parochial schools reimburse the City for that service.

Mr. Rusczek answered no they don't. Keep in mind that our primary role in the parochial schools is for a public health reason rather than for an individual health reason. In our public schools we provide the full gamut of services, whether it is shots for diabetics or what have you.

Alderman Pariseau asked if we charge our own schools, why don't we charge the parochial schools.

Mr. Rusczek answered I suppose that would end up being a policy decision that if directed I will pursue.

Alderman Gatsas stated I am trying to follow this, but I am having a problem. In FY00 or what you submitted on 2/17/2000 was 57...do you have this sheet?

Mr. Rusczek replied no.

Alderman Gatsas stated it says here that you had 57.2 FTE's. What would the total wages for those 57.2 FTE's be?

Mr. Rusczek replied that would be your budget figure here.

Alderman Gatsas asked why don't you give it to me so that I know what you are saying.

Mr. Rusczek answered it would be \$1,877,983.

Alderman Gatsas asked didn't you tell me a little while ago that you were at full complement at 64.

Mr. Rusczek answered again there are people that don't get paid from the City budget. They are covered just by CIP budget. For example, our immunization coordinator never shows in our City budget. That gets paid directly by CIP and the reason it is done that way is that should those funds go away, then it throws up a red flag that wait a minute the City would have to fund this person. So, it is kept clean that way. Another individual is funded by the EPA/CSO agreement and doesn't reflect in the number of employees.

Alderman Gatsas asked does that include wages and benefits or just wages.

Mr. Rusczek asked the \$1.8 million.

Alderman Gatsas answered no. When you say they are paid for from somewhere else.

Mr. Rusczek replied everything. Wages, benefits and expenses.

Alderman Levasseur asked so the increase in your budget is \$167,238 over last year.

Mr. Rusczek answered correct.

Alderman Levasseur since your people are out in the field as often as they are, I would like to know...I noticed on your chart that you are doing a lot more screening of TB. TB seems to be on the rise. You are making a lot of house visits and your projections seem to be pretty close year to year. Can you give us information on how you think the aging of the population is going to affect the City of Manchester and also the increase of refugees into the City. It seems to me that \$167,000 increase is not a lot of money for a lot more people that moved into the City just by the apartment rentals. There is not much room to get many more people in here. If you could break that out for us a little bit, I think it would be a little bit clearer because the increase doesn't sound that high for the amount of people we have had move into the City, the amount of restaurants that have come into the City, and the population getting older.

Mr. Rusczek replied there is absolutely no question that Public Health Services are on the increase. I pulled some charts here and printed them in the supplemental material. HIV counseling is going up and clients on TB preventive therapy continues to increase. That is what we are getting some additional CDC money for. Much of that is related to the new refugee arrivals. Immunizations administered continues to go up and that is really a concern to us. When we start providing more immunizations, it often means that families don't have access to healthcare. This is a good economy and if families don't have access to healthcare and they are relying on the Health Department, we are concerned there. On the next sheet, you will see that in our schools the first aid and illness assessments by school nurses is going up. That also often reflects a lack of access to healthcare from home. The increase in school health screenings on the second chart really reflects the increasing numbers in the schools and medication is going up because there are more and more kids with special needs in the schools. There is no question that our current staff is challenged by the increase in activities and you mentioned the elderly. That is the one thing that we are watching quite closely. 60% of all vaccine preventable diseases occur in the elderly population and as our elderly population grows, we know we need to do a lot more there. Sue Gagnon, our community health nursing supervisor has already been working on plans to...by working with some of the other community agencies that provide services to the elderly to begin to address some of those needs. We work with Prime Time and groups like the Parish Nurse Program. That is the one benefit, one big benefit that we are going to get from increasing from 35 to 40 hours is for the first time we will be able to do something for the elderly population as well as meet some of these additional needs.

Alderman Levasseur asked so that \$167,000 also includes the ramifications from Yarger Decker.

Mr. Rusczek answered yes it does.

Alderman Levasseur asked so that is all included there plus the amount of services that you provided.

Mr. Rusczek answered right.

Alderman Levasseur asked what kind of an increase have you seen in schools in the last year for population.

Mr. Rusczek answered the school population, if I recall correctly, is around 18,500 between our public and parochial schools now. Our nurse to student ratio is about one nurse per 720 kids. When you have a mainstream population with special medical need kids within the school, the recommendation nationally is that there be one nurse per 500 kids. So, that is stretched as thin as it can be now.

Alderman Levasseur asked as far as the parochial question goes, maybe Tom Clark could answer this question for me. Tom, isn't the City disallowed to provide services to parochial schools? Maybe for health reasons you are allowed to, but shouldn't we be collecting money from them because we are collecting money from our own public schools. Do you see a problem with that?

Solicitor Clark answered we have been allowed to fund public health to the citizens of Manchester, whether it be in a parochial school or a public school. We could look at whether they should be charged or not. I think that was a decision made by this Board years ago that the City was going to provide public health benefits.

Alderman Levasseur asked what are your feelings on that. Public schools are paying for it and parochial schools aren't. I mean it seems to be...I mean you have some problems with that from first amendment principles.

Mr. Rusczek answered that is true except for the fact that we are using the schools as a vehicle to get to Manchester's kids and we are really going in there for the immunizations and the screenings and stuff. That is our real role in the parochial schools. Obviously, if a nurse is in there and she is caught up on screenings and there is something else she can do to provide some technical assistance in her one or two days per week at a school, she will do that. She is not going to sit by idly.

Alderman Levasseur asked when we talk about parochial schools, what grades are we talking from. Are we talking from 1-12?

Mr. Rusczek answered yes, from 1-12.

Alderman Levasseur asked do you have what that number could possibly be or maybe you could get that for us. I think it is something that people would be very interested in.

Mr. Rusczek answered the figure is roughly \$60,000.

Alderman Hirschmann stated your original number of \$2.9 million minus out the \$407,000 that is in the proposed changes and then minus those chargebacks comes to \$1,588,143. I looked over at the request that you handed in and it is actually less than that number. It was \$1.569 million for a net request. I just think you are doing pretty good.

Alderman Gatsas stated one more time, Fred, give us a number that you anticipate that you are going to give us as a school chargeback number.

Mr. Rusczek replied it is going to be right around \$1 million.

Alderman Gatsas asked is it right a \$1 million. Within 10% of that? Within 5% of that?

Mr. Rusczek answered I would be happy to provide detail tomorrow for you. The figure that Finance Director Clougherty just gave me shows \$942,919, but I will be happy to provide full...

Alderman Gatsas interjected your pie chart shows that it is at \$1,004,695.

Mr. Rusczek replied again, that includes parochial schools. Which pie chart?

Alderman Gatsas answered the top one.

Mr. Rusczek responded that includes parochial schools. The other difference is there are things in administration that once we have done printing and what have you or purchased supplies, when they are purchased they are charged to the school division in the Health Department so we have an accurate reflection of our expenditures. So, some of the money in administration would be part of what gets charged to schools.

Alderman Levasseur stated I cut you off when you were about to say Nashua and I apologize if there was something that was relevant to the question I was asking you.

Mr. Rusczek replied Nashua follows the same model with parochial schools. They have a small population down there. They have about one full-time nurse that goes out and provides services to parochial schools.

Alderman Levasseur asked is there a number in here for Federal funding or are you not getting your fair share of Federal funding. It seems like nobody is getting their fair share of Federal funding. How about yourselves?

Mr. Rusczek answered we don't believe we get our fair share of State funding for things and certainly we have brought that up to the people up at the State. Some of the areas where we are getting closer to funding...we have been concerned that all of the refugees or a good portion of the refugees get resettled in Manchester and without access to healthcare that we have to provide some services that we believe the State should pick up the tab for.

Alderman Levasseur asked what do you have for a suggestion since that is your main field. Anything?

Mr. Rusczek answered well when it comes to something like refugees, certainly when you look across the country those are State funded services. The State also receives what is known as a preventive block grant that we have been protesting that the City should be receiving a portion of the preventive block grant. We did some years ago with a change in administration. We no longer get that. So, there are things that we continue to hammer away at and I think that if you compared Manchester to other communities in the State like Nashua, we do better than most. The Center for Disease Control has been very good to Manchester largely because we have some of the people with the skills and qualifications now that they have moved up the additional \$50,000 award for additional TB control work is unique to Manchester. Nashua applied for the money and didn't get it. CDC sent us and this is another employee that doesn't show anywhere, a two-year MPH level prepared public health prevention specialist. It was a highly competitive grant program to get that individual. There were only six communities in the country that received this two-year free donation to the community. There are several others like that too. We have a lot of good things going on too. We always, when we can, try to go out and get someone else's dollar.

Alderman Shea stated the average cost of a pupil in Manchester say is \$5,000 ballpark figure. How many kids are in parochial schools? About 6,000.

Mr. Rusczek replied I want to say that the figure is about 2,000.

Alderman Shea asked in Trinity and all the rest of the schools.

Mr. Rusczek answered Trinity is down to about 400.

Alderman Shea asked so for 2,000 that is about \$1 million. Is that correct. \$5,000 times 2,000 is about \$1 million and we are quibbling over \$60,000? If all of those kids were released to the public schools we wouldn't have a problem with McLaughlin; we would have a problem with all of the different schools wouldn't we? So, we are really coming out well.

Alderman Lopez stated you were down to \$2,521,737. Do you agree that is your budget?

Mr. Rusczek answered yes.

Alderman Lopez stated and we have a resolution to the effect that it was \$2.928 million am I correct.

Deputy Clerk Johnson replied the resolution for the Health Department is reflecting \$2,059,604. That does not include the restricted items that you are going to presumably deal with as a line item further down under non-departmental at a later date or City encumbrances I should say. The restricted items are not included under the...the Health Departments restricted items like health insurance and dental is not included in the bottom line that is given to Fred to expend. The amount showing for the Health Department is \$2,059,604.

Alderman Lopez stated on the document that I have, aren't these numbers adding up to \$2.928 million.

Deputy Clerk Johnson replied that is including all of the restricted items that are pulled out of that department and funded as one lumpsum by the City on the resolution. So, the restricted items would not be changed here, they would be changed at a later date when you take up those items. It is good to note, I guess, that you are making proposed changes within...they are showing the breakout here as to what it is costing you by department but that is not how it is budgeted. It makes it confusing.

Alderman Lopez asked what is the amount on the resolution.

Deputy Clerk Johnson answered \$2,059,604 is what the Health Department would presently receive if the budget was adopted as the Mayor presented it. All of those restricted items, the seven items that were listed by Alderman Wihby earlier, are not included in his budget. You budget those separately citywide.

Alderman Lopez asked then how does the \$407,000 play into this.

Alderman Wihby stated it is the \$2.9 minus the \$407,000. That would be the equivalent of the \$2.059 million that the resolution is.

Deputy Clerk Johnson stated if you look at the sheet that you have, the 48-1 sheet, the final column where all of the proposed changes are, those are all under restricted items. Those are not part of the Health Department's line item. Does that help?

Alderman Vaillancourt stated briefly, as I see it we could save \$60,000 if we didn't fund parochial schools, another \$50,000 if we didn't go to the 40 hour week and according to my salary per person, about \$50,000. Could you get rid of one person out of the 64 that you have? Let me ask you, if I asked you to get rid of one person, could you tell us which one it would be. It would bring your savings up to about \$170,000.

Chairman Cashin stated I don't think that is a fair question to ask him.

Alderman Vaillancourt replied I plan to ask it to everybody so I think everybody ought to be prepared if they have to cut one person. I think they should be able to think of one person.

Chairman Cashin responded you are asking who it would be.

Alderman Vaillancourt replied I am asking for a position, not a name.

Chairman Cashin stated I think the question is if you had to cut one person what effect would it have on your department.

Mr. Rusczek replied it would have an effect. As you can see, our services are going up. I couldn't tell you today what position I would cut, Alderman. If the Board directs me to cut an amount out of the budget then obviously I would have to make that choice. We have already had to tell an employee who was Federally funded that we are not going to be able to keep her on for the 40 hours a week as of July 1. At this point, if I were directed to make a cut I would make a cut and do the best we can to maintain services but it will have an impact.

Alderman Vaillancourt stated it will only be 1.5% of your salary.

Alderman Wihby asked, Fred, can you send us that chargeback number.

Mr. Rusczek answered yes, I will.

Alderman Thibault stated I am just looking at everything that is being said here. In view of the increased population in the school area alone, how can you cut a person and be able to keep the level of services that you are keeping now. That boggles my mind. I just can't figure it out. We have an increase in school enrollment this year of about 300 or 400 people I think. How could you cut one person and still take care of that? That bothers me and I would like to know your feelings on that.

Mr. Rusczyk replied certainly increasing enrollments is challenging for us. What is even more challenging is the changing demography of the City. We have more low income people or people who are working without health insurance. We have people who have perhaps more risky behaviors. We have populations that may be at greater risk of a communicable disease and we have more communicable diseases and other issues coming before us all the time.

LIBRARY

Mr. Brisbin stated it is a pleasure to be with you. I hope everyone has the packet that we were prepared to discuss with you on Holy Saturday when we were originally scheduled. Do you have that packet? I brought 10 additional copies. I hope a few of you have them.

Chairman Cashin replied I thought we were going to work off the spreadsheet.

Deputy Clerk Johnson stated we forwarded that spreadsheet to all department heads and advised them that that was the sheet the Board was working on.

Mr. Brisbin stated the amount of materials checked out in the past year are 353,545. We have had...

Alderman Pariseau interjected are you nuts. What do you want us to do with this stuff?

Mr. Brisbin stated I brought a small amount of Library materials and I am just asking for some of you to see some of the items that are very popular.

Alderman Vaillancourt stated I think we will stipulate that the Library has books.

Mr. Brisbin stated I just want to breeze through them. We are getting people employed. We are teaching people English. We are helping children with science fair projects. We are helping travelers to economize. This is all what we are doing for the citizens. I don't think it would have taken you longer than a minute

or two just to pass through and see the covers of these items. We also have CDROM. You can learn Spanish on your home PC's. If you have children that are looking for scholarship assistance we can help. We have books on health helping those individuals who need to become better employed and better educated. Now I did it and you don't have to pass them from one side of the room to the other. Anyway, by looking at our output measures you can tell that we have one item checked out per minute that we are open. We have one person that walks through the door every minute that we are open and we answer a reference question every four minutes that we are open. We are doing a job for the public. Under the Mayor's number, salary number for 01, his salary number according to the spreadsheet that you have is \$1,444,280. Do you have that number? Under the Mayor's salary number what we have is the full-time complement of Library employees included. We have most library pages included, not all. We have the longevity A-STEP and special pay components that we were given by HR. What is not able to be covered? What did we have to cut? We have our adult literacy coordinator and his assistant who had to be cut. That was money that was just appropriated a few months ago by this very group and that is in jeopardy. That is a five and a half-year-old program and it is mostly volunteers. Those two individuals uphold a core of about 40 volunteers and that is one-on-one help for people, some of whom have not ever been employed in their lives and because of the help that we give them they can be employed. They can get power over their lives. Those are not in the budget. We have two part-time page positions. One individual whom we just hired a couple of months ago. She is not covered under the Mayor's number. What is covered under the Mayor's operating figure, which is \$496,748, and we get that simply by subtracting from your spreadsheet \$1,941,028. What is covered in the Mayor's operating figure? Well, that represented a \$22,308 cut from FY00 and we had three contract costs. One in line 419, one in line 445, both of those have to do with our automation, and also our security guard costs, that is 0591 for contract manpower. The combined increases in those lines for us is \$17,362. So, in order to accommodate the \$22,308 cut and to cover the \$17,362 increases we had to drain all monies from furniture and equipment and we had to deplete our book budget by some \$15,000. In doing that, we were able to level fund the remaining 22 lines. Even in spite of the fact that there are some rising item and service costs...for example in our periodicals line, periodical subscriptions go up about 10% per year. All we can do is cut the subscriptions, which we have done year after year. What is not in the Mayor's FY01 operating budget figure for the Library? Of course the book budget. I mentioned that it would have to go down from \$181,000 to \$166,000. This is our most critical line. Books are primarily who we are and what we do. That line, as some of you who have been on the Board while recall, has been mired at the \$100,000 mark or \$1 per person per year for an entire decade.

Alderman Thibault asked are you talking about line item 630, books.

Mr. Brisbin answered yes.

Alderman Thibault asked are you talking \$174,000. You are down to \$166,000? Is that what you are saying?

Mr. Brisbin answered \$181,000 down to \$166,000.

Alderman Thibault stated you have been cutting on that almost yearly.

Mr. Brisbin replied I have presented nine budgets and it has been flat for seven of them. It went up to \$150,000 and then to \$181,000, but really where it ought to be and if you look at the packet that I just handed out it ought to be between \$3 and \$4 per person, per year and that is where it is for the cities of Keene, Portsmouth, Merrimack, and Salem and that is where it is nationally if you look at library journal article "Book Report 2000" for populations of our size. So, we are not where we ought to be by any means and this is something that has a cumulative effect. If you can't take care of the collection year after year after year for economic reasons, it deteriorates very badly and you can't bring in much new. I understand that this isn't the year. That is what Mayor Baines and I discussed originally, but we still have to let you know what the state of the library collection is. We have the largest library collection in the state but it is old, deteriorating and we are not able to put the new materials into it that people demand. That is what is not in the budget.

Alderman Wihby stated I see there is no revenue that is generated by the Library. What do you do with the dues and fees and stuff?

Mr. Brisbin replied that is a non-lapsing account under an RSA for library fines. RSA 202:11 and I have a copy of it here.

Alderman Wihby asked how much is that usually.

Mr. Brisbin answered if you look in the packet that I gave you, there is a sheet that tells you where our book budget has been for the past 10 years and there is a Trust Fund component and a Library Fines component, which are those dues. It is right now around \$45,000 a year, which is part of what we do spend on materials.

Alderman Wihby asked so you just take that money and put it back into books or whatever.

Mr. Brisbin answered yes.

Alderman Wihby asked is there anything you do that can be charged to the School District.

Mr. Brisbin answered we tried that last year. We did talk with the School District about our school visits and we were told that they didn't apply and that it was not part of school curriculum. The School viewed it as a public relations thing that the Library did to kind of introduce young people to what libraries are. We did make the attempt and we were not successful.

Alderman Wihby asked are you doing something that is costing the taxpayer money.

Mr. Brisbin answered they said if you are going to charge us back, we are not going to permit the school visits.

Chairman Cashin stated you might want to make a note of that Alderman and we can discuss it tomorrow night.

Mr. Brisbin stated we certainly don't want that to happen. We depend on good cooperation from the schools. Our information and library programs, especially the summer program and other things go directly to the schools and the students and we appreciate that. They come as class groups to the library and young people certainly do depend on library material to do their work.

Alderman Thibault stated, John, I would like the Board to have an idea here as to where we are. In most municipalities that are roughly 100,000 to 105,000 such as we are, how do we fair in library services?

Mr. Brisbin replied our book budget is about 1/3 of what it should be for a city of this size. I mentioned the other municipalities, the other cities or urban areas in New Hampshire and I am only talking about local funding and I am only talking about New Hampshire, but if you want to look at Portland, Maine, \$12 per person per year for library books.

Alderman Thibault stated what I would like to have this Board realize is that for a municipality such as we are, 105,00, give me some comparison as to other municipalities of that nature and how we fair. Where are we?

Mr. Brisbin replied we are not doing well, Alderman.

Alderman Thibault asked how far back are we.

Mr. Brisbin answered as I said you are at 1/3 of the budget that we should have and that is every year for something that should be building up over those years. That is about the only way I can put it. That is where Springfield is. We compare ourselves to Springfield. They have about 150,000. As I said, Portland is about 60,000.

Alderman Thibault asked how many branches does Springfield have as a library. How many branches of the library are there in Springfield, which has 150,000 people?

Mr. Brisbin answered I am going to say eight.

Alderman Thibault stated so in other words you have a library with eight branches and we are 105,000 and we have one library with a cellar full of books. That is what we have.

Alderman Lopez stated you mentioned something about restricted items. Does the Library raise any money like other libraries in other states to be utilized on books and preserving books anything other than relying on City money?

Mr. Brisbin replied yes that is why we have the Library Trust Fund income. That is a big part of that.

Alderman Lopez asked how much do they put on it.

Mr. Brisbin answered last year we got \$180,000 from the City, \$36,000 from the Trust Fund and some of those are just from independent donations from people through the year and also the fine monies that we mentioned of \$44,000. Those are pieces of the pie that are always there going back 10 years. The other things are kicking in, but the City is not up to where it should be because the other comparisons I am giving you are just tax supported book budgets in the other municipalities.

Alderman Lopez replied I realize that and I don't know what document you have there, but if you have a 10-year document and you could show how much money the Library has been receiving and what they have been doing with that money I think it would help us understand a little better.

Mr. Brisbin responded I just handed out 10 copies of this document. What I am talking about is City Library Materials Budget History, which is the fourth from the last page. You can see that those components are in there. They are in there every year and we try to make the most out of them.

Alderman Levasseur stated it is interesting to note that in your request in the book that we got, you requested almost double everything you received.

Mr. Brisbin replied correct. If you look at the document that is being handed out, "Purchasing Power/Circulation Profile" nationally, it is our obligation to tell you where we ought to be.

Alderman Levasseur responded it is interesting that you say where we ought to be and I see the point that Alderman Thibault is trying to make but when you compare Massachusetts to New Hampshire and you use cities with 100,000 people that aren't within this State it is not fair because we don't have three taxes like the other States do. We don't have a broad-based tax and we don't have an income tax. All we have is a property tax.

Mr. Brisbin replied which is exactly why this quite fairly gives you comparisons that are only in New Hampshire.

Alderman Levasseur stated it is interesting to note that two years ago the fourth priority on your list was the leaking window. You had rain pouring down on marble floors as you walked in. It seems unfair that you keep doubling the amount of money that you are requesting. It is easy to come in and ask this Board for \$500,000 when you know that you are only going to get \$180,000. It would be a lot more appropriate if you would be a little more reasonable in your request because I can see how the numbers are being played. \$500,000 request and you get your \$180,000. That is the number that you always know you are going to get in the first place. I think it is unfair to do something like that. Every single one of your requests are more than double and when we look at what we can cut...we didn't ask you to come in and give us all the things...we know that everybody wants stuff. We asked you how to keep that place running efficiently, providing the best services and doing it at a number that is fairly representative of what you need. I don't believe that is what you did. I don't believe you came in here with a fair and accurate cut.

Mr. Brisbin replied if you look at this sheet which compares us with Concord, with Keene, with Portsmouth, with Merrimack and with Salem, not with anyone out of State and not with anyone with additional tax supported help, you will see that it is between \$4 and \$5 per capita.

Alderman Levasseur asked can I point out to you that we have a 0% increase in the tax rate. In other words, we aren't getting more revenue in. We are not a rich City. We are not like other cities. We don't have the big increases of money coming into the City. We want to give money to places. We are not here to take

away. You understand when you compare us to other places that you are putting...you make us look silly. If we had \$5 million or \$10 million in revenue coming in this year then maybe your request of a 3% or 4% increase would be fair, but you guys have to start thinking. We don't have increases of money coming in. We don't have the money to shell out. We need to make it fair for everybody, including the taxpayers in this City. So, when you bring these numbers to us and you bring these comparisons to other cities, it just doesn't look right. Yes, the other cities are doing fine. Great for them! We are not doing fine. We don't have revenues coming in.

Mr. Brisbin replied this is the kind of dialogue that we need to have and I am here to listen to you and I appreciate what you are saying, but if I don't tell you what a library for a City of this size needs, then I am delinquent and I don't want to be that. We have come in under the Mayor's figure and we have come in understanding what the particulars are of the economic dilemma this year and we do that with goodwill.

Alderman Levasseur responded you doubled all of your projects. If you would have come in with a fair proposal knowing there is no increase in revenue and still you asked for double. You asked for \$16,500 for line items and you were getting \$5,500. You tripled that number. You didn't even ask for a double number on that. Some of these are double and some are triple.

Mr. Brisbin replied that is for audiovisual materials like videos and things.

Alderman Levasseur stated but you are telling this Board that you understand that there isn't a lot of revenue coming into the City, but then again you make these requests.

Mr. Brisbin replied am I incorrect in assuming that the economic turnaround we have seen here has been rather sudden. When I made these requests and one department has made these requests, we didn't have the kind of facts presented to us that we have gotten subsequently.

Alderman Levasseur stated now that you understand that we haven't had any increases, would you like to revise your budget downward knowing now that you see what we are under.

Mr. Brisbin replied we have done that. That is what I am doing here is saying that we have come in under the Mayor's figure and that will give us \$166,000 for books. We have done that. That is what we are presenting to you.

Alderman Levasseur responded I understand that and I am grateful for that but at the same time you come in and you are asking for us to go build a library on the west side knowing what kind of fiscal restraints we are in and at the same time two years ago or a year ago you had a leaky window and you put that as your number four priority. Shouldn't we be worried about getting the Library in tip top shape and wait for the economic development to increase before we starting asking for these extra things?

Mr. Brisbin replied you will be happy to know that the skylights will be completed this year and there will be no more leaks. We also used a whole lot of caulking to make sure that we did not have rain on anybody's head or on any materials that could have been damaged, but I think it is always a hard thing to pick your priorities and a library is books and materials for taxpayers, a public library is, and if I say that is not the primary thing that we are here for to prevent then I don't think I am doing my job correctly.

Alderman Hirschmann asked line item 531, which is telephone expense, I just want to look at that and try to digest it. \$17,500? In the public library...say a business telephone line for a regular business costs about \$58/month so you are looking at about \$700 a year for a phone line. How come you have \$17,500 for phones? That is a lot of money. What is that all about?

Mr. Brisbin answered I wish it was lower. For our AT&T cost it is \$600. For Bell Atlantic for six voice lines and four fax lines it is \$3,840. We have two new lines that we are proposing. One for kids to call home because we have that demand and they use our phones at the counters all the time. We want to give them one where they can call home on their own. We also want to input a line that will open us up to the *Union Leader's* database. We need a separate line for that. The *Union Leader* has their own database with their own articles and that is very helpful to people. The security guard has a cell phone. That is \$681. It is very helpful. Any staff member can call and directly you get him and directly he is there and you don't have to go over a PA system. City Internet connection will cost us \$6,144 and our OC/LC line, which has to do with cataloging and checking records for new material is \$6,000.

Alderman Hirschmann asked on the Internet service, have you put a request in to say Alderman Gatsas's committee to get free Internet service at a few workstations in the Library as we are working on the new cable contract.

Mr. Brisbin answered we have nine workstations right now in the main library and two in the west branch.

Alderman Hirschmann responded but you are saying that it is \$6,000 a year to have that Internet service.

Mr. Brisbin replied yes, to have the Internet connection. This is a savings for us actually over the past Internet provider.

Alderman Hirschmann asked that is under your telephone expense. \$6,000 for the Internet? That is a lot of money.

Alderman Thibault stated I would like to say and some people may think that I have been pushing the West Side library or the library more than I should. Let me just say this. I think it is unfair to this man who is here trying to let this Board know exactly where this City's library should be and to question him about what he is trying to tell us. He has brought us his budget. If we don't feel they should be there, cut them. It is that simple. However, if he didn't tell you where we should be then you would say well how come you didn't tell us. I think he is trying to tell you exactly where we should be and what we should be doing. If you don't agree with it, don't vote for it. It is that simple. Thank you.

Alderman Vaillancourt stated I would like to focus again on that salary line because that seems to be where the money really is. Do you have 40 employees?

Mr. Brisbin replied yes, we do.

Alderman Vaillancourt asked how many hours a week are you open.

Mr. Brisbin answered 63 hours at the main Library and we are open 44 hours at the West branch.

Alderman Vaillancourt stated so you are open six days a week about 10 hours a day.

Mr. Brisbin replied we are open Monday, Tuesday and Thursday 12 hours, 8:30 AM – 8:30 PM and we are open the remaining days...

Alderman Vaillancourt asked what percentage of your employees' time is spent during open hours. 80%? 90%?

Mr. Brisbin answered I am not sure I understand the question.

Alderman Vaillancourt stated well you have employees who are obviously there before and after you open and close. What percentage of time are your employees working during the time that you are open?

Mr. Brisbin replied about 95%.

Alderman Vaillancourt asked so very little time is spent working when there is nobody there.

Mr. Brisbin answered right.

Alderman Vaillancourt stated I see that you have Assistant Librarians and all of these clerks and things. Do you have interns? It seems to me it would be an ideal thing for students to serve as interns or something.

Mr. Brisbin replied we have lots of volunteers and we have had interns from time to time. Simone Pile, who is a Library Assistant with us, came originally as an intern from Simmons Library School. We do look for them.

Alderman Vaillancourt asked if we could cut just one of your positions. Not a great deal, just 2% - 2.5% of your staff...I go to the Library a lot and I see people being helped. It might mean a little longer wait if we cut one position out of 40 to save \$50,000 for the taxpayers or maybe give you \$50,000 more in books. Could you do that?

Mr. Brisbin answered if directed to do that by the Board of Aldermen, I would do that.

Alderman Lopez stated this format that we were following before...I was a little confused before but after looking at it this is the form that we asked for to go by and now we are trying to throw this sheet in here. I would like to know why we are going to throw another document in here when all of the health and dental and everything is calculated on the sheet here. We said we would work off of this document and we have other documents that are being thrown in here and confusing the issue. If the bottom line of the Library is \$2,309,983, that takes care of his entire department budget wise. Am I correct?

Alderman Wihby replied if you remember, we asked for the sheet that you are looking at that says \$2,309,983, which is the Mayor's recommended number. That is the equivalent if you look at the one sheet you are holding that says Library \$1,941,000. That is pretty much the equivalent to that number. Tomorrow, my understanding is on this one sheet that gives us the total tax rate and everything

else, that middle portion that says restricted items, all of that will come out of this one sheet tomorrow and go up to the top and then the top numbers and this whole book that we are looking at will jive.

Alderman Lopez asked so what you are getting to is this sheet and that number is going to be the same on the document.

Alderman Wihby answered right. The one sheet is wrong because we have to have it this way so tomorrow the one sheet.

Alderman Lopez interjected say that again.

Alderman Wihby stated the one sheet is wrong. What you would have to do is take the Library number, \$1,941,000...

Alderman Lopez interjected I understand that but even without this document we have the whole document here.

Alderman Wihby stated right. If we have this one page tomorrow with the right numbers in here that correlate with the sheet that we asked for, every time we go to subtract something or add something we will be able to look at the bottom line on that.

Alderman Lopez replied thank you.

Alderman Vaillancourt asked do all of us have that sheet or just a few of us. I think we should all have the same material.

Alderman Wihby answered it was given out on 3/31.

Chairman Cashin stated everyone has that sheet.

Alderman Gatsas stated John maybe you can help me out. I have a number here that you presented on April 22. I have another document here, which was presented to us with a February 17 date. On February 17, you look like you were proposing 40 employees for FY01 for \$1,365,642. Do you see that sheet?

Mr. Brisbin asked what are you comparing it to.

Alderman Gatsas answered I am comparing it to a sheet that was given to us on February 17 that must have been numbers that you proposed that comes from Human Resources. In that number I see FY00 total full-time salary was \$1,336,684 for 40 employees and then for FY01 it looks like you are showing

\$1,365,642. If I run the numbers, they don't add up. The sheet that you gave us shows what you were asking for \$1,547,915. What you were asking for originally and the Mayor gave you \$1,444,280. I want to know where the number of \$1,365,642 comes from.

Mr. Brisbin replied I don't know. I don't have that figure.

Alderman Gatsas stated it must have been something that was provided by you. It is dated February 17.

Mr. Brisbin replied we got it.

Alderman Gatsas stated maybe you can tell me why on February 17 you were requesting \$1,365,642 and on April 12 or April 20 you were looking for \$1,547,915.

Mr. Sower stated I am the Deputy Director of the Library. We were still working with Human Resources to iron out what the numbers were for some of the salaries. That is why there was a discrepancy at that time.

Alderman Gatsas asked are you saying that the FY01 line with 40 employees at \$1.3 million is an incorrect number. Is that what you are telling me?

Mr. Sower answered that is correct. That is what we had to go with at that time.

Mr. Hobson stated I think what took place and I am not positive but if I try to put the dates together based on what I have back here, I think what we have is a FTE sub total and salary sub total and then if we look at the temporary positions where we had Library Pages, that added up to about another \$65,000 and then we added in this year's budget right now in FY00 the Board previously added \$13,500 for positions that were going away because the grant ran out. Are we answering your question in terms of the Library Pages and the temporaries?

Alderman Gatsas replied no you aren't because I am looking at a sheet here that was provided to us on February 17 telling me if I look at FY01 full complement of library employees it shows me 40. In FY00 it shows me 40. In FY99 it shows me 40. So, I need to know why when I look at wages that went from \$1.255 million in 1999 with the same complement of employees and I use 14% or should I use some other number...can you help me with line 41. You have contract manpower. What does that mean?

Mr. Brisbin responded Pinkerton Security Guard coverage.

Alderman Gatsas asked didn't we appropriate \$5,000 for that.

Mr. Brisbin answered \$6,000 for additional security hours and that was for this fiscal year.

Alderman Gatsas asked maybe you can help me on another item that you were cut on. How is that building heated?

Mr. Brisbin answered normally by fuel oil, but this year we had the furnace and boiler replaced during the heating system so we had to use the back-up system, which is gas.

Alderman Gatsas asked did you have to do that in some other years also.

Mr. Brisbin answered no.

Alderman Gatsas replied if I look at your budgeted amount for FY00, you had \$28,000 for gas and zero for fuel oil. I have to believe that those two buildings...I would love to say that you could heat those two buildings for a total cost of \$19,000, but I don't think that is possible unless you are going to be like Central High School with people sitting there with gloves and coats on. So, if you are moving numbers around, I don't think those are two legitimate numbers that you should be using. Maybe you could help me out. Those two numbers...I am sure you must have some documentation there on the separation of those two numbers between the East Side number and the West Side number.

Mr. Brisbin responded sure.

Alderman Gatsas asked do you have them right there at your fingertips.

Mr. Brisbin answered no I don't.

Alderman Gatsas asked how about the number of people because I know that you were talking about us not giving enough money for the number of people. How many people pass through the Pine Street Library and how many people pass through the West Side Library?

Mr. Brisbin answered off the top of my head, I don't know.

Alderman Gatsas asked give me a ballpark.

Mr. Brisbin answered we calculate that 20% of our business is from the West Side.

Alderman Gatsas asked would you say that 20% of your expenses are from the West Side.

Mr. Brisbin answered no. It is more like 10%.

Alderman Gatsas asked so you are saying to me that of the 40 employees right now that you are looking at, 4 of those are an accompaniment to the West Side.

Mr. Brisbin answered yes.

Alderman Gatsas stated so if you are telling me that the wages that you are looking for for this year for the West Side are roughly \$144,000 if we look at this issue and whether we are going East Side/West Side, then the wages for a new library on the West Side would be somewhere around \$1.3 million.

Mr. Brisbin replied no.

Alderman Gatsas stated well if you have 36 employees over here and you are telling me it is 10%, don't we need to have 36 employees over there if you are open the same amount of hours.

Mr. Brisbin replied no. Right now we have a Branch Librarian and we have two Clerks and we have a Page position that is not filled and has been part of the freeze and that is a concern to us. If we opened in the Brown School, what we would add...and we have a half-time Children's Librarian, we would move that half-time Children's Librarian to full-time. We would also have a computer classroom and we would want a Tech to support that. We would want two Pages instead of one. We would want one more Clerk and that is it. I have given you figures for that already.

Alderman Gatsas asked what is the square footage at the Brown School.

Mr. Brisbin answered 19,200.

Alderman Gatsas asked how many square feet do you currently have on Pine Street.

Mr. Brisbin answered 34,000.

Alderman Gatsas stated so it is not quite 2:1.

Mr. Brisbin replied no.

Alderman Gatsas asked and the budget that you would be looking at there.

Mr. Brisbin answered I was prepared to defend this, but I don't have the figures on that.

Alderman Gatsas replied if you are defending this one now, we are going to be talking about the other one real soon and I don't need you to defend both of them without this one being in full view.

Mr. Brisbin responded about \$270,000 I believe. I can give you those figures. I have given them once before. If we have to put in some efficiencies, we would gladly do that.

Alderman Gatsas stated on your contract manpower, obviously that is going to have to double.

Mr. Brisbin replied no, I don't think so. We don't have a security guard on the West Side right now.

Alderman Gatsas responded but I would assume that you certainly would want one.

Mr. Brisbin replied yes.

Alderman Gatsas stated and if you are telling me that it is \$200,000, that is 25% of your budget. If you are telling me that \$200,000 would be your budget on the West Side and you are telling me that you need to have the security guard over there, let's say it costs us \$35,000. You are somewhere around 18% and I would assume that you will be spending...do you want to give me a number on books?

Mr. Brisbin replied what we proposed with the \$495,000 that we requested for books this year was that we would work on a three-year plan to get us from 20,000 to 40,000 volumes for the Brown School over a period of three years. Within that one number, we would handle getting that collection into shape over a three-year period and then just maintain it at that level.

Alderman Gatsas asked what do we do with the ones that you are saying we are diminishing now on Pine Street.

Mr. Brisbin answered normal library procedure is to go...

Alderman Gatsas replied what you said was that we should be spending, correct me if I am wrong but some towns are spending \$12 per person.

Mr. Brisbin responded Portland, Maine, yes.

Alderman Gatsas asked and we are spending what.

Mr. Brisbin answered we are spending \$1.81 for FY00.

Alderman Gatsas stated obviously those numbers would have to go up.

Mr. Brisbin replied from \$1.81, I would hope so.

Alderman Gatsas responded they would have to or you wouldn't be able to do anything in the other Library.

Mr. Brisbin stated if it went up to what the average is for the other municipalities, \$3 or \$4 then we would do the best job we could to bring both collections up to snuff in three years.

Alderman Gatsas stated that still leaves us with no enough money at \$200,000. So the \$200,000 that you proposed...I mean I can only use the numbers here and use the equivalent square footage. I don't know how you are going to heat the two buildings at \$19,000. I think that is...I don't know how you can do it when you have already spent \$28,000 and obviously you are not going to have anymore heat.

Mr. Brisbin replied we had an outrageous situation this year. Last year it was \$1,400 per month using fuel oil. We had an EnergyNorth bill of \$7,200 for the main Library because of this being the back-up system and because of the inefficiency of that system. We don't expect that to reoccur. We also put in a new furnace and boiler, which will move us from the mid-60's in efficiency up to the mid-80's. That is in the main Library. We expect to recover some efficiencies there and we look for the same in the main Library. We expect to recover some efficiencies there and we look for the same in a new branch.

Alderman Gatsas stated but I assume you checked the prices on a gallon basis and that has doubled or tripled. When you are using these numbers, I don't think they are going to come down with the same equivalent side. I am just saying that if you are looking at those numbers and we are saying that one is half the size of the other one, then your numbers aren't going to work.

Mr. Brisbin replied the operating budget shows \$325,132 as a tentative proposed budget for occupying the Brown School.

Alderman Gatsas asked now that you have that in front of you, what do you have for a number for contract manpower.

Mr. Brisbin answered we didn't put one in. We would go the first year without.

Alderman Gatsas stated you propose this Board to spend \$4 million and not protect it.

Mr. Brisbin replied no, I don't.

Alderman Gatsas stated then you don't have it in your budget. Let's just continue.

Mr. Brisbin stated we have worked successfully with Hesser College before when we did have paid security guards at the main Library and we had some good coverage with some work study individuals.

Alderman Gatsas asked, Mr. Hobson, can we get back to the number that you were looking to give us.

Mr. Hobson answered the Library was one of the places where most of the staff that were non-exempt were not working a 40 hour work week so in the FY99 half-year, they had several people move to a 40 hour work week. Many of those people were at 37.5 or 39 hours so we have approximately instead of a 14% increase in hours for those people it would be about a 2.5% increase in hours. That would impact the FY00 figure.

Alderman Gatsas asked it would be less or more. If I took the \$1.096 million and divided that by 10 and multiplied it times 12 for an annual figure it comes out to \$1.315 million so the additional \$61,000 would accommodate for that more than adequately, correct.

Mr. Hobson asked are you working off the year-to-date expenditures column, column 3, the \$1.096 million.

Alderman Gatsas answered that is correct.

Mr. Hobson replied that would be approximately \$60,000 or so would be additional funds to cover the Yarger Decker increases. So we are about right. We are at \$67,474 and we would go up to about \$1.315 million. Is that what you had?

Alderman Gatsas responded \$1.318 is what I have.

Mr. Hobson stated so we are within \$2,000 of one another I believe.

Alderman Gatsas replied so that takes care of Yarger Decker. Is that what you are telling me?

Mr. Hobson responded the hourly increase, yes.

Alderman Gatsas asked so the increase from FY99 to FY00 was about 10%. It is about \$60,000 too much. I know that we keep saying \$60,000 and in the realm of the budget it doesn't sound like a lot but if we are talking \$60,000 with how many departments, 20+, that is almost \$1.4 million so I hope you don't think we are just sitting here nitpicking for \$60,000. I am still waiting for an answer. I don't know if you have found it or not found it.

Mr. Hobson answered Mr. Brisbin is helping me out. During the FY99 year, the Board also approved some increases from people who went from part-time to full-time staff so those were folks who were previously at let's say a 25 or a 30 hour week that went up to a 40 hour week so there were some additional hours as well.

Alderman Gatsas stated but I am looking at actual expenditures so that has to include the number you are talking about.

Mr. Hobson replied so let's go back to that. You are saying that YTD expenses for FY00 at the \$1.096 million would come out to be about \$1.318 million?

Alderman Gatsas responded \$1,315,419 million exactly.

Mr. Hobson asked so the revised FY00 budget would be at \$1.376 million compared to that and that is the \$60,000 or so that you are trying to put your finger on.

Alderman Gatsas answered yes.

Mr. Hobson stated we had two unfilled positions it looks like in FY99 that got filled in FY00. Then it looks like we had four...

Alderman Gatsas interjected let me correct you. In FY99 you had 40 employees. In FY00 you had 40 employees. In FY01 you have 40 employees. Nothing was unfilled.

Mr. Hobson stated just because the positions are listed doesn't mean they are not filled.

Alderman Gatsas replied I am saying temporary employees not included. I am looking at a chart that you provided to us from FY97 to FY01. There are no grant-funded positions there.

Mr. Hobson responded the FY99 40...but if you look from FY98 to FY99 we added three and a half positions in FY99 in Mr. Brisbin's position. Three and a half FTE's came on so that would be additional hours.

Alderman Gatsas replied but that is a FY99 expenditure. It doesn't matter where you are going with it.

Mr. Hobson responded I understand but you only did FY99 for half a year. Yarger Decker only came into play for six months.

Alderman Gatsas stated well three and a half employees for the Yarger Decker increase is not \$61,000 I would hope. I would hope that the increase for three and a half employees for a half a year is not \$61,000 for Yarger Decker.

Mr. Hobson replied but then you also have to add those folks who went to 40 hours.

Alderman Gatsas stated but that is all in that number of \$1.255 million. FY99 doesn't matter. I am just using that as an actual. At that point they were all in there and all of the increases were in there so those are actual funded positions done over at 40 for FY99.

Mr. Hobson replied but not necessarily calculated for a full year.

Alderman Gatsas asked for what, FY00.

Mr. Hobson stated in FY99...

Alderman Gatsas replied forget about FY99 because those are actuals. Let's go to FY00 where you have 40 employees and YTD shows me \$1.096 million for 40 full time employees with all of the wages and raises that you wanted to put in there. The number that I am looking at for the revised budget is \$1.376 million. The number I annualize is \$1.315 million. While he is looking at that, Mr. Brisbin, maybe you can help me with another one. On the sheet that you gave us that is blacked out on the top it shows the Library Director at \$72,577. The

number that it shows me in the proposed one for February shows \$71,713. Maybe you can tell me why there is an \$800 difference.

Mr. Brisbin responded it was just an HR correction.

Alderman Gatsas stated well let's go down to the next one. The next one you are showing me \$53,508.35 and on the February 17 sheet you are showing me \$52,664. That is about a \$900 difference. Is there a reason why there is such an HR discrepancy in two months?

Mr. Hobson asked what line item are we looking at.

Mr. Brisbin answered we are looking at salaries for Director and Assistant Director.

Alderman Gatsas stated going from 2/17 to 4/20.

Mr. Brisbin replied we just want to get them right from HR. We go back and forth to try to do that.

Alderman Gatsas stated but I don't see any of these numbers that I am going to go through. If you want me to go through each one as being less, they are all more. Mark, did you find yours?

Mr. Hobson replied no. I guess the short answer is that we have approximately...as you are doing with the YTD expenditures we are within a couple of thousand dollars of you which means that we have that amount of money funded in his payroll item that is not being expensed and I don't know why at this moment unless we have some kind of open positions or something to do with grants that needs to be looked at. I don't have an answer for you at the moment.

Alderman Gatsas stated the problem I have is that I am looking at the department salary budget detail. It must have been presented by the Mayor and it is showing me base salaries of \$1.435 million for FY00. That is on this little sheet that you gave us. I am trying to tie numbers in from all of the sheets we have here. Somewhere they have to tie in. If they don't tie in, then we are all sitting here not having anything to work with that we can say to Mr. Brisbin we should give you another \$50,000 because you shouldn't have your people sitting in the cold or we should take another \$60,000 from him because we are saying he has too much in wages.

Mr. Hobson replied if you are looking at the FY01 department salary budget detail report that we passed out on May 4 we are seeing the Library at \$1,435,314. That is for base salaries and if we look at the Mayor's recommended number of \$1,444,280 we would tie out with base salaries putting in the salary adjustment and then whatever other special pays may be in the department and I forget exactly what those are at the moment but we have some detail behind that.

Alderman Gatsas responded if I take your number that you have agreed on FY00 carried through the end of the year as \$1.315 million times 5% for everybody getting an increase in the entire department of 3% plus 2% and that is more than generous, do you agree?

Mr. Hobson replied 4.6% is the increase in the Library that we projected back in March.

Alderman Gatsas responded well I am using 5% so I am using a higher number. That comes out to \$1.380 million. If I use the salary adjustment of \$5,966 and other special pays of \$3,000, I come out to a total of \$1,389,716.

Mr. Hobson stated that is the same \$60,000 that is carrying. I don't know why the Library has \$60,000 left over right now in their department salary budget. I am not sure if we are going to be able to get that answer for you tonight.

Alderman Gatsas asked, Kevin, can that number be moved from salary to any other line item during the course of the next two months.

Mr. Clougherty answered with a vote of the Board.

Mr. Brisbin stated that has happened in past years where we have been allowed to move that money.

Alderman Gatsas asked by vote of the Board or just arbitrarily.

Mr. Brisbin answered by vote of the Board.

Chairman Cashin stated you cannot touch salaries unless the Board approves it.

Alderman Gatsas asked so what do I do with the \$60,000. Obviously, we can make a motion here that we can reduce this number by \$60,000 I would assume.

Mr. Hobson answered we have two more Finance Committee meetings this week. I believe we have a meeting on Wednesday and Thursday.

Alderman Gatsas stated well I guess I will let Alderman Wihby keep adding his totals here and let him know that we have another \$60,000. I am saying that there is \$60,000 floating around that you can't put your finger on and the gentleman running the department can't put his finger on. If we were splitting hairs and saying it was \$6,000 we would be on to the next department but we are talking about \$60,000 and I can't get anybody to agree to a number.

Mr. Hobson stated well your YTD expenditures are the actuals that happen in the Payroll week after week. That is what we are reporting. If they don't have a full complement or if they have had turnover or whatever, I don't know.

Alderman Gatsas replied I am looking at this sheet that was provided to us on 2/17 that has date of hire.

Mr. Hobson responded the 2/17 report...we pull that information together from the department. That is provided by the departments.

Alderman Gatsas asked nowhere on this report was anybody hired in FY00 or late 1999.

Mr. Hobson answered there may be positions listed, but there may have been turnover or open positions. I don't know.

Alderman Gatsas stated I just told you it says date of hire on this report so it can't be turned over if there is nobody that has been hired with a start date of later than July 1, 1999.

Mr. Hobson replied yes, there have been.

Chairman Cashin asked can we have HR sit down with Library over the next couple of days and come back to us at the next Finance meeting with the answers. I don't think we are going to get them here this evening.

Alderman Gatsas answered that is fine.

Alderman Vaillancourt stated during that entire discussion did I hear you say that sometime there were three and a half new employees added this past year.

Mr. Hobson replied no. I said that they were added in 1998 and 1999. I believe there were two new positions and six positions that got additional hours.

Mr. Brisbin stated we had one person leave and then replaced him with two employees.

Alderman Pariseau replied it should be reversed. One employee for two.

Mr. Brisbin responded no. This works much better for the taxpayers, Alderman. With technical support now there are not bottlenecks and people get materials in good fashion. I invite you to come in and see how things are working in tech services because of that.

Mr. Hobson stated just quickly I do show one position, a Librarian III at \$41,737 that was hired on July 19.

Alderman Gatsas replied I will give you three weeks of his salary, which is \$1,600 and we will bring it down to \$59,500. How is that?

Alderman Levasseur asked security guards are listed under contract manpower so they don't come under the City's benefit plan.

Mr. Brisbin answered no.

Alderman Levasseur asked the Deputy Library Director what he went to college for and what his background is.

Mr. Sower answered I have a Master's Degree in Library Science and a Master's Degree in History.

Alderman Levasseur asked so you don't have any kind of degree in accounting at all.

Mr. Sower answered I was in banking for three years.

Alderman Levasseur stated well that isn't a degree in accounting is it.

Mr. Sower answered no.

Alderman Levasseur stated I can see by these responses here...don't you have a business...all the departments that have come before us have a business officer. You guys don't have one of those? You don't have a Business Service Officer?

Mr. Brisbin replied Greg has a background in bank auditing. We have an accounts clerk but that is it, but I you want to entertain giving us another position...

Alderman Levasseur stated I was thinking about taking one position out and giving you a businessperson so don't go down that path. I am not about to add another person on. I will deduct one and add another one because obviously if you are having these problems with your numbers you really do need somebody there to help you. I know what kind of background I have and it is not in accounting and I have some training accounting and it is very difficult stuff to be on top of on a daily basis. As far as your telephone bills are concerned, I agree with Alderman Hirschmann. Those numbers sound really outrageous, especially your Internet numbers. I know that Microsoft is \$19.95 a month and if you go by 12 weeks and your six phones, it comes out to \$1,436 and you have a \$6,000 bill for Internet. Don't you guys have anybody in there that is trying to reduce these costs?

Mr. Brisbin answered it is being reduced. It is being handled by Information Systems.

Alderman Levasseur asked Info. Systems is working with you on your Internet service.

Mr. Brisbin answered yes.

Alderman Levasseur answered well you understand that you are charging the City \$6,000 when you could be doing it for \$1,436 and I am not even talking about a discount.

Mr. Brisbin stated I don't think that is possible but if it is, we would gladly do that.

Alderman Levasseur replied I think those are the things that you really have to start looking at here. When you see a phone bill for \$18,000, it is really ostentatious, especially with the Internet service.

Mr. Brisbin responded we are going to come back to the next Finance meeting and we will have some numbers from Info. Systems to show you the savings we are getting and to show you why that is the best possible deal. If you can present a better one, we will be glad to take your advice.

Alderman Levasseur asked, Mr. Chairman, do you think it is possible for us to look into getting the Library a Business Director. We are talking big dollars here and to not have a Business Director in the Library with these kind of numbers is kind of ridiculous.

Chairman Cashin answered this could be discussed at a later date, but I am not going to tell the Library Director how to run his Library or how to staff his Library. That is his job and I think he is capable of doing it and we can discuss it later.

Alderman Levasseur asked when would the time be to discuss something like that. When we are done all the Finance stuff.

Chairman Cashin answered yes.

MCTV

Ms. Sullivan stated what I would like to do is go through this very quickly because not having done this before this is basically looking at the recommendations that were made for the ascertainment study that is part of the cable renewal process that I have been working with the Administration Committee on for the past two or three years. This comes from our ascertainment study and our 2010 plan where we got a bunch of people together and did an ascertainment study, which I met with quite a lot of you about. This maps out four areas that we looked at and then came up with our mission statement. As you noticed in the mission statement there is actually no talking about television. It is really about what MCTV is supposed to be doing in terms of socially responsible, multi-cultural, multi-generational connectedness to insure the highest level of educated, responsible citizenship. Now going to the top five recommendations at which we stopped and tried to build a budget on, the first was Operations and Development. People were saying that we needed to obtain more channels, staff, resources and operating funds. Second was to increase the programming and content. Right now, we produce about 600 programs and public educational and government access a year. The third recommendation was to increase the ease of access by the community (knowledge, location, hours available). This is a big problem for us because we don't have a big staff. We can't keep the facility open as much as we want and as many nights as we want or on the weekends and we have a waiting list of 20 individuals or organizations waiting to get in as public access producers. An example would be the Manchester Historical Association and the media computer people over at St. Joseph's Junior High School. We just don't have enough staff, availability or equipment to play the tapes if they were to do the programs. The other thing is that people kept saying the best thing to do is to keep the community in the center of MCTV. The fifth recommendation, which I think is very important as a technology person is insure access to current technology and networks to forward the vision. I think in the municipal I-net portion of the cable franchise renewal there could be some very good cost savings if the fiber optic institutional network were utilized more by City government as it is used by the

School District now. It saves the School District tens of thousands of dollars in Internet costs and has served as a basis of grant funding for a technology grant. The fiber optic network that we had back in 1991 helped us get \$2.5 million from the Department of Education for computer technology for the schools. In the key cable contract franchise requests, we wanted to increase MCTV portion of the franchise fee.

Alderman Gatsas stated can I just stop you there. I don't think there is a reason why you need to go over that portion.

Ms. Sullivan replied okay. I just wanted people to know where the money was coming from. The thing that is important because a lot of people have asked this question on the Board is that operating funds are separate from the capital funding equipment grant. A capital equipment grant cannot be used for operations under the FCC guidelines. The capital equipment funds should be X amount of dollars and I can't turn around and put that into operation funds. That is an equipment grant. It is separate and dictated by the FCC.

Alderman Gatsas asked can we keep skipping.

Ms. Sullivan answered okay let's go to the budget. Currently, how we did this because it is totally different and separate, the director's salary is right up there and that is our sub total. It is currently funded by the School District. The operations manager, Mark, is \$37,899 and that comes out to \$49,898 sub total. The operations specialist is Jason. The operations specialist, a Level 15, that is government access coordinator and that was funded by last year's budget but it came over from the City in October. School accepted it in December and when we went to interview people the position was frozen so it is not filled.

Alderman Pariseau asked the operations manager and operations specialists are paid by who.

Ms. Sullivan answered they are paid by the 1% of the cable gross that we get now.

Alderman Pariseau asked and you get paid by the School Department.

Ms. Sullivan answered my funds come from School Department money, general fund money.

Alderman Pariseau asked is that reimbursed.

Ms. Sullivan answered no. My salary has always been paid from the general fund.

Alderman Gatsas stated I don't know if everybody is aware, but we are changing that relationship and making here a complete department of the City so there will be no exchange with the School District. I just want to make sure that everybody was on the same page.

Alderman Hirschmann asked who said that.

Alderman Gatsas answered she is going to be a department so the 1% that we gave schools...

Alderman Hirschmann interjected we didn't vote on that. I think we should just charge it off to schools.

Ms. Sullivan stated currently the operations manager and the operations specialist are paid out of that 1%. The government access coordinator money is sitting there and waiting. It is paid for by general fund City money. I must say that what I didn't put in because we don't have that operations specialist is that Jason and Mark have to do overtime. I just don't have the actuals. I thought I was coming in next Monday and I will have those for the Committee, but I don't have them yet. Our annual expenses, videotape purchases, we buy a lot of tapes. Equipment repair – we have a lot of equipment and we have older equipment. Office supplies are currently about \$1,500 in terms of paper, copying, etc. Facility costs, currently the facility lease is provided by the School District. Electricity, air conditioning, telephone bills is approximately \$1,500 and Internet \$360 and Security which is our security system separate from the school and is about \$720. Our regular expenses are \$200 for gas. Dues, fees and licenses has to do with we have to pay for our music license. Conference and training, as you can imagine we spent a lot of time getting trained because technology is always changing. The last conference I went to was in Boston, which was on digital video which, is what we are switching to.

Alderman Pariseau asked does that include training for people who take advantage of public access like Aldermen Vaillancourt and Levasseur.

Ms. Sullivan answered there is a \$40/year fee.

Alderman Pariseau asked that is all. It should be \$4,000. If you did that, you wouldn't have as many of them on TV.

Ms. Sullivan answered we look at the fees around the country and what is charged is \$40 for individuals and \$100 for non-profit organizations. We then train three or four people.

Alderman Pariseau asked, Alderman Gatsas, when it comes back over to the City could we generate revenues by charging these people that seek public access shows.

Alderman Gatsas answered I think that is a legal question for the City Solicitor to address.

Alderman Vaillancourt stated I think probably you shouldn't charge anything because these same people are paying taxes already so I think it is really a form of double taxation so I would recommend doing away with that \$40/year fee. Seriously from a legal point of view I don't think you should be charging anything.

Ms. Sullivan replied this is pretty much a standard charge for access. We also have a policy that we really don't push a lot but there are people who cannot afford to pay who are access producers that work it off in terms of...

Alderman Vaillancourt stated if I use the Library, I am not charged to use the Library. I don't have to pay for the Library card so I shouldn't have to pay for this either. That would be the legal question I would ask. Back to your point about conferences and training, that \$4,000, I think that was to send them to a convention where they could learn the new technology.

Ms. Sullivan replied yes. The technology changes so much, especially with digital technology. Legal expenses, I will tell you that that \$5,000 is probably a little bit higher but I don't have the actuals. This year I have had a lot of legal expenses with checking on transfer issues and issues relating to some public access, freedom of speech kind of stuff but that is just what we have to do. FCC rules are constantly changing and there are constant court cases going on all over the country all the time and we are always checking on that stuff. So this is a summary. Salaries is \$193,229; annual expenses are \$222,209. Again, the 1% that we get doesn't cover that. Cable franchise fees is based on current 1% of cable gross and then you can see the asterisk for what is funded by what. Videotape sales. We sell a lot of videotapes. Membership fees is at \$2,200. These are our funding sources. This is our FY01 budget request. This is based on about 2.5% of the cable revenue. That would be salaries. This is hopefully getting that government access position and adding two more. Going back to government access, literally with the requests that we get for taping whether it is the Planning Board, Zoning, Police Commission, we get requests to tape all of those meetings and we just can't support that now. There is a real need in the community to get a lot more information about what is going on in the government. Public access coordinator would be the person that we could get so that we would be able to

open up public access more and then the operations assistant is another position that we need in terms of fulfilling our mission and we also included a list of what those positions are.

Alderman Lopez asked FY00 and FY01 are the same salaries. I assume you are not under the Yarger Decker program.

Ms. Sullivan answered no, I am not. I have been flat funded for a few years now so I didn't put in a salary raise. I feel that I am in a very nebulous position right now. I am in uncharted waters so I am staying the same. Moving on, if we increase staff we will be able to increase those 20 people waiting to get in and if we increase the government access, we will need more tapes. Equipment repair is going to probably...I have had discussions about this thinking that it should go down, but in terms of increased usage the cameras get banged up a lot. Facilities costs. This is the thing. If we have the MST program during the day and we haven't been able to do much for senior citizens who like to do programs during the day and if you see other access centers in the country they are available during the day. A lot of seniors get involved with it. We are looking at...our space was inadequate when we went in to MST, but if we are increasing space or having a separate space we will keep the MST video space for school and go into a facility lease based on 10,000 square feet it is about \$70,000 a year. The figure I got was \$6/square foot and then another 50 cents for taxes and 50 cents for maintenance charges. I got that figure from Fremereau Appraisal.

Alderman Shea stated I don't know if the top figure adds up to \$19,500.

Ms. Sullivan replied well we have already saved money then.

Alderman Shea stated it is \$17,000.

Ms. Sullivan replied thank you. The Internet cost looks like it is going to be high, but what this does is let us video stream meetings or programs. Right now, if you want to get MCTV's programs you have to be on MediaOne. We get a lot of requests from people who don't have cable and to be able to video stream this is what it is going to cost us to set-up the system. We get requests from people all over the State for our programming. Security, again, we are keeping that at \$720. The gas mileage has gone up because in our equipment request in capital fund we requested a van to be able to do on location programming better. Fees and licensing will pretty much stay the same. Conference training. We have added that because we have increased staff. Closed captioning is something that we put in. Right now, under the FCC rules you don't have to do closed captioning if you are a facility that has less than a \$3 million a year budget, however, we put this in because we have had so many requests for government meetings which is average

of six hours a month at \$200 per hour just to do the Aldermanic meetings, which is what we have had the most requests for for closed captioning.

Alderman Vaillancourt asked someone will sit here and type it in.

Alderman Levasseur answered it is done by computer.

Mr. Vandeboncoeur stated what happens is you subscribe to a service and you send an audio signal back through a phone line to an office that is full of interpreters. They type in and send the data back. It is something that can be done from any location as long as you have a phone line and you purchase the equipment, which I believe only costs \$5,000 to \$10,000 and that would be covered by our capital expenses. This is just a straight hourly charge for the service.

Alderman Vaillancourt asked is this for all of your programming.

Mr. Vandeboncoeur answered this would only cover Aldermanic meetings if we assume six hours a month.

Ms. Sullivan replied we looked at it and it was just cost prohibitive to do all the meetings so we looked at the two Aldermanic meetings a month.

Alderman Vaillancourt responded but we go more than three hours a meeting.

Ms. Sullivan replied we just averaged it at three hours. So, when you look at the funding here the salaries come out to \$265,000 and the other expenses \$147,020. The funding is something that has to be explained because our funding has changed. I talked with Peter Epstein. He had called Jennifer Farrell from MediaOne and based on 35,000 subscribers this is Jennifer Farrell's number, the average cable bill is \$39 so 2.5% of the cable franchise fees would be \$409,500. Then, we have videotape sales of \$1,500, but we have also saved \$2,000 because we made a mistake so I can subtract the \$2,000 from the top and then membership fees comes out to about \$2,200. Our funding is \$413,200. I think what is interesting about this is with the fact that now MediaOne is saying that the average cable bill is \$39 and we have 35,000 subscribers, if you were to fund us at this level and also get an additional 1%, which would bring the City up to 5%, the City would...this wouldn't be costing any more money and the City would also be bringing in an additional \$40,000 that you don't get now.

Alderman Gatsas stated so really Section 4 Funding is really inconsistent with what we need to look at. I would assume that the \$3,700 would be miscellaneous income that you would be showing for the tapes and the membership fees because we would be funding the budget from the general fund and it doesn't necessarily mean that it is coming from cable fees.

Ms. Sullivan replied I am really going to ask you to think about the fact that it is going to be general fund and that in public education and government cable community media throughout the United States there is a consistent number that you have that you know that you have coming from cable franchise fees. Bedford gets 4%...

Alderman Gatsas interjected what we need to do if you are going to be a department...you are going to be a department and that is the road that we should be going down here with the same consistencies that we have talked to all the other departments that I am sure you have sat through or watched through. We shouldn't be looking at funding based on a percentage because our contract is a 10-year contract and if that goes to say 50,000 subscribers at \$39 or lets use round numbers and say it is \$40, your budget will continue to grow without any restrictions. I don't think that this Board wants to give any department just an open checkbook. I don't know.

Ms. Sullivan replied I think that looking at the community cable media system is different than looking at a department. I am looking at what happens with cable access throughout the United States. The percentage of the fee structure, which was written in the contract and I think this is probably something that we haven't had a discussion about it with your Committee or with Peter Epstein. I think Peter would probably be telling you that in most contracts that he is doing there is a percentage that the access center knows they are working with. I based this on 2.5% and in our initial discussions that we had, Alderman, when I said of course I would like the full 5% of funding a lot of centers get that. If what you want to do is say well you might get 2.5% this year or 1.5% the following year, it is something that I am going to make a...it is very difficult for community media to operate on that level and is it going to be a department...that is a discussion and when people take that discussion is that done yet and has that been said. I am in never-never land here in between School and the City. I have always gotten a lot of my funds from the City, but I work in School. I think the 2.5%, if Newport, NH at full 5% goes to cable for running their cable system I am going to say that I would really like that 2.5% written into the agreement but that is not the discussion. I am bringing a budget in now. I don't know what is going to be in the contract.

Alderman Wihby stated right now we get 4%.

Ms. Sullivan replied the City, yes.

Alderman Wihby asked what do you get.

Ms. Sullivan answered 1%.

Alderman Wihby asked what does that represent.

Ms. Sullivan answered up until the past couple of months, we have been getting about \$120,000. We have been saying for the past couple of years that we know it is more than that.

Alderman Wihby stated let's start from the top. The City gets 4% or around \$480,000 a year and that goes to the general fund. No, 3% goes to the general fund and the other 1% goes where?

Ms. Sullivan replied it is called the ITV fund. It goes from Kevin's office over to school and it is 1% of the cable gross.

Alderman Wihby asked so it is School money.

Ms. Sullivan answered no. It is ITV58 money. School can't spend it on books or anything else.

Alderman Wihby asked who writes the checks.

Ms. Sullivan answered the School Department.

Alderman Wihby stated and on top of that because it is not enough they pay your salary and other things. Also, we funded a position last year that the City is paying for?

Ms. Sullivan replied right.

Alderman Wihby stated the recommendation is to go to 5%. Well, in the Mayor's budget do you know what he did with any those numbers, the revenues?

Ms. Sullivan asked the revenue component. That is in negotiations. I think that whether or not the cable contract is...I mean right now we are at 4% and once the cable contract is signed...

Alderman Wihby interjected so the \$360,000 goes into the general fund.

Ms. Sullivan replied yes. You should be getting more than \$360,000 now though.

Alderman Wihby asked do you know where that goes.

Ms. Sullivan answered into the general fund.

Alderman Wihby asked what department.

Mr. Clougherty answered the City Clerk's Office.

Alderman Wihby asked do we know what number the Mayor used instead of \$360,000.

Mr. Robinson answered \$500,000.

Alderman Wihby stated so the City would keep all of the revenue and we would make it a department and the revenue would come into the City and the expense would be because you are a department. What is wrong with that? It is not changing from 2.5% one year to 1.5% another year. It is saying that we are going to give you that bottom line number.

Ms. Sullivan replied the first thing is that when people start talking about making us a department, we are not the people that say we should be a department.

Alderman Wihby asked what is wrong with that thinking.

Ms. Sullivan asked what is wrong with coming to the Board and saying could you give me 3% this year.

Alderman Wihby answered no. What is wrong with every year you coming in like every other department and saying here is my budget like you just presented, it is \$413,000. You don't care what the percentage is. You don't care what is negotiated with the contract. That is the number you want and the following year it is more because salaries went up or you wanted an extra person or whatever and you come to this Board who would decide if we want to give you the extra person or not.

Ms. Sullivan stated I am going to give you an honest answer. Having done cable access in the City and starting it and not single-handedly like a lot of people have said, this is a very political City and I don't think that is a bad thing. I think that is a good thing. I think it is a very political City because of the primary. I think the citizens are so close to government and that is why they want to have more government access on and I would hate to have the funding for access be colored by any politics. I truly believe that if there is this amount of money and we know that we are going to get that, it kind of gives us a buffer from the politics of any given situation. That is whether it is in Manchester or California or Portland, ME or Tucson, AZ. This isn't anything that other access centers don't have all over the United States, that funding issue. That is as honest as I can get. I would kind of like to have a buffer there from saying you are not going to get funded because such and such is happening on the channel.

Alderman Levasseur asked in other words you don't like the idea of the Aldermen having control over what you can put on TV.

Ms. Sullivan answered the concept of control...

Alderman Levasseur interjected let me tell you that I agree with you first of all so don't be afraid. I think I see where you are coming from and I see some resentment from the Board because some of the shows that are on TV that are abrasive sometimes but why do you think it would be different if it was the School Board having that control over your budget then the Aldermen having control. Is there a difference politically?

Ms. Sullivan answered I look at this as a real future plan. I look at what happens with MCTV with this plan is not just for the next 10 years. I look at it as what is going to happen in the next 20 or 30 years with telecommunications and how strong we build our telecommunications system in the City. I truly believe that the least politically fragile we make MCTV the stronger it is going to be for all of the politics in this City and all of the cultures in this City. It is kind of...I look at the Water Works folks. I live near the Water Works land and I think back to what those people...how smart those people were when they set that up. You know when we got the #1 City in the United States, the number one criteria was our quality of water so somebody 120 or 130 years ago when there were vast tracks of land in town somebody said we are going to keep this land and we are going to protect our water supply. To me it is kind of like protecting. We have to think ahead and protect our telecommunications system and try to make it as unpolitical as possible. I am not saying this group...and I have worked with all you folks, everybody in here and each one of you have a real love of the City and you want to do what is best for the City and that is why when we sit down and try to figure

out what is going to work for the future it is not that I am talking about the people in this room. I am talking about who is going to be in this room in 20 years. Who is going to be in this room in 30 years and the stronger telecommunication system we have, the better we are going to be able to pass our future over to our kids and grandchildren. That is what I truly believe.

Alderman Gatsas stated I don't think anybody on this Board and maybe I should speak for myself, are going to control what you do on MCTV or anything else. The control that I think this Board is looking for is a checkbook control. Just to say to somebody we are going to fund you on a percentage basis and bringing the Water Works into it is probably the greatest avenue you could take me down and you probably shouldn't but I am saying that this City with the ratepayers and the taxpayers of this City when a department is making a \$1 million profit and doesn't give it back then this should be no different. It shouldn't be funded on a percentage basis because that gives you, when you are looking at numbers and I know that you just went through the budget cycle and I don't think anybody is going to tell you...obviously if for some reason that next year the tax rate goes through the roof, I don't think one position of \$38,000 is going to affect your budget. To look at the numbers you are talking about here versus all of the other numbers we are looking at for budgets, yours is a very important budget to you and it is a very important budget to this Board but when you look at the entire sequence of where we are going, it is not a big number. So, for us to say we are going to cut you 10% next year...there is not enough there to cut you 10% to make a difference because that is only like \$40,000. I am saying if you want we can go through these numbers and I don't think you want me to go through them with a fine-tooth comb because when I start looking at the benefits at the numbers they are appearing there, they are awful high.

Ms. Sullivan stated those are the numbers we got to work with.

Alderman Gatsas replied I understand that and that is fine but that is why I am saying we should be a little more realistic and look at this as a department because I am sure the Library would love to work on a percentage of all of the revenues in the general fund.

Ms. Sullivan responded I wish they would get a percentage of all the books Barnes & Nobles sold.

Alderman Gatsas stated I am sure the Highway Department would love to get a percentage of the general fund and we will be back to everybody having a percentage.

Ms. Sullivan replied I wish the Highway Department got a percentage of the gasoline sold in town.

Alderman Vaillancourt stated you say the benefits are awfully high. I was given, by the Human Resources Department, that the average salary in the City of Manchester is \$38,000 and to that you add 33% for benefits so it seems to me that their benefits are awful low on this sheet.

Ms. Sullivan replied we are based on School benefits.

Alderman Vaillancourt stated their benefits are not 33% of their salaries as are the average benefits in the City of Manchester.

Alderman Gatsas replied no they are less.

Alderman Vaillancourt stated so they are awfully low, not high.

Alderman Gatsas replied they are still high because 33% is a higher number. I am saying that if you have a single person, which two of those people are, for medical insurance you are talking somewhere in the vicinity of \$2,400 or \$2,500 a year.

Alderman Vaillancourt stated if you take 33% of somebody making \$53,000, the benefit package would be about \$16,000 for that person as opposed to \$11,500 as it states here so the benefits are low compared to the average of the City of Manchester. The average benefit of a City employee is 33% of the salary. Somebody making \$50,000, 33% of that would be \$16,000. A lot more than the benefits stated on this sheet.

Alderman Gatsas replied well if you go down it changes drastically. That is what I am saying to you.

Alderman Vaillancourt stated well it is still less than 33% for all of them.

Alderman Gatsas asked who did the numbers.

Mr. Vandeboncoeur answered these numbers came from the School District payroll.

Alderman Gatsas stated if you look at 33% on \$24,000, I don't think that is the number.

Mr. Vandeboncoeur stated there is also a difference between Grace's salary and my salary and Jason's salary, the level 15's because we are considered NESPA and I think that carries a different contribution by the City then Grace's does.

Ms. Sullivan replied right. We have had this discussion because we couldn't figure it out and then we looked at the fact that Mark and Jason's retirement is City and mine is State.

Alderman Vaillancourt stated my point is simply that on average 33% is the figure that is used both here and at the State level in computing benefits and this is certainly not odd. Somebody making a lower salary is going to have a higher percent. Somebody making a higher salary is going to have a lower percent of benefits, but these are certainly not out of line. If anything, they are low.

Alderman Wihby stated I just want to go back to the numbers again. Right now we are giving you \$120,000?

Ms. Sullivan replied yes except I have gotten some higher numbers from Finance. I think it is up to \$140,000 now. It is what we figured out it should be if we got...from the cable numbers we figured it should be about \$154,000. I think it is supposed to be up to \$140,000 but I am not sure because I haven't really seen any sheets on it.

Alderman Wihby stated let's say the 1% is \$120,000. So we would get \$360,000 and you would get \$120,000.

Ms. Sullivan replied right.

Alderman Wihby stated now what I am hearing from the Mayor's budget was the Mayor used a figure of, instead of getting \$360,000 he is going to get \$500,000. Now I don't understand how you get there. If the total is going to be \$600,000, 5% at \$120,000 and you are looking for over \$400,000, why wouldn't our general fund only have \$200,000 instead of \$500,000?

Ms. Sullivan replied under funding, based on 35,000 subscribers with an average cable bill of \$39, we figured it out to be \$154,000.

Alderman Wihby asked is it true that you are taking \$410,000 instead of \$120,000.

Mr. Vandeboncoeur answered that is assuming that the...it all depends on the audit and when the audit is done what the actual final numbers will be. Based on the numbers that were given to us by Peter Epstein, we multiplied them out and took essentially half of it.

Alderman Wihby asked what I am getting at is where did the Mayor get \$500,000. It sounds to me like we are only going to get \$200,000.

Ms. Sullivan answered if we went up from 4% to 5%, the City would be getting about \$800,000.

Alderman Vaillancourt stated \$875,000.

Alderman Wihby asked how do you get that.

Alderman Gatsas stated it is \$819,000.

Alderman Wihby asked of which you are taking \$410,000.

Ms. Sullivan answered yes.

Alderman Wihby stated so that would leave the City with a little over \$400,000.

Mr. Vandeboncoeur replied it would be the exact same amount. If the City gets the 5% total and we are taking 2.5% that leaves the other 2.5% for the City.

Alderman Wihby stated so that leaves us \$400,000 and the Mayor used \$500,000.

Ms. Sullivan stated I don't know. I haven't seen that.

Alderman Wihby asked, Wayne, do you know what he used.

Mr. Robinson answered I don't know the exact dollar amount.

Clerk Bernier stated the revenues come to the City Clerk's Office. We projected 4% because I assume that 5% would be the number that will be used with the new cable contract that is supposed to go into effect by July 8, 2000. I projected 4%, which is approximately \$500,000. The last quarter check for the City share was \$140,000.

Alderman Wihby asked did you know that she was technically going to be going up from \$120,000 to \$410,000.

Clerk Bernier asked MCTV. No, I had no knowledge of that.

Ms. Sullivan stated what our operating expenses are now is not covered by the 1% currently.

Alderman Wihby replied I am just trying to see what the effect is on the general fund. If Leo is telling me that they are using \$500,000 going into the general fund, it is really only \$400,000.

Ms. Sullivan stated \$409,000. I had no idea what Leo was going to be using. When I spoke with Alderman Cashin he said but down what you need and that is what I did. If I went back to my original plan, I have nine positions in here. I am giving you what you could have for an excellent PEG access facility in a plan and it is up to you folks to decide whether or not you are going to fund it. We have, since we started, been operating without being fully funded by the City. We have never been fully funded by the City.

Alderman Gatsas replied but all I am saying is that there is no reason why you have to use a percentage. You can come to this Board and say you are looking for \$409,000. End of conversation. It doesn't have to be a percentage. Is that correct or incorrect?

Ms. Sullivan responded as someone that...

Alderman Gatsas interjected just yes or no. If you came to this Board looking for \$409,000...let's assume we only got \$360,000. Let's assume that for a quick moment and you were looking for \$400,000 then we would be giving you more than 100% of what we will receive. If we were going to fund you at 100%, it would be \$409,000 so all you are looking for is \$409,000 and you don't care where you get it from.

Ms. Sullivan replied yes I do. I care that it comes from that percentage of the cable gross because that is where the money that...if you pay for your cable bill...

Alderman Gatsas interjected it doesn't matter where it is coming from.

Ms. Sullivan stated it does. It does matter because it doesn't come from tax money. It comes from 98 cents from the cable bill. Currently, 39 cents of your cable bill goes to pay for MCTV.

Alderman Gatsas responded just so you understand, the entire general fund is not just taxes. There are other revenues in there.

Ms. Sullivan stated I understand that.

Alderman Gatsas replied so whether you get funded from the general fund or however you get funded, you are looking for \$409,000. It doesn't matter where it comes from because it is all coming out of one pot.

Ms. Sullivan stated when someone is paying their cable bill, 39 cents of their cable bill goes into operating MCTV and that is a very serious thing that we have in our heads all of the time. People are paying for that. That is a consumer bill. I know that I might be a real stickler, but I think that is a very important thing because when you have somebody like...when you have Time Warner turning around and saying to Disney you are no longer on our channels because it costs us \$6 a subscriber, I think it is good that people know that in their bill 39 cents is going to what we do on MCTV.

Alderman Levasseur stated I have a point that I think needs to be made here. The point she is trying to make is a very valid point. Because the School Board has control of her budget, she knows that she is getting 1% out of that budget no matter what. That is in the contract and that is what is stipulated in that contract. Because she knows how much money she is getting, the School Board cannot now go and take that money away. Now it has been de-politicized. If she becomes a department, unless we guarantee here that this comes out of a certain percentage on a franchise fee, then this Board has control over her number. If we don't like the fact that she has somebody on TV that is going out and saying things that people on this Board don't like, it now becomes politicized. Now she might not want to say it, but I will say it for her. She needs to know that it is a percentage. If she is coming to this place she has to be guaranteed that it is going to come out of that franchise fee because then it is de-politicized. We cannot now take away her \$409,000 number. I agree with her that that is how it should be. If she comes to this place as a department then she should have the same contract and the same type of thing as she has with the School District. If somebody on this Board has a TV show and somebody else doesn't like it, then that is where we start getting into these political arenas and when we start politicizing TV and what can go on government access and public access we are going to run into a heck of a lot of trouble. So, her point is very valid. She does a heck of a job with what she has down there and she could do a heck of a lot more with what she has got. This is one of the most important places we have and because this is such a politicized City and I am grateful for it because now with this MCTV show more people are involved and more people are calling me and more people want to hear what is going on and more people are watching what is going on and it is probably the best thing that has happened to this City. If anything, we should be giving her as

much money as we can possibly give her out of the franchise fee so she can make it even a better place to go to so that everyone can enjoy it.

Alderman Wihby stated if you want new positions each year, don't you have to come to this Board and ask for them. Isn't that political so if we are mad at you we are going to tell you no anyway?

Ms. Sullivan replied last year I came and asked for a government access person. It got put in and taken out and put in and taken out. Again, I appreciate what Alderman Levasseur said but I still think that when a consumer is paying a cable bill and they know...

Chairman Cashin interjected this has gone far enough. We are not going to solve this problem tonight. That is obvious.

Alderman Wihby asked can I get an answer to my question. Don't you have to come to this Board to get positions filled?

Ms. Sullivan answered to get additional revenue last year I came for the government access person. Up to this point, I go to the School Board.

Alderman Wihby asked do you have to come to this Board to ask for new positions.

Ms. Sullivan answered not unless I ask for something like the government access person like I did last year. Before, I would go to the School Board.

Alderman Wihby asked before you would just go to the School Board and ask for a new position and they would fund it out of what.

Ms. Sullivan answered out of the 1%.

Alderman Wihby stated I thought you didn't have enough out of the 1% to fund.

Ms. Sullivan replied in the past... Jason Cote, we needed a new position. I went to the School Board and said out of that 1% because one person was taken out of that, Wickham Strub and became the teacher and the School District funded a teacher position. From 1991 until 1998 I was a teacher plus the director so I was doing two jobs for the price of one.

Alderman Wihby asked so if you wanted four more positions and it was in that percentage, you would just go to them.

Ms. Sullivan answered currently in school and this is where my job is, if I wanted to get a new position I would have asked the school budget for the money but I will tell you that...I have been asked, my salary is covered by School District money...

Alderman Wihby interjected this is a very simple question. July comes and there is a budget, right?

Ms. Sullivan replied yes.

Alderman Wihby stated then January comes and you want four more people and you see that the revenues from the 1% was getting bigger and you are getting all of this extra money because everybody is getting cable. Can you just go in and add four more positions?

Ms. Sullivan answered of course not.

Alderman Wihby asked what would you have to do.

Ms. Sullivan answered I would have to go to whatever entity is governing, whether it is Aldermen or whether it is School.

Chairman Cashin stated the question is right now, tomorrow, if you wanted to add three people.

Ms. Sullivan replied I would have to go to School because I am in school.

Alderman Wihby asked and what you would tell the School Board is that in that 1% that you get you have extra money and you want three more positions.

Ms. Sullivan answered in that 1% I wouldn't have extra money. They cover two positions now, Alderman.

Alderman Wihby asked how would they give it to you.

Ms. Sullivan answered it would have to come from additional revenue from School.

Alderman Wihby asked you mean out of their budget.

Ms. Sullivan answered right because all we get is 1% of the franchise fees.

Chairman Cashin stated the answer, if I understand it correctly, is that if today or tomorrow morning you wanted a new position you would go to the School Board and they would either approve or disapprove it. You would not come to this Board at all.

Ms. Sullivan replied correct. I did last year for the government access position and the School Board told me if you want it you have to get it from the government because it will be doing government functions.

Alderman Wihby stated so you really have to get your money in the budget process.

Ms. Sullivan responded that is not what I am saying, Alderman. I am not saying that.

Alderman Wihby stated well the School District is making their budget now. If you wanted to add positions in the course of the next fiscal year, wouldn't you go to them now and say during this next year starting July 1 I want two more positions? You are not going to get them in the middle of the year.

Ms. Sullivan replied I wouldn't be asking for them in January. First of all...

Chairman Cashin interjected why are we arguing this point. I think we are going down a road that we don't want to go down.

Ms. Sullivan stated I feel like there is a big conundrum here.

Chairman Cashin replied there isn't. We are all on the same side. I want you to understand that. What we are trying to do is we have to decide are you going to stay the way you are or are you, in fact, going to become a City department. That has not been established yet. It has been discussed and people are thinking about it. It may happen and it may not. You shouldn't feel intimidated by that nor should you be concerned with it. That is a policy decision that has to be made and believe me it will be made in your best interest whether you believe it or not. You have done, in my opinion, a tremendous job. You started it, you built it, it is your baby. No one can find fault with it. I am on your side and I will do everything I can to help you.

Ms. Sullivan responded I appreciate that and my staff has done a tremendous job also.

Chairman Cashin stated we are not your enemy.

Ms. Sullivan replied no you are not and I understand that and I understand why you think you just come to the Board every year and you put in a budget but I don't feel that I could still say it costs you 39 cents for MCTV if somebody calls me on the phone and says where do you get your funding or if we got 2.5% that it would be 98 cents a month on your bill for MCTV.

Chairman Cashin stated I think you made your point. You want to be sure that no matter what happens, politics is kept out of it as much as is humanly possible.

Ms. Sullivan replied and I am not trying to reflect on this poorly but the previous School Administration would try to say maybe you should take part of that 1% and buy such and such or such and such and I would call the Solicitor and ask can you do this legally and he would say no.

Alderman Vaillancourt stated I would like to make a philosophical point. I think politics has nothing to do with this and shouldn't have anything to do with this. Let's just take what we can buy programming. If I am CBS TV and I have X number of dollars to buy programming. In a sense, you are that way. Can I buy Paws to Consider for X number of dollars per year? Can I buy the Hispanic show or whatever but what I think you are saying is that the more people use cable the more they should be able to buy. In a sense, you are saying that you would like to have more staff as people use cable to provide more outlets whether it be the Reverend Judy show or any kind of religious program or my favorite show, Paws to Consider. It should have nothing to do with politics. It is the wide array of shows you have and to me it is an important philosophical point that I think we should think a long time about. What they do should be reflected in the amount of money that is generated by the revenue and that is why I would like to ask that question that some people always hate asking but how do they do this in other places around the country? Is it a certain percentage or is it a set fee? Do we have any data on that?

Ms. Sullivan replied we do have a lot of data. If you go back to the MCTV plan and you look at Lowell, MA 3% of the cable gross goes to public access, 1% goes to education and 1% goes to government. They have 45,000 subscribers a year. If we are looking at...some places do it based on a percentage and some do it based on a certain amount per subscriber. Tucson, AZ has 2% of the annual gross revenues and this is just for public access.

Alderman Vaillancourt stated so if more people start using cable TV and more people start buying the big time wrestling specials so their amount goes up from \$39/month to \$50/month, then you would get more money to produce programming for everybody to watch. If the amount goes down, then you would get less and you are willing to be tied in like that instead of getting a set amount.

Chairman Cashin replied I don't think she wants less.

Alderman Vaillancourt stated well I think that is what she is coming here saying.

Ms. Sullivan replied we have been operating on less for a long time.

Alderman Vaillancourt responded she is saying that instead of taking \$400,000 a year she is willing to have her budget tied to the amount of viewership on TV. I think it is a very interesting philosophical question to consider.

Alderman Wihby stated that makes sense if you have the money, the viewership goes up and you can spend the money, but if the viewership goes up and you can't spend the money because you have to wait until the following year to add a position then it is not any different then if you allocated a budget.

Ms. Sullivan replied in the past, before we added Jason on whatever revenues we had we would put into the following year. I am pretty frugal. We had an original \$250,000 and we have \$25,000 left in the account in case anything breaks down. Again, I think it is a discussion that has to take place. Some places go back to the city. In Portland, OR the City give \$3 million a year for public access TV. I am not looking for \$3 million.

Alderman Gatsas asked what did you say.

Ms. Sullivan answered I am not looking for \$3 million.

Alderman Gatsas asked in that book that you gave us weren't you looking for \$3 million.

Ms. Sullivan answered that is capital equipment. The \$3 million in Oregon is for the operating budget. For capital equipment, yes I was looking for \$3.8 million.

Alderman Gatsas asked and the first time you came you were looking for 5%.

Ms. Sullivan answered yes.

Alderman Levasseur asked, Mr. Chairman, because she is getting paid by the school budget why are we...does that come under our thing. I am confused by the process.

Chairman Cashin answered she is a certified teacher being paid out of the school budget and she is under the State pension plan.

Alderman Levasseur stated I am talking about the whole budget right here. Wouldn't that be something that she would have to present to the School Board?

Chairman Cashin replied I made a note that this is probably one of the things we should be discussing tomorrow night with the School Board.

Alderman Lopez asked are we going to stay here.

Chairman Cashin answered we are going to hear Welfare. I missed her once and I am not going to do it again. I told everybody that when we started. As far as Finance and Human Resources, they are here all the time and we can talk to them at any time.

WELFARE

Ms. Lafond stated the Welfare Department is statutorily mandated. There are 234 cities and towns in the State and each and every one has their own separate, autonomous Welfare Department that is funded by the property taxes of that town. Chapter 165 of the NH Statute sets out and mandates what it is that we do. It basically is still written as if it were from the old English laws in the 1600's. Few words have been changed. It says whenever anyone is poor and unable to support themselves, they shall be relieved and maintained by the overseer of public welfare of that town whether they have a residence there or not and then there are several other changes to the statute, including provisions of due process and things that have happened since the mid-70's that have qualified how we do business. We are a government safety net. If somebody isn't eligible with us, it is charity. There is no place else. We are the only agency that sees people and assists them on the day of the emergency. If someone comes to us and they have no place to stay, no food, no medication, their lights are off, their heat is off, we are there until they are taken care of. In 1991, we had the highest caseload in the history of the department. We were seeing almost 2,000 households a month. We are now seeing about 900 households a month, however, the cost in 1991 comparatively, the rooms that we are paying \$85 for now if we can find them we were paying \$35 for then. So, while all of the other cities and towns were doubling and tripling their welfare budgets in 1991, we were able, through the perverse benefit of the depression with 20,000 households leaving the State we were able to secure

housing for all of the people that we saw without exceeding the budget. It has been touch and go this year. In January, it looked like we were going to exceed our bottom line. Last year, we started paying for motels and I have been doing this now for 26 years and last year we spent more on motels than in all the 25 years combined that I have been doing this. Now this year we have spent \$60,000 on motels and it is still going. I have tried a variety of things. We used to rent vacant buildings, I called landlords to see if we could do some kind of deals, there just is no one that is interested because the economy is so terrific and the housing stock has been reduced so substantially with grazing and fires that there are six or seven people for every unit and they have cash because they are working so there is no impetus to do business with the Welfare Department. We give no cash. We don't send checks. Everything is issued by voucher and people have to requalify on a weekly basis and they are given a voucher directly for their landlord or the supermarket or the Laundromat or the pharmacy. We don't give vouchers to the utility companies, but we authorize in writing so someone who is one our assistance, especially for example in 1991 when we were seeing people...everybody who was here in 1991 knew someone who had lost their job or their house. People that we were seeing then because there were no jobs available, we were seeing a lot longer than we ever have previously. So, people on our assistance rolls have no cash. We do not issue money at all. The necessities of life are being paid for, but they have no money in their pocket. We like to think of ourselves as emergency temporary assistance. It is a bridge to something else. Either employment or to long-term assistance elsewhere like Social Security or State disability. State disability takes approximately a year to receive assistance and then you get the magnificent sum of \$500/month if you are hit by a car and have no insurance. For the rest of your life you live on that disability plus Medicaid. We underwrite part of the cost of the only family shelter in the City and it has been full for two years straight and we have been paying for four to six households at any given time in addition to that at motels. We had some good news. Grace Hicks-Grogan and I are entering into an agreement where I am going to lease some of her units. HUD has agreed to let that happen as a demonstration project so for a year we will be able to utilize some three bedroom units and not be sending people to motels. They have a lot of units vacant, I don't know if any of you have noticed, across the City but the scattered housing sites have been vacated and the idea that the Federal government wanted was to sell those units to low income people. However, here they have had great difficulty in finding people who qualify financially who are actually ready to purchase. So, there are a number of vacant buildings and we will get at least one of those and hopefully more on a 12 month demonstration program.

Chairman Cashin asked these aren't elderly buildings, right.

Ms. Lafond answered no. These are the scattered sites. Maple Street, Central Street, and I think there are some on Clay Street and Somerville Street. That is a brief overview. I did put a packet together. When I was supposed to be here they had asked for a packet so I have it here but I also know what you are going from. I would like to leave the packet with you, but not confuse you with it now.

Alderman Shea stated you mentioned that you were going to go into a demonstration type of situation with Grace Hicks Grogan and there are some projects that you mentioned that are in my ward. The corner of Hayward and Maple Street, is that one area?

Ms. Lafond replied that is not one of the ones that we are currently going to lease. The one that I am going to be leasing right now is on Central Street. I have asked Grace to identify additional units and make them available when and if she can do that.

Alderman Shea responded I don't think it is a bad idea. I was just wondering where you were talking about.

Chairman Cashin stated as you move into different wards and neighborhoods, would you just let the Alderman know.

Ms. Lafond replied certainly. One thing that we have done is last week we rented all of the motel rooms that were available for our families because of NASCAR coming up next weekend. Last year we were in a terrible situation where the EconoLodge here started up at the beginning of the year charging us \$60/night and during the speedway weekend they were charging us \$319/night. I sent some people to Hudson so that we wouldn't have to pay that. Just keep that in mind. We rented the rooms in advance now.

Alderman Lopez asked with the Neighborhood Housing that goes on in the City, what happens when they take an apartment of 32. Where do those people go?

Ms. Lafond answered when Neighborhood Housing coops a building, they have relocation money. They don't just dump people out on the street, however, it is very difficult to find housing for anyone so they are assisted by Neighborhood Housing but it is a long process. I don't know where they go.

Alderman Lopez asked you don't get any of those people.

Ms. Lafond answered no. You should know that NH Housing Finance Authority does the same thing that the Manchester Housing & Redevelopment Authority does and about eight or ten years ago the Feds said that NH Housing Finance can come into Manchester and do the same thing that Manchester Housing does so they received a grant this year, a Federal award, and there were only two states in the country that got it. One was Arizona, I believe, and New Hampshire. We got 500 housing vouchers at NH Housing Finance, Claire Monier's agency, and we have sent almost every single client that we have over there. They are eligible for the vouchers and what NH Housing Finance can do that Manchester Housing can't is they operate in all of the cities and towns in the State so a person here with a voucher is not restricted just to Manchester but can actually travel to Goffstown or wherever to try and access housing. It doesn't limit them. Still, in this economy it is very difficult to have a landlord who wants to work with you, even with the voucher.

Alderman Gatsas stated I was going to leave you alone to be honest with you, but the YTD expenditure number on salaries of \$317,000 if I annualize that it comes out to \$381,000 and I am sure Mr. Hobson already looked at that.

Mr. Hobson replied it has become your trademark.

Alderman Gatsas responded I would think somebody would have a good answer by now.

Mr. Hobson replied we have an answer. In this particular case we have a vacancy and we also have a situation with a...

Ms. Lafond interjected we had two vacancies. One that was not filled for a very long period of time and another one that when it was filled was filled at a much lower level plus there is another situation where...

Alderman Gatsas interjected it is the Welfare Specialist I that I am looking at that went from \$11,000 to \$32,000.

Ms. Lafond stated it went from a II to a I. The person who was a II left so obviously we are not going to hire someone at that level, we are going to hire them at a I. Is that what you are looking at?

Alderman Gatsas replied that is what I am looking at but the number I am looking at that I have some concern with is on your FY01 you said fully funded was \$437,000. I assume that has the Yarger Decker and the Mayor has given you \$442,000. He must have liked you on that given day.

Ms. Lafond responded I wish. No. The \$437,000 that I put in did not include the \$3,000 that was assessed by HR for every department. There is a bonus pool of money that is supposed to be put in there and I did not budget for that. I did not budget \$1,600 for our new Welfare Specialist I.

Alderman Gatsas stated there is only \$400 left. \$1,600 and \$3,000 is \$4,600 and we are only off by \$5,000.

Ms. Lafond replied right. It is \$4,672. There is \$3,000 that I didn't put in which is the bonus pool and there is \$1,672 for the Welfare Specialist I that I did not put in because I didn't realize that she was entitled to a six-month increase.

Alderman Gatsas asked how many square feet are you in now.

Ms. Lafond answered I should know that off the top of my head. 3,750. When I rented it, it was at \$10/square foot net. It has changed hands...this is the third owner. The reason I put in \$60,000 last year is because I was not in on the negotiations and I had no idea what the new owner was going to charge and it was an inflated figure just to get me through so all of that is coming back.

Alderman Gatsas asked so you are at about \$14/square foot roughly.

Ms. Lafond answered we are also paying electricity as well now.

Alderman Gatsas asked have you...obviously that is a substantial number for 3,750 square feet when you are seeing 2,000 people a year. Have you looked at any of the dormant buildings that the City owns?

Ms. Lafond answered I have looked at every building in this City, empty or otherwise.

Alderman Gatsas asked that the City owned.

Ms. Lafond answered I wanted to be in City owned property. For five years I tried to get into City owned property but because at the time it would have cost \$100,000 to put an elevator in that was mandated, they wouldn't do it. After looking at...25-27 Lowell is a beautiful place that I thought would work for every City department that was renting but I guess it wasn't big enough or whatever but finally I just had to throw my hands up and find a place for my department because we were in a rat hole.

Alderman Gatsas asked how long is the term of your lease.

Ms. Lafond answered I have no idea. I have not seen this one. I was not in on the negotiations. No one has told me.

Chairman Cashin asked who negotiated.

Ms. Lafond answered Mayor Wieczorek, I believe.

Solicitor Clark stated I believe Leon LaFreniere worked with the Mayor on it.

Ms. Lafond stated it is a nice space and we spent about \$20,000 for bulletproof glass and steel and we have always had a second means of egress and a panic button, none of which we have had to use. We have procedures in place and I have the secure interview room and we can buzz our people in who are creating a problem in the waiting area and get them away from anybody who is out there and bring them in and yet not give them the full run of the department. They are contained, we can do our business with them and then they are out. That has been the single biggest thing for all of us. It protects the staff and yet we are able to do our statutory duties.

Alderman Pinard asked where does your clientele come from. It can't be just City people. Do they come to your Welfare Office from anywhere in the country and say I need help.

Ms. Lafond answered they can.

Alderman Pinard stated I am questioning the \$403,000 for rent.

Ms. Lafond replied the U.S. Supreme Court threw out residency requirements in 1969. There are no boundaries in the country. People move to NH if they are poor for the same reasons that people move here if they are not poor. It is a quality of life issue, however, in December of 1998 Massachusetts hit their time limits for their Welfare program and everybody was concerned that all of these people were going to come here and get our benefits and that hasn't happened. Massachusetts did what NH is doing and that is expanding their program and taking into consideration some of the things that the Federal legislation did not address and what it has done is help keep the costs from being shifted downward to the local communities. We...our populations have not changed in 10 years - the percentages of different ethnic backgrounds. We don't see any of the immigrants. I have two families that we are seeing now. They are like having 10 families because their problems are so tremendous but other than that our population has not changed. Our biggest problem is families and people who are coming to us from other cities and towns in the State where the other cities and towns are not living up to the statutory obligation and basically say we have

nothing here for you go to Manchester. We bill the towns and it is just very problematic.

Chairman Cashin stated you said you bill the towns. Do they pay you?

Ms. Lafond replied sometimes.

Alderman Shea asked how many people do you have working in your department.

Ms. Lafond answered we have 11 and we have had 11 since 1989.

Alderman Shea asked how many people do you see on a daily basis.

Ms. Lafond answered the intakes on a monthly basis are interesting because it is about between 200 and 240 new applicants. Right now, we have about 400-500 ongoing cases in addition to that. You can do the math.

Alderman Shea asked would it be your opinion that Manchester and I don't know how to word this properly so bear with me but that Manchester is experiencing somewhat of a separation between the "haves" and "have nots" in terms of people understanding where the real concerns and problems are in our society. I will speak for myself. I am not wanting and I don't understand, but are there an underbelly of people here and a substantial amount that really are hurting because of the economy or because of a lack of skills and understanding of our culture and the way things work.

Ms. Lafond answered if you look at the numbers in the department, they are not tremendous for a City of this size – the numbers of people. The unduplicated case count remains the same, between 2,400 and 2,700. Those are the households that are counted once. What we are seeing is that the people who are coming to us are much less hopeful, have fewer resources...there was a time when every single client that we had almost was on some kind of antidepressant. It really...I almost always have a caseworker out on medical leave. We have had a couple of suicides this year in our caseload that really decimated the staff. What we try to do is bring all of our resources to each and every client that comes in and because we don't have categories of people like the State does where you have to fit into a type of category like having to be a single parent with a child or you have to be totally disabled...we don't have any of those categories. Ours are based on need alone so we see every type of person, household, family and all of the problems that come with it and the caseworker is expected to put one aside and take on the next one and give all the personal resources and the department resources to that individual. We are seeing that the problems are just much deeper. It takes much longer to try to address them and there is a whole group of people that we are not seeing and

those I am very concerned about. We talked about these a few years ago and these are the disenfranchised. The people that are even a step lower than the “have nots”. People who are opting out of the community and not even involved and living out on the fringes. That group is growing. That concerns me. There were a group of us telling people a few years ago that kids were going to have guns in the streets and everybody laughed.

Alderman Vaillancourt stated if I may get to the budget, line 861, Provisions, I see that you budgeted \$140,000 this year and are spending at a rate of \$95,000 and next year you want \$115,000. Why did you budget so much and is that an estimate for next year? What are provisions?

Ms. Lafond replied provisions are food. The whole budget is a guess based on what I know is going to happen and what is currently happening. We have been lucky enough to get between 100 and 400 cases of food every year from the Boy Scouts. We never know how much we are going to get. Plus we now have bread and pastry that comes into the office that we just give out to everyone, as well as fresh vegetables and fruit. What I had started to do and in my packet it looked like after 1991 the caseload got lower and lower and lower, which you expect after such a high inflation, but it looked like things were going to go back up a lot sooner than this and that the caseload was going to start to grow. I started projecting and budgeting for higher rental and food costs. These last five years have been an aberration.

Alderman Vaillancourt stated \$114,290 is quite a specific amount. You must have budgeted that for a specific purpose.

Ms. Lafond asked for this year.

Alderman Vaillancourt answered yes. It is not like you rounded it. You have \$114,290.

Ms. Lafond stated it is based on what we have been spending and what I am assuming we will spend.

Alderman Vaillancourt replied that is where I am not following you. I don't see where it is based on that at all. It doesn't look like it is based on anything to me.

Ms. Lafond stated for a family of one, we give \$27 a week and \$9 for paper products. It goes up depending on the number in the household. \$49 for two people, etc. That is reviewed once every year to keep it in line with the food stamp amount. That is my guesstimate for what we are going to spend.

Alderman Vaillancourt asked are you basing that on a certain number of people

Ms. Lafond answered yes.

Alderman Vaillancourt asked could you give us that number. It looks to me like you might be able to knock \$15,000 off of that.

Ms. Lafond answered it is based on...I can't give you the actual number. I could give it to you tomorrow if you want it. We are also seeing much larger families.

Chairman Cashin asked Alderman Vaillancourt to give Ms. Lafond a call tomorrow.

Alderman Wihby asked what is the \$3,000 bonus account.

Chairman Cashin answered I think that question should go to Mark Hobson. I think a lot of people are wondering about that.

Mr. Hobson stated the item that Susan was referring to was she had regular payroll of whatever and then special salaries of \$120,000, which is the sheet that you folks got. Each department got an amount for A-STEPS and cash bonuses, etc. They are all things that were part of the Decker plan.

Ms. Lafond stated can I just put in one further plug. Somebody asked what you can do and in New Hampshire the time limit runs out in 2002 for the State so talk to your representatives and the Governor about keeping the money at the State level and not having it devolved to the cities and towns in 2002.

On motion of Alderman Vaillancourt, duly seconded by Alderman Shea, it was voted to have the Joint BMA/School Board meeting televised.

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

A True Record. Attest.

Clerk of Committee