COMMITTEE ON FINANCE

May 1, 1996 **7:00 PM**

In the absence of Mayor Wieczorek, Chairman Wihby called the meeting to order.

Chairman Wihby called for the Pledge of Allegiance, this function being led by Ald. Clancy.

A moment of silent prayer was observed.

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

PRESENT: Ald. Wihby, Reiniger, Sysyn, Clancy, Shea, Domaingue, Pariseau, Cashin, Hirschmann
Ald. Elise and Soucy arrived late.

ABSENT: Ald. Robert

MESSRS.: R. Sherman, H. Moran, Chief Favreau, Asst. Chief Driscoll, P. Beaudoin, L. Bernard, F. Afshar, L. Lamontagne, Dr. W. Jack, R. Descheneau, M. Burkush

Chairman Wihby stated due to Mr. Clougherty's being ill, Mr. Randy Sherman would present the Finance Department's budget.

FINANCE DEPARTMENT

Mr. Sherman stated he really did not have much to say about their budget as it was a pretty bland budget; that they had the same complement that they'd had for the last couple of years; that the total budget increased just over $33,000 and $45,000 of that was the step in COLA's which would be kicking in; that they striped out all of their capital requests to try to absorb some of the salary items noting that the Mayor had cut them in seven line items with the only one causing them great concern being in the postage line item, but it was only $1,800, was not a lot, and they would try to do whatever they could to shift some other line items around; that there was one new line item (microfilms) which had jumped considerably fro $50 to what the Mayor had of $2,000; that in past years they had always handled it as a special project account but to be consistent they'd moved it up into the line items; that the real concern he wished to address were the departmental revenues which were down almost $250,000 from previous years; that the major items were interest earnings which a year ago at this time they were earning over six percent on their investments and presently approaching five percent on the way down and were not getting the same types of earnings they were getting last year which was $150,000 of the $250,000; that the other items were the Airport reimbursement which had gone from $75,000 down to $30,000 which was just in line with what the departments were requesting.

Ald. Domaingue for purposes of clarification thought that the Airport had appeared before the Board telling them that the $30,000 was up to $60,000.

Mr. Sherman stated he had not talked to Fred noting he had heard that but did not know where Fred was coming up with that number, but if he could show Finance those figures they would gladly adjust it; that they were billing them about $10,000 per quarter and could maybe go higher, unless Fred was including increased wages and whatnot.

Chairman Wihby indicated the Mayor's and Aldermen's budgets would be addressed today instead of May 6th and would place the Non-departmental on May 6th.

Ald. Hirschmann stated for the size of the department asked how come there was $75,000 in the Incidentals account as it seemed like a big number for a department of their size.

Mr. Sherman replied they used Incidentals for a couple of things such as Bond Counsel for legal opinions for all of the bonds sold or had outstanding or CIP questions and those types of items and they also had their Finance Advisor included who advised them on Wall Street items, handled bond sales, and had dealt with issues such as UNH, US FIRST, CenterPlex, etc.

Ald. Hirschmann asked why those weren't listed under contracts, were those people kept under retainers.

Mr. Sherman replied most of the contracts were based on activity, so if there was a bond sale they would get paid based on the size of the job such as CenterPlex where research was being done where they would get paid on a hourly basis.

Chairman Wihby asked if anyone wanted to go over the cuts with the remaining departments while they were present or did they prefer to address it at a later time.

Ald. Clancy asked if there were any monies put into the budget for the civic center/CenterPlex revenues.

Mr. Sherman replied, no; that the base amount of the Rooms and Meals revenue was in the budget, but the increment was not.

Chairman Wihby asked the Board to review the submittals relative to the one, two, or three percent cuts.

Mr. Sherman in reference to the one, two, or three percent cuts stated they had looked at the bottom line which did include items such as Incidentals, Auditing, and Actuarial Services and debated as to whether they should touch those, however, they felt they really weren't theirs to touch, but they still did try to come up with the three percent cuts; that they did have a vacant position that being the one which oversaw the payroll area noting they had kept the position vacant for a while because they knew they'd be bringing in a new system and felt that it gave them the flexibility to deal with some budget cuts and they didn't want to bring in an individual, train them on one system, and then turn around and train them on a second system; that they were proposing that with a one percent cut they would delay filling that position; that with a two percent cut they probably could have mixed filling that position and a layoff but they felt that getting that person on board was crucial seeing that they were actually going to be in the selection process by mid-summer so they were offering to eliminate one of the positions in the department that was presently filled and with the three percent cut they would do a combination of those two - eliminate the one position and delay the hiring of the other position.

Chairman Wihby stated the payroll manager would still come on in September with a two percent cut, but would layoff somebody else.

Mr. Sherman replied they would try to get the payroll manager on earlier noting they would be on the next Personnel Committee agenda asking to try and get that position filled; that ideally it would be good to have that person on while they were going through the selection process and if that wasn't possible at least at the point where they were loading the system up and running parallel payrolls was the point at which they would try to get them on.

Ald. Pariseau in reference to the brown book stated the total salary and wages amounted to $740,007 and in the black book it was $570,535 and asked why that was noting that the other departments appeared to be close, but the Finance Department was off by about $164,000.

Chairman Wihby stated that was probably the Pension payroll; that the Salaries account 110 would be $570,535 with pensions in the other account numbers.

Ald. Hirschmann asked if Randy's scenario was included in the packet noting he could not locate it.

PERSONNEL DEPARTMENT

Mr. Moran stated the Personnel Department recognized that it had the understanding of the budget situation for the upcoming fiscal year and in that view recommended that the Mayor's budget for the department as submitted be approved; that the adjustments from their initial request were noted and had been inspected by each member of the Department; that one of the things he wished to mention was that there were three non-departmental issues that the department was responsible for with one being Employee Medical Services in which they were requesting $50,000 which was an increase from last year; that Tuition Reimbursement which was $61,500 which was as a result of contractual commitments to the various activities, and Life Insurance at $100,000 noting they had no idea what the impact or the debit of that account would be; that the one thing they might have a question for was that they did have an Incidental account in the Personnel Department budget for $10,000 which was the account that David Hodgen used to pay for the cost of labor relations, arbitrations, mediations, and those activities for which the City had to pay as part of his progress noting they had originally requested $20,000 and was cut down to $10,000 and could probably live with that amount; that in conclusion if any of their percentage cuts requested the Honorable Board consider that smaller department such as the Personnel Department, Elderly Services, etc. although they would be pleased to make some sort of a share to a cutback it was very, very difficult for the small departments to take an across-the-board percentage cut and still maintain their operational capabilities.

Ald. Hirschmann asked why would the Personnel Department need overtime.

Mr. Moran replied it was not funded but the reason he had requested the overtime was that recently they had a new computer system and would like to have the staff be able to work to transfer the manual records into the computer which could best be done at other than operational or duty hours noting they had asked for $4,000 and was not funded by the Mayor, so they would accept it not being accepted and would do the best they could to complete that requirement.

Ald. Shea in reference to Tuition Reimbursement asked what it applied to.

Mr. Moran replied it applied to the City's responsibility to both the bargaining units and non-affiliated to complete the educational processes for the various employees; that in general the program supported 75 percent of an employee's cost of a course with such course requirement being based on contractual requirements; that each bargaining unit and non-affiliates also had a total allocation limit, so when the employee exceeded his or her limits and when the entire group exceeded their allocation there was no further use.

Ald. Shea noted in 1996 $21,161 was used.

Chairman Wihby stated that was the total 1996 obligations as of April 2nd and asked if there was a one-time number when it would come out in the next three months.

Mr. Moran stated there were individuals who had encumbered classes which still needed to be paid for.

Ald. Domaingue asked if Mr. Moran knew what the figure was.

Mr. Moran replied he did not have it with him, but would be pleased to check it out.

Ald. Domaingue asked if it met the $61,500.

Mr. Moran replied it would probably be in the neighborhood of another $15,000 or $20,000, but did not have an exact number at the moment.

Chairman Wihby asked Mr. Moran to discuss the one, two, or three percent cuts.

Mr. Moran stated the one percent cut would be approximately $3,000 off the line item budget which would probably be met by further reducing some of the operational line items which had already been cut by the Mayor's Office and also would look at taking another $1,000 from Incidentals with the hope that David's expenses would not reach $10,000; that the two percent was a $6,000 cut and would reduce the extended workweek for three employees, two clerical employees and a professional to 37 1/2 hours which would be for six months only; that a $9,000 cut or a three percent cut would curtail all of their additional hours and everybody would be on a regular workweek; that the impact was obvious noting that for at least one year they had had their staff and the hours to get caught up in some of the requirements they had to do and could now look ahead to redo some of the other things that needed to be done and by losing those additional hours it would put a crimp in their planning.

Ald. Clancy asked how many people in the City were on extended workweeks.

Mr. Moran replied perhaps 75 to 80.

POLICE DEPARTMENT

Chief Favreau stated 1995 was a pivotal year in the City of Manchester relative to criminal activity, particularly in the inner-City; that they were at a point in the early part of the year where a bad element from the northern part of the State of Massachusetts entered our City with the express intentions of setting up shop here and selling drugs; that things started to get out-of-hand and what happened in the City of Manchester was a coming together of not only the citizens and the Police Department, but the Board of Mayor and Aldermen also joined in the fight and was able to come up with the resources necessary for them to initiate the many programs that they did in 1995 to put a halt to the growth in this very dangerous activity which resulted by the end of the summer in the ability of the people who lived in that inner-city to finally come out of their homes and walk the streets of the City of Manchester and what they were asking for and had talked long and hard with the Mayor and his staff was the resources to continue the programs they had initiated in 1995 and continue to make the City of Manchester a safe place to work and live and would let his Assistant, Mark Driscoll go over quickly with the Board what exactly they were asking for.

Asst. Chief Driscoll in reference to page 2 of the handout entitled Manchester Police Department Complement stated their approved complement was 242 individuals which included a new PBX/911 Operator at a cost of $19,011 with the total cost of their salaries this year was $7,708,838 which was fully funded at this time by the Mayor's Office with his recommendation noting that the Police Department was very pleased with it; that the other two categories included in the salaries were the temporary salaries, the overtime, and the special salaries; that on page 3 Breakdown of FY97 Request their salary budget of $9,024,816 was 92 percent of the total allocation with expenses running at about 7 1/2 percent and the capital being a little over a half of a percentage, actually three-quarters of a percent; that on page 4 was a comparison to FY96 and in looking at the three columns (salaries, expenses, and capital) noted the salaries were actually down and were pleased with that even though they were going to...pending the approval of the Board obviously hire a new position and their salaries would still be down $34,897 and believed...and called it the "civilianization" of positions at the Manchester Police Department which allowed them to hire civilians to do the jobs that Police officers were doing and putting those Police officers back on the street and were able to reduce their salary allocation noting they also had some retirements for some people being paid the larger salaries and had some entry level people, so they were very pleased that it was down $34; that their expenses were up four percent and did not feel that was too bad as it was mostly electricity and gas and some of the other utilities; that capital was, in fact, down nine percent as this year they only had $70,000 in capital to work with; that overall their budget was as recommended by the Mayor $9,827,281 which was down $12,000 or slightly under one percent; that the FY97 budget additions was simply the new 911/PBX Operator who would work on the midnight shift noting they presently had a Police officer doing that noting that an entry level salary for a Police officer was $26,000 and that individual would do it for $19,000, so they believed that was a very wise move on their part; that their last year's accomplishments were significant and were very pleased with the progress the City made, the progress the Police Department made which showed some of the highlights such as domestic violence intervention they led the State in that regard and had made some significant gains and were recognized as the leader in the State in that area and doing a real good job; that the School Liaison Officer at Central High School was very well-accepted noting they would like to see that extended to the other two schools which was also in the works at this time; that the Beech Street and West Side Substations had made a tremendous impact on the inner-city and on the west side and money well-spent in their estimation; that the School Gang Patrols they had gone to the Board in October of 1995 asking the Board to fund a gang interdiction school daytime patrol with the Board having fully-supported it which made a world of difference at the three high schools and the three junior highs; that all of the accomplishments with the exception of the next one were new which was the Crime Prevention Initiatives noting they continued to do Lady Beware, the DARE Program, the Great Program and alluded to two programs that within the next month the Chief would announce two new programs which they thought would excite the community and were looking forward to it; that the Nighttime Gang Patrols was working well; that tomorrow night the second Citizens' Police Academy would have their graduation, a real good program bringing people from all phases of the community in to learn what their organization's about, making some real good progress noting those folks were really excited and became their best volunteers at the end of the program; that he would be negligent having mentioned the word volunteers, but if he didn't commend the Board on the action that they took bringing an award to the people at the Voluntary Action Center they and probably every division at the Police Department used volunteers noting they could not get along without them now as they did such a wonderful job, had dedicated people at both of their substations and were almost all fully manned by volunteers; that the Additional Bicycle Patrols were out there now having just received seven new bicycles; that in the upper left-hand corner of the Total Part 1 Crimes report it showed which were the most serious crimes dating back to 1980 and the City was making good progress especially since 1990 where there had been significant decreases, a 9 percent decrease this year and in addition to that indicator the fact that their calls for service had remained the same and the citizen surveys done indicated that people were happier and safer living in their homes and believed they were making progress; that the next page entitled Net Effects of 1, 2, and 3 percent cuts were exactly that and asked Chief Favreau if he wished to address that issue.

Chief Favreau stated the net effect of the cuts would be, in his estimation, severe; that the new 911/PBX Operator would free up a Police officer who shouldn't be shouldered with the task of answering switchboard calls and waiting on customers in the lobby as his place was on the street; that they had tried to civilianize as many positions as they could; that under numbers 2 and 3 under the one percent cut certainly would be a step backwards in their quest to rid the City of those drug dealers coming in here and fight with each other and fight with the citizens living in the City and from them on numbers 4 thru 13 would cost them personnel; that they did not plan to layoff any Police officers as the Board had supported the department in their quest to hire Police officers under the COPS Program, a program which is partly funded by the City and as such they were unable and it would be foolish for them to throw that grant money away by laying off Police officers, however, laying off anybody was a step backwards and in many cases some of the people laid off would have to be replaced by Police officers.

Asst. Chief Driscoll in reference to the Police Department's FY97 additional needs and concerns stated in the salaries, the line items, and expenses had concerns regarding the MER account in that only two of their needed 13 vehicles were funded for this year; that the Police Department as much as they tried to implement the walking foot patrols that Ald. Sysyn and Ald. Clancy wanted to see so bad in the inner-city and the bicycle patrols they still needed cruisers, they needed to have the ability to have their people mobile and get them around from call-to-call and believed that would create a real severe problem; that on the last page was a listing of the vehicles they believed needed to be funded for this year and if the Board did not take some action now so they couldn't order cars in the fall it would be a whole...if cars were not ordered in the fall they wouldn't be delivered until the spring and if they missed this cycle it would be almost a year, 18 or 19 months before they would see new cars and at the rate their folks put mileage on the cars they just wouldn't last noting that some of them had over a hundred thousand miles on them now; that the second issue under additional needs and concerns was that they were very pleased to have come before the Board last October and received the full support and commitment from the Board relative to the Gang Interdiction noting that the Board had clearly expressed that they wanted the City to remain safe and that they had to act and the Board did act and they were very pleased and hoped that the Board would renew that pledge this evening; that they were very concerned about the uncertainty of Gang Interdiction money from both the State and the Federal government and believed that it would be there, they would have to work to get it, but they wanted the Board to know that they did have some concerns in that regard and hopefully it would be there but looked to keeping the door open so they could fall back to the Board, if at all necessary; that they had made just great strides in keeping Manchester safe they would have to fall back.

Chief Favreau stated the State Police were undergoing a change in command and as such they had lost, for a time the State Police coming into the City and joining in the Gang Interdiction fight as they had been doing for the last year; that it was very difficult to find out who was in charge up there as there was an outgoing Colonel and one incoming noting that the incoming Colonel was not in a position to make decisions yet with the outgoing Colonel the transition was very uncertain, but had met with the incoming Colonel on several occasions and John Barthlemos had guaranteed him or at least as much as he could guarantee him as a Colonel working for Dick Flynn that he would join the City once again once he got into his new position and send his State Police down this summer and help with the City's Gang Interdiction Program and was very optimistic that it would happen even though it wasn't happening today; that in closing they would ask for a fair funding level in the Salary Adjustment account as there had been an awful lot of talk and an awful lot of publicity relative to the situation which existed with the Manchester Police Officers relative to their lack of a contract noting that nobody was going to sit there and pass the blame on anybody as to whose fault it was and they certainly understood the situation here in the City of Manchester and also understood the responsibility that the Board of Mayor and Aldermen had in keeping the tax rate as low as possible and could only say that he had been a member of the Manchester Police Department for 32 years which was a long time and knew it was a long time because he felt in his body that it was a long time and he was getting tired, but he had never seen morale as low as it was now and had been asked not to use this word but it somewhat frightened him in a way to see what took place in the locker room at the Police station where the officers were now starting to fight among themselves; that there were differences of opinion as to which way they should go and the same officers having problems in the locker rooms had to go out in the streets and face some of the worst thugs and drug dealers in New England out there in the inner-city noting he wanted their full attention to be on what they were doing and didn't want them to have to worry about all of those ancillary problems they had because if they did someone would get hurt, if they weren't paying attention to business, somebody might get shot who shouldn't be and asked the board to consider only fair funding level for the Salary Adjustment account.

Ald. Pariseau in reference to the salary request for the Police officers asked if it included the anticipated 2.5 percent increase.

Chief Favreau replied, no; that they had had no indication that there was a planned 2.5 percent increase.

Chairman Wihby stated that was the reason why the Chief had just asked for a fair funding level in the Salary Adjustment so as to take it out of there.

Ald. Cashin stated he wished to congratulate the Chief and his men to a superb job, especially on the west side; that the new substation had really worked out well noting the presence of the officers within the neighborhoods was receiving very good compliments and could not thank them enough; that he agreed with the Chief and thought they needed to look at the officers, they had to be treated fairly and was committed to that and would commit to it this evening and would do everything he could to help him.

Ald. Domaingue in echoing the statements of Ald. Cashin stated having served on the Board in 1990-91 it was a pleasure to sit in front of the budget as presented noting it was not only a responsible budget, but it was attempting to meet the City's needs as well as be responsive to the City's budget concerns; that the only thing that caught her eye was that they seemed to respond to the hot button issues when talking about cuts and asked if there was no other place in the Police Department where they could make those kinds of cuts to come up with the one, two, and three percent reduction in their budget.

Chief Favreau stated they had spent many, many weeks working on it and when they found out that there was the possibility of a one, two, or three percent decrease they sat down and tried their best to come up with the cuts that would affect the City in the least possible way; that they did the best they could and honestly.

Ald. Domaingue asked if there was no room in the overtime budget to be able to pull some of the one, two, or three percent cut out.

Chief Favreau replied, yes there was and that was where the Gang Interdiction and the School Gang Interdiction came in noting that was strictly an overtime item.

Asst. Chief Driscoll stated in looking back at their breakdown which showed salaries at 92 percent with the expenses at 7.5 percent it didn't leave them an awful lot of room in either one of those two areas, but led them back to the salaries and he knew there was a big chunk for overtime, but that money was spent very, very carefully noting that he and Paul looked at it on a weekly basis and there was no room there and they had come back to the Board last year asking that the Board fund the Gang Interdiction and would make it under the wire this year.

Ald. Domaingue stated when she had campaigned this time around the number one issue was not taxes, the number one issue was crime and she intended to be receptive to that.

Chairman Wihby asked if there was a full complement now or were there some vacancies.

Asst. Chief Driscoll replied they had a few vacancies now; that they had just filled the Police officer complement; that they had some civilian positions vacant as indicated.

Chairman Wihby asked how many positions did they have but were not filled during the course of the year.

Asst. Chief Driscoll replied they may have had as many as five depending and were filling in positions here and there, they just hired 10 people some of whom were at the academy and some were still in training at the department; that it had been their goal to enter the summer vacation period up to strength to keep their overtime through the summer down.

Chairman Wihby asked if they had ever been at the full complement of 142.

Asst. Chief Driscoll replied, yes; that they were at the full 142 level currently.

Ald. Hirschmann stated he had concerns about one thing he read in the paper about the Overtime account about the new court situation and asked if that was under control and asked them to elaborate as he did not think the Board knew the exact problem.

Chief Favreau stated with the new courthouse the way in which it was designed was structured to house prisoners in the lower level of the courtroom noting they had a nice holding facility but it could not be operated without bodies; that they realized a very short time before the court opened and had meetings with Judge Lyons that they anticipated a problem and with that thought in mind they had a meeting with the Sheriff's Department, several Hillsborough County Commissioners, the Mayor, and a couple of Legislators as well as the Assistant Chief and discussed around the table what the philosophy of everybody's thinking was relative to who should be responsible for transporting prisoners; that his feelings were that if they arrested somebody in the evening and had to transport that person being held in their facility overnight to District Court believed it was their responsibility, however, once that prisoner had been arraigned they then felt that it was the job of the Sheriff's Department to take over at that time and in his estimation and in the estimation of the Sheriff's Department became their responsibility and to further that philosophy at a recent Chief's of Police meeting brought up that very issue and called for a vote among the Chiefs and the Sheriff's who were also members of the New Hampshire Chiefs of Police Association and the vote was as his philosophy was that it was felt by the Chiefs and the Sheriff's throughout the State of New Hampshire that it was the responsibility of the Sheriff's Department to take care of the prisoners once they're arraigned and guessed what it boiled down to, however, was the one big problem of who was going to pay and that problem had yet to be solved; that they certainly could not let the prisoners loose, so in the meantime they were stuck with sometimes three, sometimes four and some real bad days maybe as much as five officers in District Court shuffling those people around back-and-forth from this place to that place, up the stairs, down the elevator, in this courtroom in that courtroom until the prisoners were all done with; that they anticipated more meetings with Judge Lyons who was very receptive to the problem and wanted to help them solve it and thought what they really needed was some cooperation from the Hillsborough County Commissioners delegation to fund the Sheriff's Department to take over the job that they were designed to do, they had the appropriate transportation vans noting that was what he hoped would happen and were working on it.

Chairman Wihby asked if the City couldn't hold back some of the money paid towards the County taxes for the overtime.

Ald. Hirschmann in reference to the MER account stated the one thing he did not see in the MER was whether they had thought about going to leasing of vehicles.

Chief Favreau replied they would have no problem in the leasing of vehicles noting it had been studied previously and if it was the wish of the Board of Mayor and Aldermen to lease the police vehicles, do it noting it was more expensive; that if they were to order cars in November for delivery that was a route car which went out every day and probably put 150 on in eight hours and probably as much as 300 miles on some days; that when they order a new car to replace that car in November they would receive it next May which would then have 100,000 or 125,000 miles on it and if it wasn't replaced now their maintenance cost for that vehicle and would be replacing an engine in it this week for a vehicle which had big miles on it would cost them $2,500.

Ald. Hirschmann stated he wanted to get 10 cruisers and knew they could be leased for the same amount as buying two.

Chief Favreau stated it was not as easy as what he said.

Ald. Hirschmann stated he wanted to fund the Police Department fully and did not want to cut them one, two, or three percent; that if they had to eliminate positions which were not filled that was okay, but he wanted to have Police officers on the street but also wanted to have cars for them also.

Chief Favreau stated if civilians were laid off he would have to bring Police officers off the street to replace those civilians; that they had asked for 13 vehicles and were told they would get two and all they were saying was that they cut that 13 down to 6 so they did compromise as best they could; that the 11-passenger van was a 1984 GMC van and it was just getting worse and worse.

Ald. Hirschmann stated in all of the previous budgets put forth to the Board asked if they had always put salary increases in those budgets.

Chief Favreau replied, no; that they did not have the authority to do that.

Ald. Shea stated his concern was in Ward 7 and it was his understanding that the Manchester Housing Authority would be funding either four or eight Bike Patrol Officers and if so, when would it start.

Chief Favreau, replied yes; that they were presently in Louisville, Kentucky and would be returning in two weeks; that they were down there learning crime prevention and community policing tactics which was being paid for by a federal grant from the Manchester Housing Authority but was unsure if it was for eight officers and thought the number was closer to three.

Ald. Shea asked if the Chief could keep him informed.

Ald. Clancy stated he wished to thank the Police Department for the excellent job they'd done in the inner-city area on getting rid of the druggies, the thugs, the prostitutes, they've done an excellent job and couldn't say enough about the excellent job they've done so far noting the people in the area were telling him to keep the pressure on these people, people coming in from Lowell, Lawrence, Haverhill, the Massachusetts towns, so as far as he was concerned they were doing an excellent job.

Chairman Wihby believed if the Police Department was given the Mayor's number they could continue doing their work, but if they went down to the one, two, or three percent reduction they would be getting rid of some people.

Ald. Cashin stated if the civilian positions were not filled and they took Officers and put them back in the station they were defeating the purpose and did not think the Board wanted to do that.

Ald. Robert asked if they had the people and the equipment to go into wooded areas such as the Piscataquog River Park at ten thirty at night and take care of whatever was going on in there; that he had received calls from people...in that the wooded areas seemed to be lawless areas and was not governed by anybody's law but the people who were there.

Chief Favreau replied, yes but they had to be made aware of the fact that the problem existed and wherever the squeaky wheel existed they would grease it.

Ald. Elise stated the Police Department had done an excellent job in the City noting in her ward she had had a problem with houses being turned over to rental units and poor management companies and she's had them not screen tenants and whole neighborhoods which had been impacted by buildings with tenants who have a lot of problems and the Police Department had worked in cooperation with the Health and Highway Departments as well as the Office of Youth Services and had really helped her out a lot in her ward.

Chief Favreau stated Ald. Elise had also been helpful by calling the Police Department and making them aware of the problems in her neighborhood so they could respond in quick fashion and take care of it; that if they didn't know it was hard for them to address the problems noting that many of the Aldermen did call them quite often which they appreciated.

Ald. Domaingue in reference to item 284 in their revenue items Booting Fees noted it seemed to be looking at a 133 percent increase and asked if that was realistic.

Chief Favreau replied, yes that figure was realistic.

Ald. Domaingue stated that the actual fee to remove the boot was $25.00 and asked if that was still the same and if there was any chance they might want to increase it.

Asst. Chief Driscoll stated he had recently looked at revenue figures relative to towing cars which had been booted and all but three cars out of perhaps 300 cars were claimed, so people did pay to get their cars back.

Chief Favreau stated they had probably for a year now placed emphasis on taking care of those cars that should be booted and they'd hired a couple of employees and groomed them for those very things and asked Asst. Chief Driscoll to tell the Board what his nickname was.

Asst. Chief Driscoll stated it was perhaps derogatory; that he was known as the parking Nazi.

Chief Favreau stated he believed it was his sworn duty to boot vehicles and to fine the vehicles in areas, he goes out finds them and boots them and was doing his job.

Chairman Wihby called a recess of the meeting.

Chairman Wihby called the meeting back to order.

HIGH SCHOOL ATHLETICS - SCHOOL FOOD & NUTRITION - SCHOOL DEPARTMENT

Mr. Bernard requested he be allowed to address all three items at the same time; that he wished to divide it into three parts; that the first part was a business proposition he had, the second part was a summary of some of the cost items he thought the Board was probably interested in, some of the critical ones that he thought the Board would be questioning, and thirdly a full summary of just what they were doing with the presentation; that it was really incorrect when it said Manchester School Strategic themes because there were themes of citizenship prevention, ready to learn, curriculum and assessment, and productive employment were themes that were based on a joint effort of the school district people including all phases of the school district, parents, students, and most importantly and something that he would mention all the way through this the business community, a lot of members of the business in this community took part in the development of this through , Manchester 200 and so when they looking at the key phrase "Moving Manchester to the Head of the Class" they weren't saying moving Manchester School District to the head of the class, but rather Manchester; that several weeks ago there was something that happened in the City that some people found to be disastrous and other didn't think it was that bad which was the sudden defeat of CenterPlex; that CenterPlex had been advertised for a long time as a big way in revitalizing this City and did not know if it was true or not and knew there was a lot of agreement and disagreement about it, the whole issue of CenterPlex, but one thing that a lot of the citizenry in the community agreed with was that the City needed something to be revitalized, and it did have to be revitalized; that his assumption was that that revitalization took a big part of it in the business community in businesses coming into the City, in the City attracting businesses to it and that was a big part of the revitalization effort and so with that in mind he had an idea for "you" and what if they looked at the business community out there somewhere else who was thinking about coming into the City and tell them we will guarantee them a workforce; that we will tell them that the students leaving our public school system, we would guarantee them that they will be in their jobs and in their performance will be good employees and if they're not, we'll take them back and we'll retrain them and what if we, in our public school system were nationally recognized in science, wouldn't you think that a business outside of Manchester would seriously think about coming in, if Manchester, New Hampshire were nationally recognized in science and that is not really that far fetched; that in looking at the area around Commercial Street and the kinds of things that are going to be developed down there, look at U.S. FIRST and the museum that is going to go in, you look at our science labs and the work that you've done in putting those in at Central and the new ones that are going to go in at West High School, our science program is growing and growing and growing and that's not farfetched that we can become nationally recognized in science. National recognition for technology. Obviously, technology is a big issue with businesses. We're not dreaming here. About a year ago, I had a breakfast with a group of business leaders and talked to them about their support for a $3 million grant for technology. They supported the effort, but I really think they walked away from that meeting probably thinking oh well, yeah, it's nice, they're trying, but they don't have a chance. Well, I think they were surprised and a lot of people were surprised that we did have a chance and it didn't receive a whole lot of publicity the fact that we were only one of 19 in this country that we got the grant, it didn't received a lot of publicity that I was personally given the award by President Clinton and it didn't receive a lot of publicity the kinds of things that are going on with that technology now in our school system. But, that money and what's been going on with technology can put us over the top as far as national recognition and that's something that the business community is going to be attracted by. What about our schools? Our schools now and you just heard from the Police Department there's a lot of things going on with the Police Department in connection with the schools. They're being of great help to us and we are to them. We've got some things going on in the schools that are helping to do a lot of things in terms of this prevention, prevention of drugs and alcohol, prevention of violence in the schools. We can become a national figure in terms of safe schools, that's going to attract businesses into this community. So, what the whole thing boils down to is that we in Manchester, New Hampshire, can develop a world-class school system and in having a world-class school system we're going to attract business and in attracting businesses we're going to revitalize this City. And, build it, market it, then they will come. Yeah, you've got to market it and we can do that. First we can build it as long as we have the funds to do it and we can get the word out there that's it happening and people are going to come into this community. So, that's my little pitch about revitalization. Now, I want to move on to the actual budget process. This is the process - some people, I think, may be...have a conception that when we develop a budget at the school district level, the School Department, it's done in a very short time and then it's given to you and that isn't anywhere near the case. This process starts way back in early winter, in November where we ask requests from the principals and from the directors and we ask for their operational requests in November, in December we get their staffing requests. Now, of course, they have to back load that and get that information before then. They come in with their initial budget. Actually, their initial budget was almost $57 million, we cut it down in my office to $54.6 million, so that's...the same thing with athletics, athletics was $1.288 million and we cut it down to $1.274 million. So, the budget that was presented by them is not the same as the budget that actually went to the Board of School Committee. Furthermore, the Board of School Committee when they received my budget of $54.611 million they cut it down to $54.528 million, so this thing kept getting whittled away before it got to you. All I'm trying to point out is the same thing I pointed out two years ago when I came and gave my first presentation to you. We, are not inflating our budget. I am not playing games with this thing and going up to 12 or 15 percent and hoping like crazy I can get four or five percent. We're coming in with what we really believe we need to make this world-class school system and believe me that's pretty cheap to make a world-class school system. Let me break down some of the issues. We know one of the things discussed earlier or talked about, advertised was 20 teaching positions that is part of this budget. Let me break it down into a few different areas. Classroom teachers for one area. All of these classroom teachers, the reason why their needed is because of increased enrollment. There was a lot of other staff people that were requested, that's why it was almost $4 million higher than the budget that was presented. The staffing that was requested after it was looked into and investigated we found that people were going to have to hold the line, they couldn't get those staff people. These were different, these were extremely important because of the number of students. The only two exceptions was the Librarian, a West High School Librarian, they only have one Librarian, Central and Memorial have two Librarians and specifically it's in there because it's part of the accreditation things that were needed. The accreditation letter to West to put it on probation said it must provide another Librarian, so we got it in there. The Spanish is another one. The reason why we have a half of Spanish teacher in each of the junior high schools is because of the way that our City is changing and the culture, the way it's become. Years ago because of our proximity to Canada and our distance from Mexico the subject to teach was French, not Spanish. But, now, that's not the case anymore, we have a lot of reasons why Spanish has become a very world-wide known language. So, that's why we need those particular teachers and furthermore just to show you as a backup chart, this is what we're talking about with enrollments. This thing keeps going up, this is the total of all grades and we've gone up to 1996 as you can see that's the enrollment at the present. English as a second language you saw is one of them. I want to point something out to you here with this English as a second language. These are elementary schools, there are three English as a second language teachers at Highland-Goffs Falls. These are the teachers who teach children who cannot speak any English. Now, the little known thing that some people don't know is that if a child comes into our school system and they know "table" and the word and they know that's a "table" and they' know that a "chair", but those are the only two words they know in the whole English language, they don't get into the Highland-Goffs Falls program, they go into their regular neighborhood school and they're called limited English speaking students. But, guess what, with that kind of knowledge of English you're limitations are certainly limited. So, you're going into that classroom with no help at all and you're trying to understand what this teacher is saying and you've got no kind of assistance from anybody and these are the numbers folks of those children in our school system that are limited English speaking in those classes. We had to hire...we had hired last year one teacher at Beech because there were 80 students and we hired one teacher at Webster because there were a number of students there, that's all we've got. What we're asking for is one more teacher and frankly, the one more teacher we're asking for I was going to put at Bakersville part-time because Parkside Junior High School, the poor woman over there has 41 people with 12 different languages. One class she's got 32 kids in there, 32 kids speaking different languages, the woman's a saint, I don't know how she does it. But, these are the numbers that are in these classes right now in these schools. So, when we talk about 20 new staff members and one of them is an ESL teacher, believe me, that one that we're talking about is an extremely conservative approach on my part. I feel a little guilty asking for just the one, but I do. Special Education is another area. Let me start with that Behavioral Modification Specialist, it sounds like we're going to hire people in there to do some brain washing or something, that's not the case. This was something we wanted to put into our three high schools to begin an internal suspension area again. Right now, there is no internal suspension area, there's only external suspensions. Students go out in the streets. So, one of the things would be...so they go out on the streets and you get more of the gangs kinds of thing...conflict resolution and violence prevention efforts...what happens is if you can put them in this internal assistance area and they have somebody there who is trained to work with them in conflict resolution there's a better opportunity that they are going to be able to not come back to that area again. If you put them out on the streets they could wind up in Juvenile Court and every time they do it costs us $1,500 just for an evaluation and if the evaluation shows they're Special Education, it costs us a lot more than that. So, what we wanted to do, the plan was to start next year with this kind of a halfway program, have this internal suspension with the Behavior Management person and then start to utilize this Medicaid money. If you recall, you approved the Mayor's and I working on you take the first $200,000 of Medicaid money and if we can come up with more money then we can use that money. So, if we come up with a couple hundred thousand dollars in Medicaid money and we can use it to develop and alternative school on a different site than what we have now, a place where some of these students who really don't belong in the public schools with the other children can go to and that's what we're trying to do, at least that was my dream for the money but that was what Behavior Management was going to do, it was going to take care of a first link in that system. Now, the Pre-school teacher. One of the things we said we needed was a Pre-school teacher and that was cut in the Mayor's budget. The Pre-school teacher, Ladies and Gentlemen, is already hired, the Pre-school teacher was hired two months ago because we had to by law; that teacher is now at Smyth Road School. We hired that teacher with money that we had to use from whatever we had in our budget, that's why our budget this year is in trouble because we've had to hire all these people we didn't expect to hire and the money, what you have in your 20 for that Pre-school teacher is just an extension to carryover next year as part of the new budget. But, we've already got that person on-board and that's why because the pre-school enrollment keeps growing like this and these are 3 to 5 year old students and many of these students we're going to have till their 21 years old, so we're going to keep getting that bill year-after-year. Special Education keeps growing, 12 percent, 12 to 14 percent a year. The regular education population grows a little over two percent a year and within that two percent is Special Ed, 12 percent a year of growth with a price tag a lot higher than that regular education population and look at this one - tutorial costs. This is the money that is used, there are 85 full-time tutors in our School system now. Sixty-five of them work one-on-one with students. If those 65 didn't have a tutor working with them they would be placed out-of-district of a price tag of somewhere around $35,000 to $45,000 apiece. We're spending more money than we actually budgeted frankly, that 95-96 tutor account/money was actually twice as much as what we had figured on, so that's all coming out of our present year's budget; that represents a savings of almost $2 million. If you figured that all those 65 students didn't have tutors because we said we're upset and we're not going to provide tutors for them and to heck with it, they're going to go to due process, they're going to wind up having out-of-district placement and it's going to cost us almost $2 million more by not providing tutors, so that's the kind of bind we're in we have to do some things that you just have to do. Here's another one - Evaluations/Special Education. These are the kinds of increases we have and the number of students being evaluated. What happens is, a student comes in the classroom and somebody whether it's the parent or the teacher or somebody decides that this child is not really behaving or acting in one way or another or absorbing knowledge like other children and they need an evaluation or referral, so their referred and then they're evaluated. Evaluation costs money but that's nothing, that's the tip of the iceberg. After the evaluation if they're found to need Special Education services then you get into the real money and so this is a direct relationship to the 12 percent increase every year. Transportation - we spend 20 percent of our budget on twelve percent of the population. We've got 51 percent of our transportation budget, over half of our budget is on this 12 percent of the population because the law says you have to bring them portal-to-portal, door-to-door. Now Out-of-District costs - if there's any kind of shining light at the end of this thing, it's the fact that because we're providing the tutors and because we're doing all these things inside of the City then our out-of-district placement costs are at least staying stable, at lease they're not rising, we're not sending a lot more children out-of-district. So, we're still paying the money out, but it's about the only thing that's not going up. Here's another item that should be of interest - OT (Occupational Therapy), PT (Physical Therapy) - units are the way that the referrals and the educators figure out it's time period, it's a period of time that you teach, so one child may need five units of speech, another one may need three units, it depends on how bad their speech problems are, how many units they have to have. The number of units...look how they've changed since 1992 the number of units have gone up to this year they're over 5,000, the number of units are increasing by leaps and bounds and all that means is that's why you've got on the 20 new teachers, you've got a Speech teacher because there's not enough Speech teachers to cover all of the units for everybody, there's not enough hours in the day to fill all the students, if you don't teach speech to the student, the student's parents will go to the courts and they'll say Manchester isn't doing their job and they'll be a hearing and we'll have to do it, so you wind up doing it anyway plus you have to pay a lawyer. Special Ed spending...just a few items here that I think are important to point out. When regular education costs are cut, Special Education costs rise. This is...what it simply means is that if you decide that you're going to cut the budget of the school district, so be it. Our cost of regular education will go down; that means things are going to increase like class sizes and so forth; that means that the students in those classrooms are some of them were okay, not Special Ed as long as there were certain requirements met in that class. Once you lower the standards of that classroom because you didn't have enough money to make it work the right way a couple of those are going to just pop up and they're going to say, wait a minute I'm Special Ed now because you don't have the right kind of requirements and you end up spending more money than you saved by cutting the budget and I know that sounds crazy, but it's true. Increased costs of tutors has decreased court and legal fees, this is something at least it's helped us to some extent. The tutors is really a kick in the head for us because of our budget but it has decreased some other things. Out-of-district placement just for your information - $45,000 a year compared to $15,000 a year for in-district placement, so we try to keep students within our School system. By keeping them in, we save money but we've got to spend it on positions, you have to hire Speech people and OT's and PT's and all these kinds of things. Now with new positions where were some other things - administration. Let me talk first about those two - the Assistant Principal at Memorial and the Safe and Drug Free Coordinator. Those two positions represent this idea of prevention, violence prevention. The Assistant Principal at Memorial both in terms of...there's only two there...there's three at Central and there's three at West. One of the Assistant's by the way all they do is cover Special Education, all they do is go to staffings, it's not all they do, but a big portion of their job is going to staffings for Special Education. Memorial is one of the schools with the biggest population of Special Ed and yet they have one less Assistant Principal and also the issue of violence prevention. Obviously, with that other Assistant Principal it would certainly be helpful and the Safe and Drug Free School Coordinator is the person who is just, it's a real necessity. This is our person who is in charge of prevention works and has been doing all kinds of things working with the Police Department and with the School Department in creating safe schools, an integral part of the School system. The first one, the Assistant Superintendent for elementary schools is my job now, I do that now and frankly I've got to be honest with you, I don't do it very well. Those elementary schools are getting shortchanged because I don't have the time to work with them, to do the kinds of things that have to be done and there's a lot that really has to be done. There's a report card that's used at elementary schools now that really should be changed, there should be a committee formed and somebody heading it up and it's hard to keep asking these people to head up things because that's not their job. They're willing to go to the meetings and to sit there and participate, but they're not coordinators or supervisors, I'm talking about on-line teachers. We need somebody to head up that elementary program and we don't have it. And, furthermore, when you look at this study that was done last year of SAU's supervisory unions of which we are one, surprise, surprise Manchester...we are the lowest in the whole State in terms of how much money we spend per pupil on our supervisory union, we spend less money for our 196 Bridge Street that anyone else in the whole State including places like Rochester, we spend less. I added this one because frankly Mr. Wihby always asks me the question so I figured I'd give you the answer now - replacement teachers - and this was also in the Mayor's letter to the Board of Education justifying why you cut $2.1 million from our budget only it was 25 teachers and I changed it because we did have a couple since then but the thing was the same. The logic is there are 27 teachers retiring, the savings on the replacement is about $10,000 each because they're figuring a teacher retires at $41,000 or $42,000 and you pick up somebody at $31,000 to $32,000, so you get $10,000 so the total savings of $270,000 and why do you need that money. Well, first of all that is valid, that is absolutely right, but let me just point out a couple of things. You can't predict the cost of the new teacher. In fact, I could tell you that right now the teachers, the non-tenured teachers who are non-renewed this year, there were about a dozen, non-tenured, non-renewed teachers... average salary over $33,000. So, just with that small group of people the logic is skew. We hire people to do a certain job, if you hire a Psychologist you're not going to get away with paying $24,000 for one, it probably will cost you $40,000; that kind of thing. High cost of Special Ed placements can occur without notice. One story...two weeks ago we had a young lady come into our School district and I feel very badly for the parents, they moved in from another community, this child is called "Medically Fragile", this child is in a condition where they need tube feeding where there's oxygen and a wheelchair...this child is educated in our school but is fragile in every sense of the word including their own life they're fragile at and it's going to cost us and I had to put a price tag on it, but it does affect us that way; that from now until the end of the year it's going to cost us $25,000, next year it's going to cost us over $100,000. We didn't budget the $25,000 this year and we didn't budget the $100,000 next year. So, guess where it's coming out of and that's why there's $270,000 there, this is not going very far, folks the way things are going up. Staffing needs - we did this staffing in November. I already know of two or three other positions that we're going to need, I can't turn around and change that now on you because I already gave you the figure. But, at any rate, that's the answer to Mr. Wihby's question. Just to point out a couple of other things here, on the Operating Budget according to the Mayor's plan to cut a million dollars or so from the Operating Budget, well, there's not too many places to cut a million dollars from the Operating Budget. They had suggested that, for example, one of the places to cut was fuel or utilities. The utility, the fuel bill was based on the 1995 winter. If you recall, the average temperature was 65 degrees that winter, we didn't spend any money at all on heat that winter. You can't base a fuel budget on one year, you have to base it on an average of about five different years and that's why if you based it on this past year maybe you budgeted too much. We budgeted it on five years. At any rate, we don't feel we can cut those items, we feel that the only place you can cut is Pupil Services which include things like supplies, textbooks, reference books, testing; that's about the only place you've got and then a million dollars out of that you can guess where that leaves you. Here's a cost-per-pupil where Manchester is and just so you see in comparison with other communities...Rochester is a little less than us per pupil cost. So, we're doing pretty darn good for being able for me to come to you and talk to you about developing a guaranteed workforce and national recognized science program and all the other things to have this kind of a per pupil cost and to be able to do that, I think you've got quite a deal going. Let's just talk about athletics for a second. Just want to give you some information. Twenty-eight percent of our high school students participate in athletics, 70 percent make the Honor Roll and then other information that's national as opposed to local, just for your information...boys received above-average grades, a two-to-one ratio and don't drop out of school...three-to-one ratio for girls receive above-average grades and it's been found that they have a greater opportunity to participate in four-year colleges. What we're asking for is that the Athletic budget be reinstated because we feel that in this community athletics has really got something going for it and I think it really helps those students and that would be appreciated. Food and Nutrition Services - just one graph tells it all. Back in 88-89 you were operating at a loss, you were paying money to run your Food and Nutrition Services and then you work your way up to now where you're making quite a bit of money. The plan to cut back the Food and Nutrition Service budget means you cut back on food or on the supplies. If you cut back on the food then you cut back on the productivity and the purchasing of meals, so you cut back on the profits, so you're not gaining anything by cutting the budge off the Food and Nutrition Service. Let me summarize and excuse me for reading this but I think it's important. We are Manchester's best kept secret and critical to our City's revitalization. Did you know your School system returned over $63 million in revenue since 1990, an average of over $12 million a year, 26 percent return rate, CD's at Fleet Bank are at 5 percent, we're giving it a 26 percent return rate; that we've got a workforce totaling 1,500 full-time and part-time employees; that is the ninth largest business in this State right here in this School district; that 80 percent of the workforce holds the minimum of a Bachelor's Degree, the Bachelor Degree standing for the whole State of New Hampshire and of that 60 percent have a Master's Degree, 50 percent of our workforce has been employed for over 15 years, the State of New Hampshire average 12 years; that we have 16,000 customers, 23 locations, 50,000 households affecting all kinds of places all around and that number's going up because of our technology grant, because we're going to eventually reach a quarter of a million people in all of southern New Hampshire with that grant and with the television. We are for 2,000 Special Education students, 250 multi-handicapped, 75 are medically-fragile, these children are in wheelchairs, have to be diapered, tube fed, and some of them are at home and we send our people to them; that 200 are deaf and hard of hearing, 50 re blind or sight impaired, we have all of these kinds of programs that we offer, we've got 700 young adults and early learners, and also we've got almost all of our local colleges that are working; that is another incidentally a big, big plus for this City for the revitalization...having all of the local colleges, not too many cities can boast that. Here's some of the partnerships...this is just a small number of the partnerships and when I say partnerships I'm talking about people and businesses in this City that are really tied into the local School system, really working at it and helping us. Financial support from you, well, this is what we face and there not earth shattering things as far as knowing what they are by $2.1 million after what I've told you, larger class sizes, loss of secondary school accreditation, financial losses in Special Education Due Process hearings...more children are going to go for Due Process hearings and they're going to win, legal fees, tuition revenues are going to go down if you cut $2.1 million from our budget then when you figure out all the formula for tuition rates we're not going to make as much money from the surrounding towns, so you're not going to get as much revenue next year, we're not going to be able to buy the textbooks and supplies that we need and obviously, we're not going to be able to prepare the students for the workforce that's going to attract other businesses back into this City. We're your local School system, we're your best investment in this City's revitalization. Together we are moving Manchester to the head of the class. Thank you.

Chairman Wihby stated I have a question, you know the 27 retirees is that a set number now or is it still a guess.

Mr. Bernard replied that 27 is the teachers, there were also some administrators not included in that; that was the number now, it did not mean that it would preclude a teacher if they wanted to retire now, but wouldn't pick up the severance package.

Chairman Wihby stated 27 times what should they have in the severance adjustment account.

Mr. Bernard replied 27 times about $30,000 (average).

Chairman Wihby asked how much was currently in the account.

Mr. Girard replied the Mayor had budgeted $500,000 in severance for 1997 and did not know what was in the account for 1996.

Ald. Robert stated he had had discussions with Principals of the Catholic schools around town noting they had a couple of concerns and wanted to be able to understand it a little bit more and perhaps propose a remedy if there was a problem; that two things that had come up over the last couple of years was that there was a perception among some of the Principals was that their transportation from year-to-year going to and from school or even to and from Special Education classes were in jeopardy; that there was also a perception that Special Education resources which were made available to the Catholic School system were maybe being weaned away and asked if they could touch upon that for him.

Mr. Bernard replied he could give some basic information and if he wanted more the Special Ed Director was present and he knew he'd been working closely with this situation and could answer his questions or see him later; that the parochial schools had always had pretty much a blank check in the sense that if somebody was referred they sent in the referral and got services, people would go to their services and provide whatever services were required whether it was speech or OT or anything; that by law there was a limit to the amount of services required, usually the evaluation was one of the pieces that the school district would do; that they were looking and had been over at least a year that they had been working together with Foad Afshar his Special Ed Director and the parochial school community to try to resolve it and to try to work it out; that they needed to set some kind of a limit; that because of the limits they were constrained by with their own situation they were just breaking the bank with it and had to do it, they couldn't afford to not have any limits; that to his knowledge there had not been any decision made, they were still discussing it, and it was still being negotiated over the table what they could do and how it could be worked out noting there had been proposals back and forth.

Ald. Robert stated in an effort to move forward to try to resolve it and to also be constructive in reference to limits being placed on the parochial school indicated he needed to know what they were and asked if they put limits on their own school system.

Mr. Bernard replied there were limits in the sense of a lot of the services were provided at the public school rather than the parochial school and also limits from the sense of the law; that the law required them to do certain things; that if they wanted to do more than that than they were doing it because of good will and they wanted to spend the money and do it, but they just couldn't be operating on good will, they operated by what the law said only they were going beyond the law and they were trying to work it out so they could get a mixture of both but there had to be limits.

Ald. Robert asked if the limits imposed by the School Department or by law...the parochial school system had enjoyed this cooperation for a while noting they'd like to continue to do so; that he would like to maintain the relationship and was asking what would it cost because it seemed to be coming down to money and asked what would it cost to maintain that relationship and if the Board felt that was something they wanted to do would the School Board, School Administration go along with that if the City provided the money.

Mr. Bernard replied if the Board gave the School Department the money they would do anything they wanted and asked Mr. Afshar if he could give them an idea as to how much money they were talking about.

Mr. Afshar stated based on a 1993-94 assessment of how much it cost to provide services at the parochial school sites, four Special Ed students, they spent roughly $58,000; that the federal government reimbursed them at $313 per student which amounted to about an $18,000 return for the $58,000 expenditure, so they spent $40,000 over what the federal government reimbursed the

School Department; that the federal law essentially said that they needed to make, they must make available at an equitable basis services to the parochial school students because they were voluntarily placed there, the parents had elected to take their children and put them in sights of all kinds, so what we do now is we say you can receive any level of service that your child requires at the public school provided that you bring them to the public school noting that does not impose a limit on them but rather what they were saying was that there was a limit to how much service they would provide at the site.

Ald. Robert stated what he was hearing then was if the School Department got an extra $58,000 everything would be as it was.

Mr. Afshar replied, actually no because there would be a slight increase in that since 1993-94; that they were looking at 1995-96 at $65,000 to $67,000; that for next year they'd probably be looking at $72,000; that it was difficult to put a ballpark number on it because up until now there had been an incentive on the part of private schools to not accept severely disabled students because that would mean that all of the service providers would have to go to that school and occupy the space; that if they allowed that to go haywire, if they said the School Department would provide all of the services that their children needed on site there was no incentive for them to send those children back to the public school where some of them truly belonged; that if there was a child who was multiply handicapped requiring a multitude of specialized services that child needed to be in a public school where those professionals were there day in and day out; that they couldn't be shipping teams to 7, 8 private school sites; that whatever decision they made about private schools applied equally to all private schools, it was not just the parochial schools; that the Derryfield School could go in and say we have children here, we are charging them umpteen thousands of dollars a year for tuition, but we also would like to provide additional specialized services and the City would have to provide such.

Ald. Robert in reference to transportation stated there was a perception that transportation services offered by the school district was slowly being taken away for whatever reason and asked if there was a problem with money in that area also.

Mr. Afshar replied, no; that transportation was not provided to every Special Ed child; that if the level of disability was such that it required specialized transportation such as a wheelchair accessible bus, monitors on the bus for behavioral problems then they were required by law to provide transportation; that parochial schools or private placements were unilateral placements by the parents and as such the federal law, the Seventh Circuit Court just ruled on that matter that the Federal Department of Education was ruling that the districts were not obligated to provide any services in reality above and beyond the Federal allocation of $313 per head which had been for the past two years, two privately-placed unilateral students really applied there, so in saying to make things right implied by not providing those services on-site to parochial schools there was something wrong that they were doing and they weren't.

Ald. Robert stated he was not saying they were doing something wrong; that it was something that a lot of people wanted them to do noting as this was a democracy if there were enough people who wanted it supposedly that would be the way in which it would be; that if enough people on the Board and the School Committee felt it was something they wanted to have done, it would be that way.

Mr. Afshar stated it would be the School Committee who would have to decide on that.

Ald. Robert stated transportation as a whole, going to and from school noted there seemed to be a controversy or a feeling that bus service was not as available as it might have been and thought St. Casimir's School last fall had a problem and particularly the west side people not being able to go over.

Mr. Bernard stated the Board of School Committee had dealt with that on several occasions with the issue of the west siders and St. Casimir's and could not recall the issue, but it had been dealt with on several occasions and there was closure on it; that he could look it up and get copies of the minutes of the meeting.

Ald. Robert stated his question was if there was a problem in any of the areas it was his wish that they cease to be a problem and if it was a matter of money asked that they let the Board know what it was, so they could go forward.

Mr. Bernard stated Committeewoman Lamontagne was present and could speak regarding this issue.

Ms. Lamontagne stated several years ago, they were busing parochial school children all over the City of Manchester; that if the lived in the St. Catherine's School district and they chose to go to St. Francis they were bused noting they weren't even doing that for the public school children; that if there was room available at Highland Goffs Falls, for instance, and the parent was working in that area and their child should have been going to Gossler and there was room at Highland, they'd say okay but they had to provide the transportation, so three or fours years ago they said the City would transport the parochial school students to the parochial school nearest the public school they would attend and what happened was that they had not realized that St. Casimir's went to the 8th grade so they were providing bus transportation to St. Joe's Junior High for the Catholic school students on the west side because there was no junior high school on the west side of Manchester and it was quickly brought to their attention and to her especially that there was eight grades at St. Casimir's, so at first they were only to transport the children to St. Casimir's like they had previously, but would only be transported in the morning and would have to find ways to get them home in the afternoon, but it had been resolved last year when they found room on the buses.

Ald. Robert in reference to Special Ed asked if the School Department could develop some hard numbers and send it to the Board noting he would appreciate it.

Ald. Clancy stated he was interested in the Manchester school's getting their accreditation and knew that West and Central were getting their science labs fixed asked about the locker rooms at Central High.

Mr. Bernard stated they would be in good shape; that the only thing left after the heating and ventilation was done were the locker room facilities.

Ald. Elise in reference to the Special Ed budget stated it had occurred to her that there were federal laws mandating mainstreaming and asked what federal law would allow students to be placed outside of the district in specialized schools which would not prevent the district from keeping its own Special Ed students in Manchester, avoiding the transportation costs, and creating special schools or locations to treat them here; that if they could ship them out and were all grouped into getting special treatment asked if they couldn't retain them here.

Mr. Bernard stated that was essentially what they had been trying to do which was why there was that straight line out across district because had they not done some things to produce it, they would have had more students going out; that beyond that they offered programs, for example, at Green Acres with the program for the deaf and hard of hearing so they also attracted other students from other districts; that they operated as an out-of-district center for other places to pay the City to take their students and the more they could do...that was why they would like to develop more of an alternative school placement for some of those students if they could; that alternative schools, unfortunately, kept finding the ax of the budget cut whether it was on the Board's end or the School Department's end it just seemed to be one of the things which was the first to go which was why the Medicaid money was so important; that he would then go to either the Board or his own Board showing they need a Speech teacher, a Special Needs teacher, etc. and people say whoa, what are you doing, you're going crazy with this, but in fact what they're doing is exactly what they said and creating an in-house kind of system for Special Needs students instead of sending them out because if you didn't hire those people at $100,000 for four teachers they'd wind up spending $1 million to send them out and perhaps less than that.

Mr. Afshar asked to address two issues regarding out-of-district placements; that there was about two to three percent of their out-of-district placements being voluntary placements on the part of the School district; that the teams in the schools say they cannot and do not service those students because they did not have the resources, the specialty, and programming necessary to do so; that a child who had drop seizures and requires a 2 on 1 assistance at a medical facility would be highly improbable to them to produce that in any public school, so in that case they would send the child to Crotched Mountain which cost $120,000 a year, but to replicate that program would cost a lot more noting that they tried in many cases to replicate as much as possible; that the second half of that project was that there were a number of parents who wished to have boutique treatments of their students conditions; that they had very specialized programs out there in various parts of the country that the parents knew about and they in turn come to the school district saying their child had X, Y, and Z difficulty and they would like their child trained in a specific model; that they did not have that and if they went to recruit that specificity from California it would cost the school district enormous amounts of money and then they would do the following thing such as you either do it now, here and send their child there or they will hire an attorney out of Vermont at $185 an hour and we'll sue you and we'll have to pay our attorney $125 an hour, pay their attorney, go through about two years of litigation at a cost of about $100,000 for litigation noting that statistics indicate the school district would lose, so when they lose they then end up paying this child to go to this district/program anyway; that the third category they needed to know about was, or the larger category was court ordered placement; that if a child had a behavioral disorder and went consistently to court and the court rules that child is going away, the district paid for that placement; that if a child was removed from the home for abuse and neglect reasons and that child is placed in a foster care in Vermont as they had now and that little town in Vermont did not have the programs for that child, that child would go to a specialized program by that district but Manchester was the school district of liability.

Ald. Elise stated to the degree that certain children could be treated in-house thought that Mr. Bernard had addressed the fact that they were moving more towards that which was important; that her second question in reference to Smyth Road School knew that they were getting two other pre-school classes noting that the redistricting had been a big problem in her ward and she had people asking her how come some students from out-of-district were coming in.

Mr. Bernard replied the whole point was and it had to happen that way was because they knew the Chandler School was overcrowded, so they started creating an annex for the Chandler School at Wilson Street but then they started having overcrowded conditions at Highland and they had to move their ESL Program over to Wilson so they had to kick the pre-school out of Wilson and put them at Smyth; that they were putting the pre-school over at Smyth because there was room this year for it, but it was not a permanent situation; that Smyth Road they projected would expand with regular classrooms so those pre-school programs would have to move out; that their original plan for Smyth Road, the redistricting was they were going to have to put in portables or something for the students, they wound up doing what was currently happening knowing it would create for the first year an art room, a music room going back to what they should have for an elementary school; that they wound up with one year of that and that was it and now they were full up again because they had this crises in another area of the City because every school was so full a crises in one area affected five other schools, so in answer to Ald. Elise's question it was something that happened, it would continue to happen and in looking back on it, it wasn't as if there was enough room.

Ald. Elise stated the school at the YMCA (STAY Program), the State program which was geared towards children who were behaviorally at risk knew that communities from out of the City did pay tuition for students to go there asked if there was consideration within the school district to place children there and utilize that program.

Mr. Bernard replied they did use that program but it was very limited in the number of students it could serve and limited in the degree of difficulty; that the students they served were not necessarily the students who he and Chief Favreau were trying to find an alternative for because they were trying to create those safe school areas; that the alternative school he was talking about was a place where they could take the students who just could not function in a public school; that the students they were talking about were somewhat of a higher level in terms of academic performance, but they did need that; that the City did not budget for the STAY Program.

Ald. Elise asked if there was a reason for that.

Mr. Bernard stated the STAY student was still technically a student of the public school system and there was an association and communication between the STAY staff and the public school staff and they did have the certification to be teachers, so there was a connection except no money changes hands because the district did not have the money.

Ald. Elise noted it was not mandated placement then.

Dr. Jack stated they had very little control over the students that went to the STAY Program noting they took 12 8th graders each year and although the school principals were able to make recommendations the decisions were made by the administrators of the STAY Program; that their experience with them had been that they take very low risk, at risk students and they did not take the City's problem children, but took those who had very good support system from the family and so forth and could meet the prerequisite that they set up, children that would be successful in the STAY Program.

Ald. Elise stated she knew Mr. Bernard painted a real great vision of having a world-class school system and was sure they'd all agree that they'd like to go in that direction noting that in some instances that did not exist; that there was an Incubator Program being established and knew that there were wonderful, innovative, and creative teachers who may not necessarily have had the chance to be independent and function in a system and have management control, but thought if they were allowed to do so could have a great charter school in science and technology located in the Millyard which would create wonderful business links similar to the one they had and not just financially, but mentorship, internships, and associations with the colleges which would be wonderful.

Mr. Bernard stated the possibilities were endless; that with the colleges alone having all of the colleges surrounding us like they did and each one with a different kind of slant, the business school and the liberal arts school and all of that was meshed in quite nicely with what they were trying to do; that they were situated just great to be a revitalized City.

Ald. Elise asked if they had thought about creating a Charter school in the Millyard area.

Mr. Bernard replied he was leaving everything open in terms of it being to move forward; that tomorrow morning at seven o'clock he was meeting with the Education Committee of the Chamber; that the Chamber of Commerce had sighted for the first time that education was one of the top two priorities in the City and they would be meeting together tomorrow to talk about how they would approach it and how they would revitalize the City through education; that he was looking, the Board of School Committee was looking at what the business community had to say; that there was a school to work program where they were trying to get children out of junior high and into high school and into the world of work and if they didn't talk to the business world about it and what they needed they would not get the job done, so if the business community told them one thing they would certainly sit and listen, so they were open to everything and everybody and what they had to say.

Ald. Elise stated in terms of economic development the manufacturer's in the City had said one thing that held them back were electric rates and the prepared workforce from high school to the certain technologies.

Ald. Soucy in reference to the revenue numbers and how they were prepared particularly School Building Aid, Catastrophic Aid, Foundation Aid, and Business Profits noticed declines in all of them except for School Building Aid and asked for an explanation as to how the projections were made.

Mr. Bernard stated he would have Roger Descheneau address that as they were all based on specific formulas in computing those numbers.

Mr. Descheneau replied the numbers came from Concord, they were all computed in Concord and were based on the last two years of expenditures.

Ald. Soucy asked if they saw any potential impact because of the CIP budget, because of delaying the Middle School construction as that was certainly a key in trying to alleviate some of the overcrowding and providing some additional staffing positions mentioned not only factored into accreditation in high schools but in the amount of revenue generated.

Mr. Descheneau stated there was the revenue from the State and from the tuition from the towns and there was also the factor of approval or non-approval of the elementary schools; that he had sent a waiver request to Concord because of the non-approval of some of the elementary schools and when he sent it, it was when they were talking about '97 as an opening of a new school noting he had not received any response from them on that, so he was unsure where they stood on that whole thing.

Ald. Soucy stated there was some potential for loss in revenues as a result of not getting the waiver.

Mr. Bernard stated there was talk in Concord about the issue of the federal... holding back on specific sites, the money that they would give would not give for non-approved schools which was scary when you had a place like a Chandler School where there was so much money involved with Special Education students.

Ald. Soucy stated the Finance Committee at the State level had discussed coming up with some additional revenue and not just for Revenue Sharing overall, but particularly for those areas where their borderline required with or without waivers; that the State Department of Education would start looking at cutting back on revenue and unfortunately Chandler School was really an area where if they lop off one they were not in a position to lose anything and thought they needed to be very cognizant of where they were at at acquiring the waivers and making sure they were getting every dollar they could.

Chairman Wihby stated Ald. Soucy had a good point as far as revenues and thought that perhaps they could go back and look at them knowing that in the past the Board had let the School Department keep something if they found it, so maybe they could go back and look a little more closely at those numbers.

Mr. Bernard replied since you put it that way, Sir, I will.

Ald. Hirschmann stated it sounded like an appeal in Mr. Bernard's presentation regarding High School Athletics.

Mr. Bernard replied yes; that there was a $35,000 cut in the Mayor's budget and they were asking that that amount be reinstated; that he was before the Board requesting full funding of what the Board of School Committee had requested.

Ald. Hirschmann stated in looking at the printout of the School Department's request and the Mayor's recommended budget noted that the Mayor was extremely generous; that the Mayor had full funded every expense item for High School Athletics with the only difference being FICA which was moved to the Finance Department budget and Building Rental which went down four percent; that the Mayor increased 24 percent Auto Allowance, increased 7.9 percent pupil transportation, salaries two percent, 25 percent for licenses, 11 percent for capital noting that High School Athletics looked like a winner and did not understand what the appeal was about.

Mr. Bernard stated the Mayor's budget showed a $35,000 budget...

Ald. Hirschmann stated High School Athletics for everybody was growing and thought that the presentation should be more on the line with we're going ahead with athletics and we're not cutting it in any way.

Chairman Wihby asked if the Mayor's Office knew what the $36,000 was.

Mr. Girard replied the Mayor's intent with high School Athletics was to level fund fiscal '97 with fiscal '96; that they removed approximately $36,000 from the rental line item mainly to achieve that reduction; that because they only appropriated a bottom line to the School Department items it did not matter where the money came from but that the Building Rental reduction and frankly they should have removed it from another line item as he had already discussed with Mr. Palmer the Athletic Director noted that Building Rental was predominantly the money that the Athletic fund paid to Parks & Recreation for the maintenance and the $650,000 was a direct transfer to Parks & Recreation which needed to take place over the course of the fiscal year; that it was the Mayor's intent to level fund it; that there were no cuts in sports or anything else.

Ald. Hirschmann in addressing Mr. Bernard noted he did not want to insult him in any way but had wanted to emphasize that he thought that High School Athletics would be well-funded and there was no problem for the upcoming budget season; that one thing he wished to push his peers on was for capital improvement at West Memorial Field to the tune of $250,000 from the Community Improvement fund and wished to see it improved and thought that Federal monies were available.

Ald. Domaingue asked where the separate budget was for Music and Art in relation to High School Athletics.

Mr. Bernard stated it was in various accounts.

Ald. Domaingue commented that Music and Art was a graded course and it did not have a separate budget. She also noted that line item 214, Workmen's Compensation, was up 65 percent and asked what the reason for that was.

Mr. Descheneau stated Worker's Compensation was put together by the Mayor's Office and Risk Management noting it was assigned to them.

Ald. Domaingue asked of the Mayor's Office why that line item was up so much.

Mr. Girard replied when budgeting for Worker's Compensation they were basically budgeting an overall line item; that this year the Risk Manager had asked for almost $2 million in total with the Mayor reducing it to $1.5 million noting it was considered a non-departmental expense; that as a means of trying to give the Aldermen a sense of what the costs were for each department there was a formula which broke up the costs and it was not necessarily an accurate reflection of what the department would spend and the Worker's Compensation number had to be taken in under a City-wide aggregate.

Ald. Domaingue in reference to line item 272 Principals/ Professional Development asked what it was.

Mr. Descheneau replied it was a contractual item.

Ald. Domaingue asked if the contract still included payment of their Principals/Professional Association dues.

Mr. Bernard replied in the affirmative.

Ald. Domaingue asked what that amount was.

Mr. Descheneau replied it was $265,000.

Ald. Domaingue in reference to Special Education costs asked if all of the costs associated with Special Education were in one area of the budget or was it broken down.

Mr. Descheneau replied it was scattered throughout the budget.

Ald. Domaingue stated in terms of the Board being able to appreciate the skyrocketing costs of Special Education they did not have a separate document which would show them what the total amount of those costs were.

Chairman Wihby asked if it was available and if it could be provided to the Board.

Mr. Bernard stated there were so many line items; that with salaries they would have to take all of the Special Ed teachers...

Ald. Domaingue interjected stating she did not need an explanation and appreciated what he was about to say, but thought what the taxpayers needed to hear was not only the total amount but what some of those associated costs connected with Special Education were because they needed to be a little bit better educated on what some of the associated costs were; that in reference to building maintenance upgrading asked if the curriculum based recommendations which were brought forward in the accreditation process being addressed.

Mr. Bernard replied, absolutely.

Ald. Domaingue asked if those costs were reflected in this budget.

Mr. Bernard replied, yes; that most of them the cost would be incurred as part of a substitute's cost for teachers, in service training, or going out to workshops and things; that most of it was committee work by teachers to put together assessment tools and things like that.

Ald. Domaingue in reference to a new Middle School and having sent a waiver to the State anticipating the opening being 1997 noticed there did not appear to be any provision in the 1997 budget presented for the cost of operation of that Middle School and asked if there was a reason why; that if they were anticipating that that school would open in 1997 shouldn't there have been increased costs within this budget or were there still increased costs plugged into the budget that might have been associated with the Middle School.

Mr. Bernard replied, no because it was going to be in the next budget year.

Chairman Wihby in reference to tuition reimbursement asked if they figured in school nurses and athletics and all of the things not in the budget.

Mr. Bernard replied they tried to take as many possible ways as they could which was legal and what Concord would allow them to take from things to depreciation of the schools to get the tuition rate up noting it was still the best deal in town to get into Manchester because it was so much less expensive than other places.

Ald. Shea asked if the Medicare Program which had been initiated this year had been profitable noting that $200,000 would be returned to the City's General Fund and had it been helpful to involve the different specialists, etc.

Mr. Bernard replied he had some good news and bad news; that the good news was that yes, it had been helpful; that they'd had a lot of teachers and nurses and professionals working hard to fill out the forms to get them into the insurance agency and to get money back; that the bad news was because of the things he had showed such as double the cost of tutors and things he thought that the lion's share of that money would have to be used to help defray those kinds of costs this year.

Ald. Shea asked if it would be helpful in years to come to continue the same process they initiated this year.

Mr. Bernard replied, absolutely; that if they could get over the hump this year and then start using it for the kinds of things they really needed, absolutely.

Chairman Wihby invited any School Board Member present to address the Board if they so desired.

Dr. Jack stated as far as the Athletic budget, it would not be fully funded, it would still be almost $36,000 short and they would be losing their Athletic Director, programs would have to be cut.

Ald. Hirschmann stated it was taken out of Building Rental.

Dr. Jack stated they gave $162,500 quarterly to Parks & Recreation.

Ald. Hirschmann stated what was not shown was the transfer into Finance for FICA; that if it was put back in.

Mr. Girard stated FICA was a non-departmental item which really didn't count to their bottom line.

Ald. Hirschmann stated if it was put in and extrapolate the percentage, the budget went up and not down.

Mr. Girard stated to say that the budget was $35,000 or $36,000 short was not...it was short from what the School Department had requested for the Athletic budget; that they did not get everything they had asked for, but in reviewing the line items the Mayor felt very strongly that School Athletics could be level-funded with the current fiscal year without impacting any of the positions or any of the sports and what it meant was that they would not be able to do all of the equipment replacement and things they wished to do; that they did have a schedule of what they would like to do, but they did not feel that the proposal impacted their ability to provide the sport.

Ald. Hirschmann asked if it translated into losing the Athletic Director.

Mr. Girard replied he did not think so.

Mr. Bernard stated that Mr. Girard, with all due respect, did not control the line item costs of their Athletic or their General

Fund, so he was not at liberty to decide how they would cover the $35,000.

Ald. Hirschmann interjected that gave him a problem because he respected Mr. Girard because he formulated the Mayor's budget for him and if Mr. Bernard wanted to put a spin on this saying he would eliminate somebody's position it was the School District doing it, not the Mayor's budget or the Mayor's intention.

Ald. Soucy stated that was what the School Board was suppose to do noting that the Board of Mayor and Aldermen only gave them the bottom line.

Chairman Wihby stated the budget proposed by the Mayor was $35,000 less; that it was up to the School Department as to where that money would go.

Ald. Hirschmann stated the Mayor had put together a budget saying the School Department could be adequately funded to run just like it did last year, all it was was semantics.

Chairman Wihby stated they were no different than any other department.

Ald. Soucy in reference to line item 621 (Court Cases/Meals) under School Food & Nutrition asked what it was.

Mr. Burkush replied their line item 621 was expendable supplies; their system was based upon handbook 2 which was put out by the State; that the system used by the City was a little different.

Chairman Wihby stated he wished to address the Mayor's Office budget next.

Ald. Cashin stated he wished to discuss the Mayor's budget when the Mayor was present.

Mr. Girard stated the Mayor had no problem with his budget being presented without his being present.

Chairman Wihby stated the reason they were going to add two more this evening was because a couple had to be added.

Ald. Pariseau stated if things were to be added then they should receive the consensus of the full Board.

There being no further business to come before the Committee on Finance, on motion of Ald. Pariseau, duly seconded by Ald. Robert, it was voted to adjourn. Ald. Shea and Domaingue duly recorded in opposition to adjournment.

A True Record. Attest.

Leo R. Bernier

Clerk of Committee