

**COMMITTEE ON FINANCE
(Budget Deliberations)**

May 24, 2004

7:00 PM

Mayor Baines called the meeting to order.

Mayor Baines called for the Pledge of Allegiance, this function being led by Alderman Roy.

A moment of silent prayer was observed.

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

Present: Aldermen Roy, Guinta, Sysyn, Osborne, Porter, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault, Forest

Absent: Alderman Gatsas

Messrs.: Kevin Clougherty, David Smith

Mayor Baines addressed item 4 of the agenda:

4. Appropriating Resolution:

“A Resolution appropriating to the Manchester Aggregation Program the sum of \$834,682 from Aggregation Fees for the Fiscal Year 2005.”

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

Alderman O'Neil moved for discussion. Alderman Thibault duly seconded the motion.

Alderman Porter asked is there any backup information for this program?

Mr. Clougherty replied the Aggregation obligations for '02 were \$147,000, for '03 were \$160,000...it's primarily in the salary and benefits areas. Now, those dollars that we're spending for the last three years have been fairly constant. The problem

we had is when we started the program up, as you recall, it was designed to take advantage of a deregulation of electric utilities that didn't happen because of changes in state and federal regulations. What this program is that contractually we spent a lot of money for lawyers and PUC to try and get in place the structure for a program so it could work. If there is deregulation of the utilities then this program is in place to move forward. The thing that you have to look at in addition to the deficit that's been accumulating over the years is about \$1.6 million right now. There have been some fees paid but there's also been other programs and contracts have resulted in savings. You don't see those savings in the Aggregation budget because you see them in, for example, the School District. If a program is run through Aggregation and it reduces the kilowatt hours that reduces the electric bill that reduces the amount paid by that department, so there's been about a million dollars worth of savings in those areas. But, I'll get you a breakdown that itemizes that information and provide that before the vote on this.

Alderman Guinta asked is the procedure for this resolution that it has to layover three times?

Mr. Clougherty replied no it would layover...

Deputy City Clerk Johnson replied it's in Finance now, it would report out as ought to pass and layover and would come back at the next meeting of the Board to be adopted; that's the procedure.

Alderman Guinta stated that would be next week.

Mr. Clougherty stated there would be another vote on it.

Deputy City Clerk Johnson stated it has to layover for at least five days.

Mayor Baines interjected in the meantime we're at a disadvantage...I don't know if you told them that there is an illness in Tina's family and she couldn't be here tonight. We can gather the information that was requested by Alderman Porter and we can deal with it at the regular Board meeting, but procedurally we need to advance it to be in a position to deal with.

Alderman Guinta stated the impact is not...Kevin, you're saying that the impact on the tax rate is not the total appropriate of \$835,000.

Mr. Clougherty stated no because the impact of the \$835,000 is if the regulations change and you really wanted to operate the program as it was originally envisioned you would bring on other staff, you'd bring on other people and the

budget would be at that level. Until that happens you're really running at a modified level of one staff person and that's what we're talking about here.

Alderman Guinta asked so what is the total impact on the tax rate?

Mr. Clougherty replied the total impact on the tax rate is really the bottom line of \$1.6 million because if there wasn't \$1.6 million that could come back and would have to be taken out of your fund balance. So, if you were to do away with the program the impact would be \$1.6 million. If you continue it as a program the way it's structured it does not have an impact on the tax basis.

Alderman Guinta stated we do have actual expenses though that are incurred.

Mr. Clougherty replied yes.

Alderman Guinta stated so there is an impact.

Mr. Clougherty stated the \$135,000 for the most part has been offset in recent years by fees from KeySpan and other areas. So, depending on how you generate contracts and savings in other programs that can be offset.

Alderman Guinta stated I am not going to be here next week for the meeting but I voiced my objection to this last year and the year before and I'll do it again this year and maybe Alderman Porter can take up the fight on this one because I don't think it is a necessary line item and I think that it could go toward the deficit that we're looking at depending on what's going to happen tomorrow.

Alderman Lopez stated it's an enterprise system number one and I agree with the Finance Officer it has no bearing on the tax rate at this time unless you want to take \$1.6 million and utilize it and eliminate the program, that's number one. But, the question I really have is... Kevin, you said \$135,000...the resolution is for \$175,000...is there a mistake there?

Mr. Clougherty replied no, Alderman. As we said we set the limit has been \$175,000 for some time but we've really been hovering lower than that. Again, we try to run this program as efficiently as we can and that was the point I'm trying to make.

Alderman Lopez asked would your recommendation be to change the resolution then?

Mr. Clougherty replied I'd leave the resolution at the \$175,000...we'll certainly live within that and if it got to the point where we're going to go more than that...

Alderman Garrity stated, Carol, this has to layover five days, is that right?

Deputy City Clerk Johnson replied yes.

Alderman Garrity stated before the June 8th deadline for the budget, is that right?

Deputy City Clerk Johnson replied that's correct.

Alderman Garrity stated Alderman Porter is right, we don't have any backup information for the salaries or anything like that and this continually happens. I don't think it's responsible of this Board and moved that the Appropriating Resolution for the Aggregation Program be tabled until backup information has been received.

Alderman Guinta duly seconded the motion to table. There being none opposed, the motion carried.

Mayor Baines addressed item 5 of the agenda:

5. Appropriating Resolution:

“A Resolution appropriating to the Manchester Airport Authority the sum of \$44,898,329 from Special Airport Revenue Funds for Fiscal Year 2005.”

On motion of Alderman O'Neil, duly seconded by Alderman Thibault, it was voted that the Appropriating Resolution be read by title only, and it was so done.

Alderman DeVries stated I just wanted to clarify for those that might be watching this program at home that what we are dealing with are enterprise appropriations that do not affect the operating budget or the tax dollars on the city side. Just in case people have read the paper over the last few days are concerned about the short funding in the education discussions taking place in Concord and wondering why we are passing budgets. These are Airport and other enterprise resolutions that we are passing at this time.

Alderman DeVries moved that the Appropriating Resolution ought to pass and layover. Alderman Thibault duly seconded the motion. There being none opposed, the motion carried.

Mayor Baines addressed item 6 of the agenda:

6. Appropriating Resolution:

“A Resolution appropriating the sum of \$2,890,903 from Recreation User Charges to the Recreation Division for Fiscal Year 2005.”

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

Alderman O’Neil stated not to hold this up tonight but I hope at some point during the year we can have a very serious discussion about getting Gill Stadium out of the enterprise. It’s not fair to Parks & Recreation Department and it’s not fair to the people that use it. It doesn’t belong in there, in my opinion it was the reason why it got into the tough shape that it did and I hope we can make a commitment that we’re going to take a look at it in the next year.

Alderman Smith moved that the Appropriating Resolution ought to pass and layover. Alderman Sysyn duly seconded the motion. There being none opposed, the motion carried.

Mayor Baines addressed item 7 of the agenda:

7. Appropriating Resolution:

“A Resolution appropriating the sum of \$14,584,987 from Sewer User Rental Charges to the Environmental Protection Division for Fiscal Year 2005.”

On motion of Alderman Osborne, duly seconded by Alderman Guinta, it was voted that the Appropriating Resolution be read by title only, and it was so done.

Alderman O’Neil moved that the Appropriating Resolution ought to pass and layover. Alderman Forest duly seconded the motion. There being none opposed, the motion carried.

Mayor Baines addressed item 8 of the agenda:

8. Appropriating Resolution:

“A Resolution appropriating to the Manchester Transit Authority the sum of \$1,061,785 for the Fiscal Year 2005.”

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

Alderman Lopez stated I’ve had some discussion with the MTA Director regarding the Step-Saver service and I think it’s important because you’re increasing your budget. There was a misunderstanding that you were buying four new step savers and I wondered if you’d go through that process and tell us what the situation is so that the rest of the Aldermen will know of the content of our conversation.

Mr. Smith stated with me tonight is Chairman John Trisciani. The step saver increase is an operating cost increase and we expect that that will consume \$80,000 of this budget. Our step saver services have increased significantly. In the past few years the number of people who were certified in 2002 was 240 registered users of the service. Today, there are 655 registered users of the service. Our quarterly ridership has increased from about 1,500 per quarter to just short of 3,000 per quarter.

Mayor Baines interjected, Dave, for the Aldermen and also for the people listening at home could you please explain what the step saver is about.

Mr. Smith stated I’d be glad to. The Step Saver service is...the federal term is complimentary para-transit service and it’s required by federal law for transit systems that receive federal funds to operate fixed route transit systems and the law says that pursuant to the ADA if a person cannot because of their disability access an accessible lift-equipped fixed route bus because of their disability then we must provide some alternative transportation...that is door-to-door or curb-to-curb transportation and so this is dollar ride type service is that advance reservation only...people may call in advance up to two weeks in advance and up to 24 hours within that time period to reserve a ride and we fulfill all of those ride requests. Our understanding based on court cases in Philadelphia and other cities is that there can really be no limit on the service that’s requested. In other words, we have to accommodate every request within an hour before or an hour after...we may negotiate the time, but we must accept every request. So, consequently, that service is growing whereas the fixture of transit service has stayed stable. One of the things that I think is driving the ridership and usage

increase is that federal funds for transportation going to social service providers have been drying up in recent years and I think people are finding that it's more and more difficult to get rides from these agencies and are now looking to us to provide that transportation, so our estimate is that we need to provide another eight (8) hours of service daily and another two (2) hours on Saturday, a total of 42 hours a week and that's what makes that \$80,000.

Alderman DeVries stated so the operating side of your budget to provide this is \$80,000...the federal funds that you receive that trigger the need for you to provide the \$80,000 in the operating budget are what, approximately.

Mr. Smith replied the appropriation in fiscal year 2003 was \$1.535 million.

Alderman DeVries stated but for the City of Manchester is it fair to say that that's a pretty fair tradeoff.

Mr. Smith replied yes.

Alderman O'Neil commented I want to commend Dave and his staff and the commissioners. As I recall...I wish I had it in front of me we've seen a complete turn around in our transit system, ridership is up and they're to be congratulated for that.

Mayor Baines stated I appreciate that comment. During the conversation we had during budget deliberations I told Mr. Smith how pleased we are with his management of the Authority and the leadership and the guidance of the Commission, it's really changed that whole operation around to the better for all of the citizens of Manchester and we should be very proud of what's been accomplished at the MTA.

Alderman Guinta stated I would agree. I think the MTA's going in the right direction at this point and I thank you for your hard work. The one question I do have is actually for the Solicitor's office, I don't know if anyone is here from the Solicitor's office but a couple of weeks ago I asked for an answer to a technical question in the resolution for I think it was the School appropriation but it's also included in this resolution it says "that the liability to be taxed in said city and by tax on polls" I'm looking for a clarification on the meaning of that and I'm hoping that maybe we could get a notifiational request to the Solicitor to come back which a response to that issue.

Mayor Baines stated, Carol, would you advise the City Solicitor.

Alderman Garrity stated just an editorial comment. Why is nobody from that office here tonight?

Mayor Baines replied the City Solicitor's office is usually not represented at Finance Committee meetings. If you request it, the Board so desires...

Alderman Garrity stated we're looking at appropriating resolutions in Finance, I think they should be here. I think it's irresponsible that they're not here and I know that they're not under the direction of the Aldermen but they're under the direction of you, your Honor, and I'm having a lot of frustrations with that office waiting for things and things like that and I don't think it's acceptable that they're not here tonight.

Mayor Baines stated I will discuss this with the City Solicitor tomorrow based upon that concern.

Alderman Forest stated with due respect they were here at the last committee meeting and I don't think we asked them to be here at this meeting, I don't think that it's their fault that they're not here.

Alderman Garrity asked may I comment on that, Mayor?

Mayor Baines replied yes.

Alderman Garrity stated we have 13 Aldermen here I would think that some Alderman is going to ask something from that office a question and they should be here.

Mayor Baines stated I think your point is well taken and I will address this.

Alderman Smith moved that the Appropriating Resolution ought to pass and layover. Alderman DeVries duly seconded the motion. There being none opposed, the motion carried.

Alderman Porter commented I think what Alderman Garrity is getting at is that whenever 13 or 14 Aldermen meet we may very well need legal advice.

Mayor Baines addressed item 9 of the agenda:

9. Appropriating Resolution:

On motion of Alderman Roy, duly seconded by Alderman Osborne, it was voted that the Appropriating Resolution be read by title only, and it was so done.

“Appropriating all Incremental Meals and Rooms Tax Revenue Received by the City in Fiscal Year 2005 and held in the Civic Center Fund, for the payment of the City’s Obligations in Said Fiscal Year Under the Financing Agreement.”

Alderman Guinta stated Kevin I know that we’ve talked about this in the past but it’s the DRA tracks this figure? Is that correct?

Mr. Clougherty answered the DRA tracks the Rooms and Meals numbers, right.

Alderman Guinta asked by what mechanism can we try to get a little more detail and clarification from the State with respect to how much money we collect, the collection process and what the projected revenues would be over time. I know that they keep that information tight to the vest, right?

Mr. Clougherty answered that’s probably the best kept secret. The City has tried to get information as other cities have with respect to what the collections have been within their jurisdictions or within counties, so that there could be some indication as to how business activity was performing. Because its tax, the State Department of Revenue Administration always balks at giving that information. If they told us how much the rooms and meals tax was generated in Hillsborough County or even within the City of Manchester, there are so many contributing restaurants and facilities that you wouldn’t be able to discern who the individual payees were. On the other hand, if you looked at one of the northern most counties it would be pretty easy to pick out how much the Balsams paid or how much the Loudon Speed Track paid. They always feel that they have a responsibility to keep confidential information about tax payer payments and at the justification they’ve always given in the past is that if they released information to a particular city or a particular county, they’d have to release it under the right to know to everybody else and that would jeopardize these large entities in all of our counties. So they do not release it. I’d be happy to go up and ask for more and try it again, but we have asked on a number of occasions and they just won’t release it.

Alderman Guinta asked they won't release it by policy or is that set by Statute or RSA or do there an administrative law or an administrative rule that requires them to...?

Mr. Clougherty replied my recollection is that they have asked the Attorney General on occasion in the past when members of the Legislature have asked for information and I believe the Attorney General's opinion on that dating back some time. But again, I'd be happy to go back and try again if you'd like.

Alderman Guinta stated I would. Do we need to issue a directive?

Mr. Clougherty stated I could contact the DRA tomorrow and see what we can get for a breakdown.

Alderman Porter stated Kevin, and perhaps you remember this. Years ago I think it was over at the former Holiday Inn over by the Amoskeag bridge, and there was a meeting at which time I believe the figures were prepared by the State and will assume it was the DRA, a projection, either a 15 or 20 year projection as to what the room and meals tax picture would look like in Manchester. And I guess what I would like to see and as a proponent of the civic center, I think it's a wonderful facility for the City, it is an investment on behalf of the taxpayers on an annual basis and I think it would be good to at least have some idea how much each year is going toward the bond and an old economic principle whenever you invest in one vehicle, you do lose the opportunity to invest in another. That other being the general fund and I think that I would help me, and I think the people who are paying the freight, which are the taxpayers, it would be appropriate to have annually something to produce to let them know exactly how much has gone towards that bond or how much the excess is because I guess you can have payments, accelerated payments, if you have a windfall. But I think the other thing is has there been or do you have the projection that they made or that was made when the civic center was being promoted as far as where the funding was going to come from and if you do have a copy, could I have one?

Mr. Clougherty answered absolutely. We do have a copy of it. We can provide that to you. We do do a summary sheet to the Aldermen, have in the past, a breakdown on the debt service requirement collections from rooms and meals and I'll get that to you first thing.

Alderman Porter asked was 2001 the first year? I guess I'd like to get the past history.

Mr. Clougherty replied the report that we give you I think goes back to the early 1990s so you have a point of reference.

Alderman Porter stated the other thing is how is it tracking the actual room and meals money compared to what the projections were?

Mr. Clougherty answered as you recall the rooms and meals formula had a \$5 million cap that came into play. I think the last couple of years they have hit that cap. So the growth wasn't as much as projected, but certainly adequate and more than the debt service requirement and they'll be happy to get that for you tomorrow.

Alderman Shea stated I just wonder from Kevin, is all the rooms and meals money going into the civic center fund or is there some money that is held out?

Mr. Clougherty answered no there's still that \$454,000 that's held out Alderman, and that's in the general fund budget and has always remained there.

Alderman O'Neil moved that the Appropriating Resolution ought to pass and layover. Alderman Porter duly seconded the motion. There being none opposed, the motion carried.

Mayor Baines addressed item 10 of the agenda:

10. Appropriating Resolution:

On motion of Alderman Forest, duly seconded by Alderman Garrity, it was voted that the Appropriating Resolution be read by title only, and it was so done.

“A Resolution appropriating to the Central Business Service District the sum of \$225,000 from Central Business Service District Funds for Fiscal Year 2005.”

Alderman DeVries stated just a clarification if I might. The \$225,000 that we're appropriating comes from an additional fee or tax or whatever that is levied on certain businesses as defined by an ordinance and boundaries that we set here. That is correct?

Mayor Baines answered yes.

Alderman DeVries asked and the entire \$225,000 comes from the amount that is levied to them.

Mayor Baines answered yes. The Clerk will clarify.

Deputy City Clerk Johnson stated \$225,000 is levied on the Central Business District area, which is described in the next resolution. So yes it is restricted specifically to the Central Business Service District pursuant to the Statute procedures.

Alderman DeVries moved that the Appropriating Resolution ought to pass and layover. Alderman Sysyn duly seconded the motion. There being none opposed, the motion carried.

Mayor Baines addressed item 11 of the agenda:

11. Resolution:

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

“Continuation of the Central Business Service District.”

Alderman O'Neil moved that the Appropriating Resolution ought to pass and layover. Alderman Lopez duly seconded the motion. There being none opposed, the motion carried.

Mayor Baines addressed item 12 of the agenda:

12. Report of the Committee on Administration/Information Systems recommending that income and asset limits for elderly exemptions for all categories be increased as follows:

Income Limitations

Single: from \$24,400 to \$30,000

Joint: from \$34,400 to \$60,000

Asset Limitations

from \$75,000 to \$100,000

And for such purpose a resolution has been submitted. The Committee notes that it has submitted information provided by the Board of Assessors and a copy of related RSA's.

(Note: referred to committee on 03/16/2004 as amended to Proposal #1.)

Alderman Forest stated I talked to the City Clerk's office today reference to this. I was under the impression that in committee we voted to send it to the Finance Department and the Assessors to find out what this would cost us and come back to the committee. Now I understand from the Clerk that there was supposedly a motion made to send it to the full Board and I...I'm not going to disagree with the minutes of the meeting, but I was under the impression that we tabled it to come back to our committee, so I was a little surprised to see it here.

Alderman Porter stated as I recall a motion...this came onto the floor and I tried to amend it but it wasn't the proper time, a bit later in the meeting I believe Alderman DeVries did make an amendment that should be coming or should have come to the Finance Committee, would it be appropriate at this point, can I make a motion to amend these at this time.

Mayor Baines answered yes an amendment could be accepted. Just so I can read them for the record. Income limitations for single: from \$24,400 to \$30,000; joint: from \$34,400 to \$60,000; asset limitations; from \$75,000 to \$100,000.

Alderman Porter stated my amendment would be to change the single income limitation from \$24,400 to \$27,500 and from \$34,400 to \$38,500, leaving the asset limit at \$75,000. I think that this would be reasonable. It would increase the potential for some of the elderly without breaking the bank in this year with the budget the way it is.

Alderman DeVries stated and certainly Alderman Porter I thank you for the credit for that but since I don't sit on the Committee on Administration, I certainly did not make that motion to send it to the full Board. At this time though because this is an item that will have an impact to the taxpayers of the City of Manchester, I do not feel that we should be taking action on this. I would be glad to accept the amendment and to change the language on this, but then I believe it should be tabled so that we are not taking action on this this evening.

Mayor Baines stated we could do two things. We can vote on the amendment and then after we vote on the amendment, the motion come back up and I'll entertain a motion at that time.

Alderman DeVries stated that would be fine.

Alderman Lopez stated I think in conversation with the whole Board, it was referred to the Finance Committee; I don't know exactly who made it. But I think an explanation as the percentage of increasing it because the cost of living throughout the number of years to bring this up to date and I would ask Alderman Porter if he could address that.

Alderman Porter responded my rational Your Honor and Mr. Tellier is here if you'd to make any comments. Part of the assessment review requires that property record cards, ratio and another portion is that exemptions are properly audited, if you will. If the Assessors review and requalify the elderly over the summer as part of that assessment review process, it could be very likely that a person who was on the borderline back in the last time it was done, could be easily put out of receiving the exemption because of increases in Social Security. And I don't think that this would be the intent. For example, if someone had an income of \$24,000 seven years ago or six years ago, given the two or three percent increases in Social Security, that would put them up over the limitation of the \$24,400 but yet still be within the \$27,500. So I think what I'm trying to do is protect a number of the people who are presently on it, also have this in conjunction with the Assessors reviewing and requalifying the elderly and other exemptions, but not to put anybody out of the ability to receive this exemption, simply because they received a COLA from the Social Security.

Mayor Baines stated Alderman Porter, the Clerk has not asked to clarify because the response to my original question that aren't there some errors here, the answer is yes.

Deputy City Clerk Johnson stated I guess what I want to clarify is that if you read the agenda...the agenda that was given to you it refers to Proposal 1 as being the amended form of that report, which is really what's before the committee. And if you look at the attachment on that, it states that the committee report as it read was amended to Proposal 1 of the handout, and Proposal 1 is included also in your package as Item 12. And then on motion of Alderman Shea, seconded by Alderman Garrity, it was referred back to the Committee on Finance as amended to be discussed with the budget. So what the committee was doing was sending out to the full budget Proposal 1, which is the second page in essence of Item 12 and it shows as, it says present and then it says Proposal 1. Proposal 1 is really what's before you. Now you can change it to anything else, but in essence what you're doing is amending a report to something that its already been amended to. It's been amended to Proposal 1, and that's what's before the committee at this point to discuss as part of your budget process. That's what the committee referred out.

Mayor Baines stated so all we want to clarify is that the proposal is in line with the numbers that were given by Alderman Porter. So we really don't need an amendment?

Deputy City Clerk Johnson replied that's correct. Those are the numbers that are actually before you now.

Alderman Porter stated I withdraw my motion for amendment.

Alderman Lopez stated I think it's a very important issue in reference...can ask the City Assessor to come up please. Because I think we all understand dollars and what this really means and if we go by this and I think this is very important for us to vote on it, but understand what this really means in dollars, not in dollars, but in cents.

Steven Tellier, Chairman Manchester Board of Assessors, stated if this portion is adopted, we're estimating approximately it could impact about \$10 million in assessment. \$10 million in assessment is about \$.05 cents on the rate. It may not even reach that. What Alderman Porter has alluded to is exactly correct, were the Board to requalify all of the elderly, this would keep those that are presently enjoying that benefit from being knocked out. So all of those statements were absolutely correct; it would be a modest and very nominal adjustment to the tax base and we believe to the budget as well.

Mayor Baines stated so otherwise we as Alderman Porter stated, we would be penalizing people, elderly, just for receiving their COLA. So they would be penalized and not qualify when we go through the requalification.

Assessor Tellier responded that's correct. Alderman Porter noted the fact that the last time these were adjusted was for the last reval which was in 2001. So we've had a number of years since and the adjustment has a great deal of proportionality to it.

Alderman Lopez stated and I think that's very important and I thank the Assessor for clarifying that and when it comes for a vote, I'll ask for a roll call.

Alderman DeVries asked we just called for a vote so you would not entertain a motion to table?

Mayor Baines replied well right now we're still having discussion.

Alderman Guinta asked Steve, why wouldn't we just...if Alderman Porter's amendment or what came out of committee, which is what Alderman Porter is referencing, if that essentially keeps us at the same rate, why wouldn't we then increase it to the \$30,000, \$60,000 and \$100,000 to try to give a little additional relief to the elderly?

Assessor Tellier replied the \$30,000, \$60,000 and \$100,000 would be a significant increase. It could double the exemptions and the impact...

Alderman Guinta interjected so instead of \$.05 cents it would be \$.10 cents?

Assessor Tellier replied the magnitude would be we could possibly take \$100 million off the tax rolls. Because you're talking in the sense of doubling, not just adjusting for the CPI to the previous levels, what you're talking about is opening it up to a significant portion of additional applicants as well.

Mayor Baines stated that could be up to \$.50 cents on the tax rate.

Assessor Tellier responded it could be more than that.

Alderman Porter stated I think it's important to understand that, Alderman Guinta, it won't increase the assessment, it would increase the number of people who are qualified to receive the exemption and if people have an income of \$60,000, I feel why shouldn't they pay their taxes and that's not trying to be a hard nosed approach, but I think that that is the purpose not to increase the exemption dollar amount because that is controlled by the tax rate. If there's a tax rate increase, then the exemption amount would also be automatically increased because it's applied to the assessment, but I think to expand it to the \$30,000 and \$60,000 would open up the flood gates so so many more people would be eligible, you would in essence be almost wiping out all of the gain of any tax base growth that we would have had this past year.

Mayor Baines stated there are a number of young families that are paying mortgages with less income than that that are struggling with families right now too. So there's a lot to take into consideration here.

Alderman DeVries stated and I want to make it clear. I certainly do think that we should be looking at a, if you would, cost of living adjustment to keep the dollars current for those elderly that are currently on the program so they do not fall off the rolls. I do not think that we should be voting on this tonight until we have a clear picture of the magnitude of the dollars that we are looking to make up within our budget, which potentially is \$4.5 million, which will have a very significant impact on those same families that are struggling. I just do not think that we should be entertaining this tonight. I believe it should be tabled and we should deal with this after we have a more certain picture of the financial future for our budget this year.

Alderman Shea stated I kind of disagree. I feel that we received something from the Assessor, which is probably in line and I really think that to put it off, Your Honor, would make no sense to me personally. And, therefore, the amount of people that are on it now would probably be slightly increased, but to prolong the

agony really make no sense, so I believe that we should make a decision this evening.

Assessor Tellier stated if I might add. Again, we feel after all of the calculations we made that it would be a very modest and minor adjustment to the tax base. It's absolutely in keeping with the meager increases that the elderly have received over the number of years and certainly this Board will revisit the elderly exemptions pertaining to the next time the City goes through a revaluation. So that would be an additional time at that time to decide whether they wish to expand the exemptions or keep them the same. So you'll have another opportunity to revisit that issue.

Alderman Forest stated I have a question of Steve and then a comment. Steve you mentioned something that it would add \$10 million? Was that your number?

Assessor Tellier answered no, it may deduct approximately \$10 million to the present tax base.

Alderman Forest asked and you said it was going to be \$.05 cents?

Assessor Tellier answered \$10 million in assessment equates to approximately \$.05 cents on the tax rate.

Alderman Forest stated I may be lost here and that's probably why I'm asking this question. I was under the impression that \$1 million was \$.19. something cents on the tax rate.

Assessor Tellier replied \$1 million in cash, you're right.

Alderman Forest asked in cash?

Assessor Tellier answered that's correct.

Alderman Forest stated and the comment I had and again I'm willing to vote tonight on Alderman Porter's amendment, but maybe its what I said at committee. I was under the impression that it was going to the Finance Officer and the Board of Assessors. I may have said committee in there, that's probably how it ended it here, but I'm willing to vote.

Alderman Roy stated I'd like to strongly support Alderman DeVries. A number of weeks ago I asked the Board to get all of the information before they move on issues. We have \$4.5 million outstanding that we'll know by sometime around 5 o'clock tomorrow evening whether or not its going on our lack of revenue side and

I would ask all of the members to support me as they did a few weeks ago when I came to tabling the school budget we didn't agree with, or had some fine tuning to do to. By looking at this is the same way we look at every expenditure and every revenue, let's get the facts, take our time, do the right thing for all citizens, not just the elderly, the Veteran's, but working families and people of Manchester.

Alderman Roy moved to table this item. Alderman DeVries duly seconded the motion. Alderman Lopez requested a roll call vote. Aldermen DeVries and Roy voted yea. Aldermen Lopez, Shea, Garrity, Smith, Thibault, Forest, Guinta, Sysyn, Osborne, Porter and O'Neil voted nay. Alderman Gatsas was absent. The motion failed.

Alderman Shea moved to amend the single income limitation from \$24,400 to \$27,500 and joint income limitation from \$34,400 to \$38,500, leaving the asset limit at \$75,000. Alderman Garrity duly seconded the motion.

Alderman Osborne asked Steve, what would it mean if we left it the way it is as compared to what Alderman Porter has stated? If it's left just the way it is?

Assessor Tellier answered then there would be no anticipated reduction to the present tax base. we're anticipating that not only should we requalify everyone that those getting that benefit will retain that, but you're opening up the umbrella a little bit. There will be a few additional people...we're anticipating about \$10 million, it may be less.

Alderman Osborne asked if we held it for a year?

Assessor Tellier answered then there would be no adjustment besides those that either sell their home or move or pass away, but that's usually offset as people get older and they still keep their home, the exemption amount that they qualify for rises so it's somewhat of an offset.

Alderman Osborne asked and you feel this is the way it should be?

Assessor Tellier answered well I feel that this is the least onerous to the tax base. If it's the wish of the Board of Mayor and Aldermen to allow a few extra people, the neediest people to qualify for the elderly exemption, this would be the way to do it without impacting the tax base to the least degree.

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

Mayor Baines addressed item 13 of the agenda:

- 13.** Report of the Committee on Administration/Information Systems recommending that the property tax credits for Veterans be increased from \$100.00 to \$250.00, and for such purpose a resolution has been submitted. The Committee has provided information submitted by the Board of Assessors and a copy of related RSA's for reference.

Alderman Forest moved to accept the report. Alderman O'Neil duly seconded the motion.

Alderman Lopez stated this has been a really debated conversation among some of my colleagues and I believe that we should give something to the Veterans, but in calculation of going from \$100.00 to \$250.00 is really up there in the million dollar bracket. And knowing what the budget is, I'm offering an amendment tonight that we take care of the Veterans for the next three years so that we have some type of guidance to move forward. In the 2005 budget I'm offering an amendment from \$100.00 to \$150.00. After talking to the Assessors that would increase by \$191,000 versus \$381,000 and the other... Can we take both of these at the same time?

Mayor Baines answered the way I understand it, you can't bind the next Board you can only deal with it one year at a time.

Deputy City Clerk Johnson stated we're not talking about appropriations, we're talking about exemptions so it's not the same category.

Alderman Lopez continued what I was going to recommend that if we look at the 2005 budget we increase \$50.00 from \$100.00 to \$150.00. Carol can we do three years or not on exemptions?

Deputy City Clerk Johnson asked so you wanted to go from \$100.00 to \$150.00 in the next fiscal cycle and then increase it \$50.00 each year thereafter?

Alderman Lopez answered in 2006 budget we'd increase it another \$50.00 and go from \$150.00 to \$200.00 and then in the 2007 budget we'd increase by \$100.00. it would go from \$200.00 to \$300.00.

Deputy City Clerk Johnson stated my suggestion is because we'd have to come up with some language to cover that is perhaps to amend only for next year for now, and while it's laying over we can come back with the language and the Solicitor can review it for legality. But certainly I know it's easy for us to do substitute numbers so that part we can do right up front for the next fiscal cycle if you want.

Alderman Lopez stated looking at this, is in the 2005 budget we'd increase the Veteran's exemption from \$100.00 to \$150.00; in 2006 from \$150.00 to \$200.00; and in the 2007 budget from \$200.00 to \$300.00 on the Veteran's exemption and we'll deal with the disability on the next one.

Deputy City Clerk Johnson stated I guess Your Honor what I'm looking for is that he strictly keep his motion for now for fiscal year 2005 from \$100.00 to \$150.00

Mayor Baines stated and then we'll deal with the others through Resolutions.

Deputy City Clerk Johnson stated we'll bring you back language to cover the other and let the Solicitor review it beforehand.

Alderman Lopez moved to amend the property tax credits for Veterans for fiscal year 2005 as recommended by the Committee on Administration/Information Systems from \$100.00 to \$150.00. Alderman Garrity duly seconded the motion.

Alderman Smith asked Steve do you have any idea how many Veterans, because I know a lot of Veterans have not applied for an exemption and they're not receiving one. Do you have any idea what the estimated cost would be for year 2005?

Assessor Tellier answered yes; \$50.00 would probably be about \$.03 or \$.04 cents on the tax rate. It would be a \$191,000, what Alderman Lopez was reported, which is accurate.

Alderman Smith asked do you know how many Veterans are entitled? I don't think you know. I don't think anybody knows.

Assessor Tellier answered I don't. We get the information out on the tax bill, we talk about it and the word gets out to the Veteran's organizations. We have presently 3,831 Veterans qualified receiving the Veteran's exemption presently.

Alderman Smith asked we're two of us right here and we haven't applied for an exemption yet. I'm saying if you increase it there's going to be more people coming in, that's why the cost is going to be greater. That's why I'm bringing it up.

Assessor Tellier stated it may be Alderman, but a great many of the Vets do know. That's like the elderly as well. we try to get the word out and as quick as they come in and the word gets out, if they fulfill the letter of the law, we get them on the books.

Alderman Garrity asked Alderman Lopez is it your intention to do it a 3-year span to get it up to \$300.00?

Alderman Lopez answered yes. To answer your question as you're well aware the State has authorized cities and towns to go to \$500.00 and after doing some research with the Tax Assessor, most of the cities and towns are doing it in three years and some are doing it in four years in order to not have a great impact on the budget all at one time.

Alderman Garrity asked can we do that in a three-year time?

Mayor Baines replied I think what was said is Carol said she needs some time to look at the Resolutions that would cover that, she would bring them in at the next meeting so we're doing it properly through Resolutions.

Alderman Garrity asked so what we're voting on tonight is just year one from \$100.00 to \$150.00?

Mayor Baines asked Steve is there something you'd like to add to that?

Assessor Tellier stated I think the Board will find that that's within their purview what Alderman Lopez is proposing.

Alderman Forest asked I know on the Resolution we're asking to go from \$100.00 to \$250.00 and I think that's what we agreed on in committee. Now you want to change that to only go up by \$50.00? is that what you're telling me?

Mayor Baines replied the first year.

Alderman Lopez stated yes the first year after looking at the budget. If we went to \$250.00, the figure is...?

Assessor Tellier answered if you went to \$250.00 it would cost...your total Veterans would go to \$957,750.

Alderman Lopez stated so let's say \$1 million if we went through route and analyzing it a little bit, and I know talking to some of the other Aldermen and the way the budget situation is, but looking at what the State has done and other cities and towns, I think it's appropriate to do something in year one.

Mr. Clougherty stated I was just saying Mayor that maybe it's something you can refer to tomorrow night that would give us the day to talk to legal and get you an answer.

Deputy City Clerk Johnson stated you could just move to refer it to tomorrow night's discussion would be appropriate. The easiest way is to just to make a motion to refer it to tomorrow night's discussion, it's officially then on tomorrow night's agenda, we can take it up there, and I'll bring back some information and review with legal in the meantime.

Mayor Baines asked is there inclination of the Board that they want to do that?

Deputy City Clerk Johnson stated the previous motion would have to be withdrawn or you can table it until tomorrow night. You could do it that way.

Alderman Lopez stated I think the will of the Board and I asked the will of the Board to pass this and let them do the administrative process, whatever they have to do for tomorrow night. Let's not have them go through all of the administrative process if you have no will to give \$50.00 to the Veterans and so I think we ought to vote on this and then let them do the administrative paperwork that they have to do.

Alderman Guinta asked Steve, an increase to \$150.00, what is that to an average homeowner who happens to be a Veteran? The average home price is what, \$150,000? So what are we giving them for \$50.00?

Assessor Tellier answered if I get the understanding right, it's a modest increase to the Veterans and it's a show of support and increase in the benefit.

Alderman Guinta asked what is the dollar amount?

Mayor Baines interjected his question is what would it cost the average property tax owner who owns a \$150,000 house to support the cost of this exemption.

Alderman Guinta stated no. I'm trying to find a Veteran homeowner who happens to own the average house of \$150,000, what benefit is he or she going to receive?

Assessor Tellier answered the Veteran's credit is a straight cash amount. So instead of...if they're paying \$3,000 in taxes, they're previous deduction would be \$100.00, now it's \$150.00. It's a straight amount.

Alderman Guinta stated I don't know Alderman Forest was going down this road, but I don't think that that's a realistic increase. The committee was recommending \$250.00, I think let's give the Veteran's something reasonable.

Mayor Baines interjected that would be \$1.9 million impact on your budget.

Alderman Guinta stated I understand that. we've been talking about choices for the last six weeks and to now because of the situation we're in, place this burden on the Veteran doesn't make sense to me. It sounds like that's what we're doing.

Alderman DeVries stated my first question. the potential tax impact cents or dollars per thousand of the \$4.5 million that we may have to include for the shortfall of revenues so we can start comparing apples to apples. Finance can you tell me the impact, no in percent increase of our budget, that is approximately what? \$.70 cents per thousand.

Assessor Tellier answered it's almost a dollar.

Alderman DeVries stated we just passed a change that will increase that to \$1.05 for the elderly exemption, we're looking in front of us at a potential another \$.04 may \$.05 cents if more Veteran's apply for it, increase. I would once again ask that we wait to see if we are passing a \$1.10 onto all of our taxpayers no matter what their economic category is or if we are going to be looking at these as individual items. Because they take on a whole different light once we take the \$1.00 per thousand valuation out of the picture. In clear conscience I can not support it tonight, I certainly might be able to tomorrow night when we have a clearer picture of where our budget is going. this discussion should be tabled. I would also remind you that this particular Veteran's exemption is not tied to an economic means. So whether you live in a \$500,000 house or a \$50,000 house, you get the same exemption and I'm having problems with that when we are looking at potentially a \$1.00 per thousand increase to all of our economic categories. We should not be discussing this tonight. The discussion should be tomorrow night.

Alderman Porter stated I'd like to clarify something. A \$50.00 increase is \$191,550. That represents \$.036 cents on the rate. I don't know where the dollar is coming from.

Mayor Baines replied the \$1.00 is the \$4.5 million education money.

Alderman Porter stated but just to throw it out. it is \$.036 cents on the rate, would be the \$191,550.

Alderman Roy stated it seems like I'm agreeing with Alderman DeVries this evening. Just some quick numbers. If we pass the next two items, this Veteran's credit and the next item for \$1,400 to \$1,600 for disabled Veterans. We are looking at a \$253,950 difference from last year's budget to the tune of a total of \$819,000. I strongly support our Veterans, I definitely support our disabled Veterans, as I support our elderly, but once again I believe this decision is

premature. None of these Veterans will be able to take advantage of this in the next 24 hours. They will take care of it next fiscal year. So I think we're rushing our decision in making this, this is not a question of support for disabled Veterans or Veterans or the men and women that serve this country, it's a budgetary concept, this is an expenditure and until we know the facts, we should not make decisions.

Alderman Forest stated one correction. Alderman DeVries mentioned that there's \$250,000 is for disabled, that's the next item. The other thing is we spend a lot of time hemming and hawing and coming down with this figure in committee. We checked with the Assessors and I believe we were checking with the Finance Officer and it wasn't that major or an impact on the tax rate and I believe that the Veterans deserve this and I think we should vote on it.

Mayor Baines stated its \$1.9 million impact on the tax rate. That's almost \$.40 cents on the tax rate. How can anybody...

Alderman Forest interjected I don't believe that figure, but it was less than that in committee and I think...

Mayor Baines asked Mr. Tellier is that the estimated cost if we go to \$250.00?

Assessor Tellier answered if we were to go to \$250.00 it would be almost \$1 million for the Veterans and to go to full amount would be another \$91,000. So it will be about \$1.2 million.

Mayor Baines stated you can not say that that's not a significant impact on the tax rate.

Assessor Tellier answered that's if we were to go to \$250.00. from what I understand what's presented was to go in increments starting with \$50.00 and I've reported on that.

Mayor Baines stated I think Alderman Lopez laid out the fact that this is how a lot of communities are dealing with this. They're dealing with it incrementally so that there is not that kind of a substantial hit on the tax rate and I agree. I'm a Veteran myself. I'm all for Veterans here, but we have an overall budget picture that we're trying to look at but to be fair to everyone. And I think Alderman Lopez is moving in that direction.

Alderman Garrity stated I have a couple of comments about the comments from Alderman DeVries and Alderman Roy. They sit here and they say that we ought to table because we don't know what's going to happen with the \$4.5 million.

Well, there was a motion last meeting to table the School District budget last week, and that had \$137.5 million impact to the taxpayers of Manchester and we sit here and we nickel and dime the Veterans and the senior citizens to table this and it's \$.033 cents on the tax rate for this particular item. If you're going to walk the walk, then walk the walk, but don't sit here and argue for a tabling motion because we don't know what's going to happen with \$4.5 million and then the week before you move the School District budget \$137.5 million and we don't know what the State is going to do with school funding.

Alderman Lopez stated I thank Alderman Garrity for those comments. I totally agree with him in standing up for the principle of the Veterans. I look at this a different way. I look at it as a problem. the \$4 million is a problem, but you can't solve every problem there is. what's at stake here with the elderly, we just voted on increasing theirs because it's the only right thing to do. Take the responsibility that we have and let's attack the problem as is. Now \$.036 cents is not going to break the bank. \$1.6 million added onto this budget in which the Mayor has already alluded to that in conceding that particular factor, the Veterans are not greedy, so to speak, but somebody took the wisdom at the State level to make it \$500.00. If we wanted to give \$500.00 we could do that, but as time goes on and we manage this thing properly we'll get to the \$500.00. so let us attack the problem what it is and let us not put something off that is our responsibility to make a decision on.

Alderman DeVries stated I just wanted to respond to Alderman Garrity's comments. when we passed our school budget, it was the night before the Committee on Commerce or two days before the Committee on Commerce rendered a decision. At that point in time, all of the proposals that were being circulated at the State had the City of Manchester receiving in the range between \$45 and almost \$48 million revenue coming into the City. there was no way of knowing that they were going to short us the \$4.5 million at that point in time. We made a decision that we were going to fund education, we did not want to lose out on any of the hirings that are taking place at the school, and like many of the school districts in the State of New Hampshire today who had passed their budgets back in March, we are sitting in an economic turmoil type situation. We feel in the next 24 hours we may have some better direction as to what the House of Representatives will be voting tomorrow, whether they will be supporting the City of Manchester receiving \$4.5 million less than had ever been spoken of previously this year, or whether we will be returned back to what we feel is adequate funding for the education of Manchester students. We will know that tomorrow and I think that will ease a lot of our consciences as we take some of these votes. And I would ask once again, to lay this discussion, I do not want to appear that I am not in favor of assisting our elderly, assisting our Veterans, or our disabled Veterans,

that is not the case. This is just a premature discussion today and I will offer again, can we table the discussion.

Alderman DeVries moved to table the discussion. There was not second to the motion.

Alderman O'Neil stated Your Honor, its unfortunate that we're having this discussion tonight. It's either the right thing to do today, or it's not. It should all hinge on what happens in Concord tomorrow. I hope the Legislature is going to do the right thing, but the City of Manchester is not going to stop if the Legislature does not defeat that bill tomorrow. We have some tough decisions to make, but if it was the right decision yesterday, it's the right decision today and it will be the right decision tomorrow. I urge my colleagues to support this.

Mayor Baines stated there's a motion on the floor to increase the exemption from \$100.00 to \$150.00 in fiscal year 2005. There's been a lot of discussion.

Mayor Baines called for a vote on the motion. The motion carried with Alderman Forest, DeVries and Guinta duly recorded in opposition.

Mayor Baines addressed item 14 of the agenda:

- 14.** Report of the Committee on Administration/Information systems recommending that property tax credits for Veterans with service-connected total disability, and their surviving spouses, be increased from \$1,400.00 to \$1,600.00, and for such purpose a resolution has been submitted. The Committee notes it has provided information submitted by the Board of Assessors and a copy of related RSA's for reference.

Alderman Lopez moved to amend the resolution from \$1,400 to \$1,450. Alderman Shea duly seconded the motion.

Alderman Guinta stated obviously this issue is going to follow the same sentiments of the vote prior to this and what I want to say is that in principle I agree with Alderman DeVries. I think that this Board should be prudent and I think that that prudence should be utilized at every vote, not just when our backs are up against the wall. So I think that some people on this Board made a mistake in voting for the school number. That's fine, but she is right that we shouldn't be voting on this today until we know what our fiscal situation is tomorrow. Beyond that, I don't think that we should be reducing the Veteran's credit simply because we made a mistake last week as a Board, and that's what we're doing. To me if

you're going to give an exemption to the Veterans, it should be a reasonable one, not \$50.00.

Mayor Baines stated just a question. We're not decreasing it, we're increasing it and we're not just increasing it to the original amount because of the situation that's been explained. But we're not decreasing, we're increasing the benefit.

Alderman Guinta moved to table this item. Alderman DeVries duly seconded the motion. Alderman Forest called for a roll call vote. Aldermen Roy, Guinta and DeVries voted yea. Aldermen Forest, Sysyn, Osborne, Porter, O'Neil, Lopez, Shea, Garrity, Smith, and Thibault voted nay. Alderman Gatsas was absent. The motion failed.

Mayor Baines called for a vote on the amendment to the resolution. Alderman Forest called for a roll call vote. Aldermen Sysyn, Osborne, O'Neil, Lopez, Shea, Garrity, Smith and Thibault voted yea. Aldermen Forest, Roy, Guinta, Porter and DeVries voted nay. Alderman Gatsas was absent. The motion carried.

Alderman Lopez moved to approve the resolution as amended. Alderman Shea duly seconded the motion.

Alderman Porter stated the reason I voted no and I'm seeing this for the first time and I think this is part of the confusion. I know on my part I'm not confused about the numbers. I was going to ask my distinguished colleague Alderman Lopez to consider doing it in two incremental steps. Going from \$1,400 to \$1,500 and then to \$1,600. The reason for that is we are looking at an expenditure of \$30,600. I we went to the \$100 it would be \$15,300, by going \$50 we're saving about \$7,650 or something along that line. Can I make a motion to amend the other or where do we stand at this point.

Alderman Porter moved to amend the amended resolution from \$1,450 to \$1,500. Alderman O'Neil duly seconded the motion.

Alderman Guinta stated I would encourage the Board to move it up to \$1,600. Let's do what's right and what everybody wants to do anyway.

Alderman Roy stated we just passed, which I disagree with passing it, if it's anything spending money tonight, we should not be passing it. I'm not looking at that this is elderly or Veterans, I'm looking at it as passing an expenditure that we wait 24 hours to do. But if we're going to do this, I do agree with Alderman O'Neil, we should not be shortchanging the Veterans. We're looking at a \$30,000 increase to go from \$1,400 to \$1,600, when a few minutes ago we just took a \$253,000 increase moving \$50 for non-disabled Veterans. If we're going to do

this tonight, let's do it right. Not nickel and dime it down to a \$21,000 increase. If we're going to do things tonight and not wait until tomorrow, then let's do them right. Move it to the \$1,600, we have 153 disabled Veterans to take advantage of this, the fiscal impact is \$30,600, let's do it right. If we're going to do it tonight, let's make sure we take care of the people we're supposed to be taking care of.

Alderman Porter withdrew his motion to amend the amended resolution.
Alderman O'Neil withdrew his second to the motion.

Alderman Porter stated I agree with Alderman Guinta. The cost impact isn't that great.

On motion of Alderman Porter, duly seconded by Alderman O'Neil, it was voted to amend the amended resolution from \$1,450 to \$1,600. There being none opposed, the motion carried.

Deputy City Clerk Johnson stated the main motion is on floor, which basically is the same motion you started with.

Mayor Baines called for a vote on the main motion to approve an increase from \$1,400 to \$1,600 in property tax credits for Veterans with service-connected total disability, and their spouses. There being none opposed, the motion carried.

Mayor Baines stated we need to go back to Item 13 and take the final vote on increasing it from \$100 to \$150.

Deputy City Clerk Johnson stated where the confusion is coming in, there is a resolution proposed and so your resolution would now read \$150.

Mayor Baines called for a vote on Item 13 to increase the property tax credits for Veterans from \$100.00 to \$150.00 in fiscal year 2005. The motion carried with Aldermen DeVries and Guinta duly recorded in opposition.

Mayor Baines addressed item 15 of the agenda:

15. Appropriating Resolution:

“Raising Monies and Making Appropriations for the Fiscal Year 2005.”

- a) Discussion regarding non-departmental accounts.
- b) Budget proposal submitted by Aldermen Guinta and Garrity.
- c) Communication from Alderman Lopez regarding HR Employee Training and Development.
- d) Communication from the Quality Council relative to the proposed FY2005 budget.
- e) Communication from the City’s Internal Audit Manager relative to additional information of Fire Department overtime.
- f) Communication from the City’s Internal Audit Manager relative to Police Department vehicle purchases.
- g) Communication from the Public Works Director regarding landfill post closure monitoring funding.
- h) Communication from the OYS Director advising that his proposed budget will be short \$10,920 in the salary account.
- i) Public Access Television.

On motion of Alderman Shea, duly seconded by Alderman Smith, it was voted to visit this item at the May 25, 2004 Finance Committee meeting.

Alderman Lopez stated I have a comment in reference to passing the school budget. I think it was responsible for us to do that. I don’t believe that we would take \$4 million or \$5 million out of the school budget and create havoc in our school system. So I resent that we made the wrong decision; I think we made the right decision, a responsible decision for our schools. I just want to clarify that. I just want to make sure that people are not speaking for me that I made the wrong decision in voting for the school budget.

Alderman Guinta stated I wasn’t speaking for Alderman Lopez, I was speaking for myself. I presented a budget number with Alderman Garrity. I know Alderman Gatsas did. All throughout the process we talked about the possibility of not knowing what the adequacy number was, and my point was I think as a matter of policy it’s responsible and prudent and wait and verify the best we can the revenue projects. I think it was an error to just not wait or I think it was an error to vote on that third vote, because we could have laid it over and voted on it tomorrow.

That's my point and then we would have a different perspective on these issues for the elderly and issues for Veterans. That was my point Alderman.

Alderman Shea stated as Chairman of the Board I certainly appreciate all the members of the Board that worked so closely together, we appreciate all of your efforts.

There being no further business, on motion of Alderman Shea, duly seconded by Alderman Garrity, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee