

COMMITTEE ON FINANCE

Continuation of June 18, 1996 meeting

June 19, 1996

4:00 PM

Mayor Wieczorek called the meeting back to order.

The clerk called the roll.

Present: Alderman Wihby, Reiniger, Sysyn, Clancy, Soucy, Shea, Domaingue, Pariseau, Cashin, Robert and Hirschmann.

Absent: Alderman Elise

“Amending an Amended Resolution ‘Raising Monies and Making Appropriations for the Fiscal year 1997’ so as to Appropriate \$145,525,583.”

Mayor Wieczorek noted that Alderman Wihby had been working with the aldermen to see what could be done. Mayor Wieczorek stated that he too had looked again at the budget and as he had said if they can have a bag and tag program and if they did not want a bag and tag program it would go on the tax rate.

Mayor Wieczorek stated he had a proposal which would be distributed, but wished Alderman Wihby to make his proposal first.

A handout was distributed to members from Alderman Wihby.

Alderman Wihby stated there were a few changes from yesterday. At yesterday’s discussion we added a city coordinator, at \$46,000 and the benefits for the coordinator assuming they could probably start by October 1st. PBS we’ve added \$50,000 for more of the maintenance of the schools, and the other projects that they had; that retirement they went over that number yesterday and Finance has found another \$50,000 to \$75,000 but we only used \$50,000 that we know that we can have, it might be \$75,000. CIP Cash there was \$120,000 there was a city hall roof for \$40,000 that we can bond instead of paying cash, there was the west side library that we were going to spend \$30,000 in cash for instead they are going to bond that and do the whole project instead of just the \$30,000. and we are going to use fund balances from projects that were completed and the last thing was there was a number for demolished buildings of \$50,000 that was in cash that they can have some fund balances left, and Armand could speak if they wished, but he felt that they could put that number together, he had no anticipation of that \$50,000 but knowing that if something was to come up they would have to fund it later,

but there was some money in the accounts for that and they don't have anything anticipated for the \$50,000. Alderman Wihby stated that if they took all of those changes, it comes out 3.69, a little better than yesterday, \$30.72, so it was \$1.09 on the tax rate, average house is \$109.00 for the year and he thought it took care of some of the issues that a few of the aldermen had yesterday, and still kept them where a majority of the aldermen he thought wanted to be.

Alderman Shea asked what the salary of the city coordinator was. Alderman Wihby responded \$46,000. for October 1, the yearly was around \$61,000. Alderman Shea noted plus fringe at 38 percent. Alderman Wihby concurred.

Alderman Pariseau moved to amend the resolution presently on the floor to the numbers presented by Alderman Wihby. Alderman Robert duly seconded the motion.

Alderman Domaingue stated using Chairman Wihby's figures, if they were to take no action on the city coordinator and were not to put \$50,000 into Public Building Services, but were to take the \$50,000 from the retirement, \$50,000 from the Dilapidated Buildings, that would give us \$100,000, the \$40,000 from the cash CIP for the roof at City Hall, the \$30,000 from the cash CIP for the West Side Library, added to that would make \$170,000. which would leave them with a tax rate of 3.61, if in fact they did nothing further of the recommendations that she had proposed yesterday other than to postpone the department head raises from July 1 to January 1 they would realize approximately another \$48,000 and that would bring them to a tax rate of 3.54 percent. Alderman Domaingue stated because the information given yesterday by the Chairman was helpful but not quite correct in that if they were to freeze those raises they would not occur costs above the savings in relationship to the switch back from Blue Choice to Blue Cross JEW plan, it would actually cost the city a net figure of \$26,604, they would still realize a savings of \$93,790; if they were to postpone the raises to January 1, it would postpone that hit on the budget by half and that was where she was realizing the additional approximated \$48,000, to bring them to the tax rate of 3.54. Alderman Domaingue stated that was the vicinity that she would like to see them in, and so could not be supportive of Chairman Wihby's proposal at this time.

Alderman Cashin stated they had a letter from the School Department requesting additional funding asking if they had taken that into consideration, or were they just going to ignore it.

Alderman Wihby stated it was not in this plan, they had just gotten the letter.

Alderman Cashin stated Mr. Bernard was present and he was sure could explain it but they had to do something, they could not just walk away from this.

Alderman Clancy requested to hear from Mr. Bernard.

Mr. Bernard addressed the Board stating: I wanted to just try to show you what we could do here and I'm reluctant frankly because I don't want you to get the impression that the

number that we came in with had some fluff built into it, because it didn't. I've said right along that this was an honest budget and it is and that is why in the right hand column I am trying to explain to you what happens when we do this. What I tried to do is remove over a million dollars from the Board of School Committee's original budget that they submitted to you. In doing so we literally wipe out any contingency which I explained to you we really need to have because of special ed circumstances primarily, so we'd have to be very cautious in that. I know that the Mayor's budget was justified by eliminating all new staff positions, and it is really difficult to say all new positions eliminated in a climate of increasing enrollment. It think that you need to give us some leverage here to hire in emergency conditions. If we have 40 students in a classroom we can't fit them into the room, we have to do something. Finally, the big one that I need to emphasize to you in terms of the kinds of cuts that you are proposing is that when you go beyond what I am saying everything has to be built into this operating expense, and the operating expenses right now, issues like transportation and special education, and electricity and utilities, they are all high. Higher than was projected. So what I'm saying is \$300,000 that pretty much is books and a few other things like the motor vehicle piece that went over to a different account, its really odds and ends other than the books, there isn't too many other accounts to deal with. So what we are doing when with Mr. Wihby's budget and you increase this cut by another \$850,000, literally the \$850,000 comes off of the operating expenses, so you wipe out all equipment, all furniture, all supplies, you leave practically nothing to work with for a whole year. That is why I would urge you to consider giving us at least this much to be able to fund the school district so they can at least operate.

Alderman Pariseau questioned Mr. Bernard stating in addition to the \$52,628,000 in the revised budget that the chairman presented, he did add \$500,000.

Alderman Wihby noted that the \$500,000 had been added in yesterday, noting \$53,478,000 was the number Mr. Bernard was comfortable with and he had funded \$52,628,000, so the superintendent was saying he could use another \$850,000.

Mr. Bernard concurred.

Alderman Cashin stated that he thought what the superintendent was saying was that without the \$850,000 they were tying his hands, he couldn't do anything. Mr. Bernard concurred it to be a fair statement. Alderman Cashin stated that they had a responsibility to the community and had to do something; that nobody likes to raise taxes; that he realized they all run for election and he understood that and appreciated it, but they were also all here and elected to do what they consider to be the responsible thing, and he was convinced that the responsible thing for them to do today was to put the \$850,000 back in the school budget.

Alderman Wihby asked how many retirements Mr. Bernard expected, was it 30. Mr. Bernard responded the retirements that they just had for this past year they were going to replace with teachers, there were 30 teachers and then there were other people, administrators and so forth, you can't save any money because they come in at the same

price as the old one left with, but the teachers that left at \$40,000 or \$41,000 and they pick them up at \$30,000 or \$31,000, it was similar to the mayor's justification originally.

In response to further question, Mr. Bernard stated that he was figuring the number of people that retired last year was 40, and he thought 5 or 6 were administrators, and then a few of them were people that he had to assume there would be two to four people who were like physics teachers, or somebody who he just could not get for that price, so on an average he was looking at about \$300,000 based on about 30 people that they can make the adjustment with.

Alderman Wihby stated there was 40 retirements, and asked Randy Sherman if 40 was the number that they would use for school severance. Mr. Sherman responded they used around 28. Mr. Hobson stated that the school district budget for retirements from the Board of School Committee was almost \$800,000. Alderman Wihby asked what the number was per retirement that they had used. Mr. Hobson responded the average severance was around \$24,000. Alderman Wihby stated this year they put in \$500,000. Mr. Sherman noted that this would take care of about 20. Mr. Hobson stated they expected more than the 20 next year. Mr. Bernard noted that they had to pick up the last few this year from their budget even though they had not budgeted for them.

Alderman Wihby asked if that had to do with the 30 or not. Mr. Hobson stated no, what Mr. Bernard had been saying in his original justification for hiring people, they talked about the fact that if they had to hire 30 new people, they can save about \$10,000 or \$11,000 on average on their salaries because you have people going out with a master's degree and 13 steps and they make \$42,000, and you hire somebody with 3 or 4 years of experience and many of them now in Special Ed require a masters degree, they come in at around \$30,000 so your savings is around \$10,000 a person, so they would save about \$300,000.

Alderman Wihby stated that the number should be close to 40. Mr. Hobson responded no. Mr. Bernard stated the reason it was not closer to 40 was because some of the people that retired were administrators, so you don't get any savings there, some of those people retired in December and they were hired already so they don't get any savings there, because they were not part of the savings piece. Mr. Bernard said if they add a couple other people they can't make the \$10,000 match with; that he was taking a guess that they would have 30 people they could make that match with, that he could hire with the \$10,000 left. Maybe some they will hire for \$6,000 less and some for \$14,000 less, he thought they could come up with \$300,000 that way.

Alderman Wihby asked what the next line meant in reference to 70% reduction in new staff, with all the staff that they had wanted to hire were they cutting 70% of that.

Mr. Bernard responded right, they had \$600 and something thousand total, which included for example an assistant superintendent for him, which was out, it included an assistant principal at memorial, that was out; that there were some positions he could say off the top of his head those are out, he can't get himself to say that every single one of

them is out because he knew for example Highland Goffs Falls has 6th grades with 35 kids in it, and 2nd grades with 34 kids in it, Green Acres has 6th grade with 36 kids in it; that there were spots he knew he would have to have teachers. Mr. Bernard noted that some of those people he would try to deduct from other places and see if he could find a classroom that he could take a teacher from and put them somewhere else he would do that, but he could not say he was going to be able to wipe out all \$600,000 because he really thought in dealing with a population of 16,000 students you had to have some kind of leeway to hire new staff especially when the enrollments increasing.

Alderman Wihby asked what his total operating expense were. Mr. Bernard responded the total \$6 or \$8 million, but they had the books at about \$700,000, and they had to figure \$200,000 of that was a given, they had to do it, they are first and second grade consumable math and language arts workbooks, if you didn't have those, those little guys wouldn't have anything to work with. The other kinds of things, like the School Board had just adopted a new math text they would have to postpone purchasing. The other books are they don't have enough, they get 5 more kids in an American History class at West they are going to have to share books, those kinds of things.

Mr. Hobson stated that the operating expenses were about \$8 million, 50 percent of that was money that there was no movement, it was transportation, which included special education transportation, and special education tuition, there was no movement there were federal mandates they had to do it.

Alderman Wihby stated this was \$4 million, and of the other \$4 million they could not cut 3 percent. Mr. Hobson stated they had utilities for about 25%. Mr. Bernard noted that electricity was up almost \$200,000 this year, which was in fact where all of their Medicaid money was being use for was to take care of the extra cost of bills that they have, transportation was way up, they know they need 3 more buses next year, \$75,000 right there. So when they submitted a budget in November, unfortunately they did not pad it. And that may be why they should.

Alderman Reiniger stated to Mr. Bernard that he had given them enrollment statistics for May 31, 1996, and from his own figures it did not say anything about 36 students at Green Acres, was he saying a bunch of students have suddenly moved in the last two weeks of the school year.

Mr. Bernard responded that they were taking the number of fifth grade students at Green Acres and put them in the sixth grade, and he thought there were four fifth grade teachers, and three sixth grade teacher, but there was one less sixth grade teacher, so they take the total number and divide it by the number of teachers and they would get 34, 35, 36.

Alderman Reiniger stated that his own figures stated 32, 32, and 31, noting he had also said tonight something about 40 students in classrooms and his figures didn't say anything about that, and he thought it was misleading the public.

Alderman Soucy noted there were four fifth grades. Alderman Reiniger stated that he thought they needed to get this straight because this was a serious problem they were having, discrepancy of the figures.

Mr. Bernard stated if he looked at the numbers before him, and he projected over the summer 200 or 250 students coming into the schools, add those numbers to the totals they had in some kind of distribution, and he did not know how, maybe they would get 100 of them at Northwest, or maybe 5 at Northwest and 100 at Wilson, he didn't know where they would go, but they show up at our doorstep at 15 different elementary schools and in all of the classrooms within them. It would take a magician to try to figure out now what those numbers are going to look like, all he was telling them was that there was a potential that they could have those kinds of numbers in those classrooms, and that was all he could tell them, he could not promise anything, and he could not do better than sharing with them numbers that have happened over the last 13 years. Mr. Bernard noted that if they looked consistently at the enrollment sheets over the last 13 years, yes they would find some classes with 19 and 20 in them, they would also find some classes with 30 in them, they would not find any with 40 in them because they had managed it carefully enough so they don't have them and they have been able to get the money to hire the teachers to take care of it. He was telling them that next year if they did not have the money to buy the teachers they will have the 40 in a classroom.

Alderman Reiniger stated that he had provided them with figures comparing 1974 to 1996, and looking at elementary, roughly comparable total population, 21 additional classes and 119 more teachers and he had given him separate figures a couple weeks before which suggested 136 more teachers today, and they were being told there was a problem. Alderman Reiniger asked what the additional 130 teachers were doing.

Mr. Bernard responded they had special education that, they had been over and over this. Alderman Reiniger interjected that his figures also showed 19 today and 19 in 1974, and also shows educational assistants and a very large tutor budget, so where were all of these teachers.

Mr. Bernard stated they could not simplify special education by saying there were 19 more classes now than then, you have all of the speech therapists, occupational therapists, physical therapists, there are so many different kinds of people out there serving the needs of kids so that we don't have to send them to out of district placements, this was a massive enterprise that we had going on, and it can't be oversimplified to in 1976 we had this and in 1996 we had that, so there, I'm right and you're wrong, it was much more complex than that. Alderman Reiniger stated he thought they needed more specifics they were operating with generalities here; that they had been hearing about special ed costs. Mr. Bernard asked what he wished to see.

Alderman Reiniger stated he wanted to see specifically numbers of teachers in special ed, which are teachers, which are educational assistants, and maybe a comparison to 1974 would be helpful, and if this is such a problem they should maybe look at reducing the costs, they have a problem with tuition out of district, a lot of experts told him a long

time ago they should have done more to keep these people in the district, which could have been saving a lot of money, less administrators.

Mr. Hobson stated that the children in the past two years that have gone to out of district placement, it is absolutely the last recourse. He did not know what the 1974 figures showed for special ed population, they had a special ed population right now at 2467 kids as of yesterday, they were expecting 2500 by September. These were recognized coded kids.

Alderman Reiniger stated he understood that the code definitions had definitely had changed. Mr. Hobson responded he understood that too and they were doing their best to keep those numbers down, there were federal regulations that they could not just skip over. Alderman Reiniger stated he thought they should see the specific regulations and see if this could be better managed, he was not convinced that this was managed the best way.

Mayor Wieczorek stated that this was a large number, was it about 15% of the population in the schools.

Mr. Hobson stated that if they looked at the school population as 16,000 which it was, that was a real number.

Alderman Clancy stated that when people go from city to city the first thing they look at is what kind of a school system we have, police and fire departments, asking what the 3.65 translated to on the tax rate. Alderman Wihby responded \$1.09. Alderman Clancy stated if they through the \$850,000 towards the school department that would add another 25 cents approximately; that the children deserved a good education, if people are looking at moving to Manchester, and they have a lousy school system, nobody was going to move here.

Alderman Reiniger stated that the question wasn't how much was spent but how it was spent.

Alderman Clancy stated that was why they had a school board, they were watching out for it.

Alderman Reiniger stated that our test scores are worse than any other city in the state.

Alderman Clancy stated that if anyone was to move into the city the first thing they do is check the school system, the fire department, the police department; that the tax base was starting to come back so he was for giving the school system the money they need.

Alderman Domaingue stated that it would be ideal if they could give everybody the money that the need, but she was not sure that they had it this year. In terms of the school department we need to realize that they are in effect going to be receiving over 1/2 million dollars from Kindergarten Aid in this fiscal year being looked at. In addition to

that, we had already given back to them \$200,000. in revenue, so she guessed that's where that puts them at the \$800,000 difference from where they are willing to be. Alderman Domaingue stated that as far as providing a good education, she checked with the Finance Department and under their line item of education, including transportation but not including construction projects, over the last ten years the City of Manchester has expended \$496,196,793, which was almost a half billion dollars, 56% of that number was spent in the last five years so obviously the City of Manchester has taken a forward movement in terms of funding education and seeing those numbers rise. She thought that they were trying to be responsible, she did not see where they could make up \$800,000 in this fiscal year.

Alderman Pariseau asked with regard to transportation if the school department had gone out to seek bids for transporting these children. Mr. Bernard responded yes they had, and they were constantly reviewing that. Mr. Hobson noted that they used the MTA for general student population, and they did go out to bid. Mr. Bernard noted they had gone out to bid on the general student population transportation a few years ago and found there was no comparison, they couldn't come close; that MTA had been good to the school system and had not increased anything for a few years, they had held the line for education. He could not complain about MTA.

Alderman Sysyn asked what it would cost to give them half. Alderman Wihby stated they could probably give \$300,000 and still stay at the 3.95.

Alderman Soucy noted there was the issue she had raised last night about the \$273,000 that they had put away from meals and rooms, and that money could be utilized.

Mayor Wieczorek stated he thought they were going to use that money to increase the tax base. Alderman Soucy asked how they were going to do that, what specific plan was there, there was nothing specific on the table at this point for that money, and they could spend the next year doing that for the next increment, and in the meantime they had a need right here that they need to fill. It was not just people moving into homes that look at the educational system, it was businesses, one of the things that attracts businesses to a community is the educational system. She thought the \$273,000 would be a wise investment in the educational system.

Alderman Shea stated there were two proposals that Alderman Wihby made concerning a City Coordinator and Public Buildings and he thought that this money could be better spent towards education. Alderman Shea asked if a building was more important than a teacher or supplies for kids, it didn't make sense.

Mayor Wieczorek noted Alderman Shea was a principal and if he were standing in water up to his naval he knew he needed a plumber. Alderman Shea responded that was right, and that he would probably have to do it himself by the time the plumber got there. Alderman Shea stated that he still felt that if Public Buildings, if it were run properly, he didn't think there would be a need for \$65,000. as Alderman Hirschmann requested, he would rather see that money go towards the school department, and he would rather see the city coordinator's position's money go towards the schools; and that if they were going to spend money let's spend it where it was needed most, and not on these other projects. Alderman Shea stated he agreed with Alderman Soucy that they should use some of the rooms and meals tax money to help the schools at this stage.

Mayor Wieczorek stated these are the difficult choices you have to make, after all the coordinator is for economic development, the money that is in there is for economic development, you don't want economic development, you can't criticize and say well we are not doing anything for economic development if you take all of the money out, or the people that are going to be working for that.

Alderman Soucy asked what the present assets of MEDO were.

Mayor Wieczorek responded he did not know.

Alderman Soucy stated in excess of \$2 million, noting that perhaps some of that money should be used for economic development which was the whole purpose of MEDO.

Mayor Wieczorek concurred that this was its purpose.

Alderman Shea stated that if they removed \$5,000 from 20 departments excluding the Mayor's and School, that would give another \$100,000 towards the schools, so she has \$200,000 we have another \$100,000 from the other two proposals plus if they were to freeze the department heads they could get another \$48,000 so they could come up with \$450,000.

Alderman Wihby noted that aldermanic benefits was another \$150,000.

Mayor Wieczorek suggested they get rid of the health benefits. Alderman Robert stated they could do that.

Alderman Hirschmann stated it had his support.

Alderman Wihby stated they went through a system of looking at every department, they looked what they had put for 1, 2, and 3 percent, and they had chose the best proposal that they had felt was not going to cut services, and they went through that and came up with a number, since then they had cut some more. Alderman Wihby stated that to pick a number and say 9,500 a department or 5,000 a department or 1 percent more after they had gone through everybody and said we don't want to cut the services, we don't want to hurt the department, and then to cut on top of it to give to somebody else, he did not know how they were going to do it. Alderman Wihby stated so instead of one department hurting they would have 24 departments hurting. Alderman Wihby noted they had sat here and said they don't want to cut the police, and the proposal is to cut more out of police, they added more money to Fire and now they want to take it away. Alderman Wihby stated either they were going to put in a tax rate and increase the tax rate or they are going to take it out of all of the departments and hurt all 24 departments and cut services for everybody, a matter of 24 cents on the tax rate, nobody wants to increase the tax rate but maybe there was some middle ground there where they could do something. Alderman Wihby stated they had come in with a 3.95, they could still give \$300,000 and still have a 3.95, everybody out there knew they were having a 3.95 when they came in here, they had a public hearing on that number. Alderman Wihby noted that he did not know that there was a big cry for under 4 when 4 of it was due to the solid waste issue.

Mayor Wieczorek stated he thought that was really the difficulty that they faced, because they look at the two public safety agencies and the school and that represents about 80 percent of the budget, to try to have the other 20 percent of the departments operate efficiently and take money away from them to give more to the larger departments is a very difficult thing, he did not think they would have anything functioning.

Alderman Wihby commented on Personnel noting they had given them \$1,200 and now they want to cut \$5,000 from them, they could not do that.

Alderman Domaingue stated the proposal that she stated earlier when they started the meeting was to take the money that Chairman Wihby said was recovered in Finance and the only other change has nothing to do with cutting them by \$9,500 or taking back the \$200,000 from school, the only other change added to that would be to postpone the department head increases until January 1 of 1997, and that would bring us to a tax rate of 3.54 percent and she could live with that. Alderman Domaingue stated that she could not support a city coordinator under this budget deadline, nor could she support adding money to PBS. She could support as they go through the system after July 1, if they should realize an increase for the base valuation of the City, sending some of that revenue back to school and using it for the projects that some of the aldermen want to see happen, but at this point in time her focus was on making sure that the tax rate is palatable for the taxpayer. Alderman Domaingue stated that right now they were not talking about a 0 increase unless they do the bag and tag and for some reason the Mayor was under the impression that this was not a tax, but in any event she wanted to see them get it down as reasonable as possible. Alderman Domaingue stated that they would be increased anyway - 3.54 is an increase.

Alderman Domaingue moved that they did as she proposed to bring it down to a 3.54 percent increase.

Mayor Wieczorek advised he had a motion on the floor at present.

Alderman Domaingue noted she would like to amend the motion.

Mayor Wieczorek stated to wait, noting she was under the impression that the mayor did not understand the difference between a tax and a user fee. Everybody pays a tax, a user fee, only people that use it pay, that was his distinction.

Alderman Domaingue asked if there were people in the city who did not have any garbage, cause she had not met them yet.

Mayor Wieczorek stated no, half the people are paying to have it picked up already and she could meet any one of them along the street. The city picks up half the trash, and be thankful that when you put it on the tax rate that somebody else is paying to have your trash picked up.

Alderman Domaingue stated yes, and most of the people would be hit with the bag and tag, she believed they had that debate once already.

Alderman Wihby stated that the difference between a 3.54 and a 3.69 is \$4.00 to the average home per year, and for \$4.00 they had put a little more money into the buildings and also funded hopefully something that is going to increase economic development, where they would get their money back, he did not think that the citizens of Manchester were going to cry over \$4 if they know they are going to get something for the \$4. To say he was happy with a 3.54 and to say the 3.69, when it is a matter of \$4.00 is just a way to not vote for this budget, and he was sorry to say that but this was how he felt.

Alderman Shea stated that some of them felt that the money that is being directed is not directed in the areas that they would prefer it to be directed, in other words he had expressed that he was not in favor at this stage of a city coordinator paying them whatever, \$46,000 then \$60,000, nor was he in favor of putting money into PBS, he would rather see it go, if it were going to be spent, towards education, he felt they were putting money in the wrong place, and he would not vote to put it in those two areas.

Alderman Cashin stated they still hadn't addressed the problem with the school department as far as he could see; that if they took the \$96,000 that they want to give to PBS and coordinator, it appeared to him the majority of the Board didn't want the coordinator, and PBS had received over \$3 million in the budget, if they took the \$96,000 and gave it to the school department then they had cut it down to roughly \$750,000 that they need. Alderman Cashin asked the budget that they are giving the school department was \$52 million, salaries are running 87-90%, roughly \$48 million, that leaves \$4 million to run the schools - can they run the schools on \$4 million, he did not think so and there

lied the problem that they had to face. Alderman Cashin stated they could talk about teachers and try to mini manage, they could do whatever they wanted to do, Mr. Bernard has to justify this not to this Board. The School Board are elected just like this Board and are just as responsible as this Board is, this was real, there was no inflation here, nobody was fooling around. They were either going to have an education system in this city or they were not, and tonight the Board was going to decide which way it was going to go. Did they want to tell the people out there that they did not care about education, that was fine, and that was what they were being asked.

Mayor Wieczorek stated that Alderman Cashin seemed to be going along with other on taking the funds out of PBS, and wasn't he the one that was criticizing that department.

Alderman Cashin stated he did not wish to debate Public Building Services issues with the Mayor at this time; that they had already gotten \$3 million.

Mayor Wieczorek noted that if it was not enough before and now they wanted to take more away.

Alderman Cashin noted that he had not said it wasn't enough, he thought if it were administered properly it would be more than enough.

Mayor Wieczorek noted that Alderman Cashin was chairman of Lands and Buildings.

Alderman Cashin responded that the Mayor made sure he was off because he wouldn't let him get away with what he was getting away with.

Mayor Wieczorek stated that this was not quite accurate.

Alderman Domaingue asked if the mayor was not accepting her amendment.

Mayor Wieczorek stated he had a motion on the floor. Alderman Domaingue stated she was asking to amend the motion.

Mayor Wieczorek advised that they would take a vote on that motion and if it didn't pass then she could present what she wanted.

Alderman Domaingue commented that relative to the \$4 a year on a house, with all due respect to Alderman Wihby, yesterday when they were discussing proposed revenue changes, the proposal that she made was criticized relative to the department head freezes because it was deemed by the chairman of the Board that it may in fact cost us more than the \$128,000 she was attempting to save; that it actually would have been a cost of \$26,604, a far cry from \$128,000 s when the Chairman of the Board tells her today that it could only amount to \$4.00 a year on a property taxpayer's bill, she raised an eyebrow.

Alderman Hirschmann stated that he was not feeling well feeling things were degenerating here and he wished to reconsider his supporting the middle school last night.

The clerk advised the motion related to the CIP resolution. The solicitor advised that the item had been reported out of committee to the Board and accepted by the Board, and they would act on it at a future time.

Alderman Hirschmann stated he was prepared to do that because he was not comfortable with the school system, and felt they would continue to ask for more and more money.

Alderman Wihby noted he had checked with Mr. Sherman, and where he got the \$140,000 savings, which translated to 4 cents, which on a \$100,000 home was \$4.00, which Mr. Sherman agreed with.

Alderman Reiniger stated that from going door to door, the public had told him they were tired of hearing more money for education means better education, when our test scores to the third graders were below the state averages and worse than the other cities in the state both times. When moving to this community, people go to Concord and get a booklet of the test scores comparing all of the cities and towns, that is what discourages people, they don't look at how much money is in the budget, they look at the test scores, and any innovative reformed educational programs or progressive programs, and they don't see them in this district. Alderman Reiniger stated he had discussions about working with science and math in the millyard where a lot of the jobs of future were, squashed, no interest from the superintendent's office. Alderman Reiniger stated that this is what people look at and he was told today, people look at Nashua, there is a special area down there and it attracts a lot of people to an area of the city where there are a lot of expensive home. Alderman Reiniger noted that people for many years had been attracted to the Boston Latin School in Boston, these are the things, this was how you used the system for economic development, there was not question that the education system was probably the most important part of the government for that but was not being used in this city. Alderman Reiniger stated the days of saying more money is better schools was no longer, it just was not the case, the results were not there to prove it.

Alderman Robert stated that he was uncomfortable with the school department, he thought there was a credibility problem, he was not willing to deal with generalities, he wanted to see hard facts and numbers, he did not want to be threatened, he did not want to have people marching in front of his house to get him to change his mind, he wanted to deal with hard facts and nothing more. At this point he was not willing to add any more money to their budget until this credibility problem is gotten to. Alderman Robert stated in listening to everything that has been said, he thought it was time to start voting and see what passes and what doesn't, and amend whatever has to be amended.

Mayor Wieczorek advised there was a motion on the floor and requested the clerk to read the motion.

The clerk advised the motion, made by Alderman Pariseau and seconded by Alderman Robert, was to amend the resolution to the figures presented by Alderman Wihby in the handout which tallied to \$146,498,046.00.

A roll call vote was taken on the motion at the request of Alderman Domaingue. Aldermen Domaingue, Cashin, Reiniger, Clancy, Soucy, and Shea voted nay. Aldermen Pariseau, Robert, Hirschmann, Wihby, and Sysyn voted yea. Alderman Elise was absent. There being five yeas, six nays and one absent, the motion failed.

Alderman Domaingue moved to amend the resolution to her proposed plan of a 3.54 tax rate, taking the revenues found by the Finance Department in retirement, dilapidated buildings, cash CIP for City Hall, cash CIP for the West Side Library, and freezing the department head raises until January 1, 1997. Alderman Hirschmann seconded the motion.

Alderman Wihby stated his number showed 3.57, not 3.54 and asked what he was missing.

The clerk noted that Alderman Domaingue had removed more money from the earlier proposal, which changed the bottom line. The total being \$146,350,143.

Alderman Wihby stated that he could not support that because for \$4.00 a year on an average home they could get more money into PBS and get someone to get economic development going he felt it was well worth it.

Alderman Soucy stated she would like to divide the question, she thought everyone on the Board would support the changes to the CIP and also to the retirement fund, the issue of the salaries was a bit more contentious.

Alderman Domaingue stated that this could be made as a separate motion if this motion failed.

Alderman Pariseau asked how much money they would generate if they brought the increase back up to 3.75. The response was \$218,000.

A roll call vote was taken on the motion. Aldermen Domaingue, Hirschmann, and Shea voted yea. Aldermen Pariseau, Cashin, Robert, Wihby, Reiniger, Sysyn, Clancy and Soucy voted nay. Alderman Elise was absent. There being three yeas, eight nays and one absent the motion failed.

Alderman Soucy moved to reduce the retirement line by \$50,000 and the two CIP Cash items, \$40,000 for the roof for City Hall, and the also the \$30,000. for West Side Library.

Alderman Cashin noted concerns with saying they were going to bond the funds for the west library but he wanted to see the bond before they give up the 30,000.

Mr. MacKenzie stated that they had been requested to look at this today, with the action last night relating to the milage on the auto registration, there would not be a need to fund with the bonds the Center of New Hampshire garage, so that funds could be set aside at the discretion of the Board and they had reviewed it for the west side Library and the roof of City Hall, and that would include an increase to the west side Library.

Mayor Wieczorek called a recess.

Mayor Wieczorek called the meeting back to order.

Various members indicated they should recess the meeting until the next day and general discussion ensued relative to a meeting time.

Alderman Cashin stated he was not going to give in on not funding the school department, he wanted the school department funded.

Alderman Pariseau stated that if he wanted to increase the rate back to the 3.95 and add the \$270,000. to schools he could make the motion now.

Mayor Wieczorek asked what the amount was for schools. Mr. Sherman advised it would given them \$52,898,361.

Alderman Reiniger stated he would move the budget plan submitted by the Mayor with the bag and tag, noting that was a 0 tax increase plan.

Alderman Hirschmann seconded the motion for discussion.

Mayor Wieczorek called for a vote. The motion failed with all but Alderman Reiniger voting in opposition.

Alderman Clancy noted that Alderman Pariseau had made a motion to add the \$270,000 to the school department budget and seconded the motion.

The clerk requested clarification stating she understood that they were intending to add \$270,000 to the school budget, and was not sure what other changes were included in this consideration. It was clarified by Alderman Wihby that the intent was to add \$270,000 to the 3.69 that he had brought in this evening, which included the city coordinator and PBS additional funding.

Alderman Cashin stated that if they eliminated the coordinator and they eliminated PBS addition they could fund 366,000 to schools. Alderman Wihby stated it would by \$370,000. because of benefits. Alderman Cashin suggested the Board do so.

Following conference with Mr. Sherman, the clerk advised the bottom line number of the resolution as presented in the motion would be to amend it to \$146,768,046.00, which

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was based on the Wihby proposal and adding \$270,000, which included PBS and the coordinator.

A roll call vote was taken. Aldermen Reiniger, Soucy, Shea, Domaingue, Cashin, Hirschmann, and Wihby voted nay. Aldermen Sysyn, Clancy, Pariseau, and Robert voted yea. Alderman Elise was absent. The motion failed.

Mayor Wieczorek advised that the Board was not ready and they would meet the next evening to continue this meeting.

Mayor Wieczorek called a recess until 6:00 PM the next day.

A True Record. Attest.

Clerk of Committee