COMMITTEE ON FINANCE

April 28, 1997 **6:30 PM**

Mayor Wieczorek called the meeting to order.

Mayor Wieczorek called for the Pledge of Allegiance, this function being led by Alderman Shea.

A moment of silent prayer was observed.

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

Present: Aldermen Wihby, Sysyn, Clancy, Shea, Domaingue, Pariseau, Hirschmann
Alderman Cashin arrived late.

Absent: Aldermen Elise, Reiniger, Soucy, Robert

Messrs.: Diane Prew, Kevin Clougherty, Randy Sherman, Fred Rusczek, Susan Lafond

Mayor Wieczorek stated the purpose of the meeting is to continue discussions with various departments relative to the 1998 proposed budget and the first department is Information Systems.

INFORMATION SYSTEMS

Ms. Prew stated if the Board doesn't mind, I'd like to take a few minutes to step you through the handout, it will give you a little bit of a background as to the basis of my budget. If you look on that first page, this is the major project that we are involved in right now is the consolidation of the City's major computer systems - this is the HTE Project. When we have completed this project we will have consolidated four of the City's computer into one which is the City's IBM 4361 which has all of the financials on it today; the UNISYS system which does the payroll, the utility billing and all of those kinds of things; the School Administrative system; and the Water VAC system which does the utility billing for the Water Department. When we've completed this process we'll have one payroll instead of three payrolls, we'll have one financial system instead of three, and the software will be compliant for the year 2000. Right now, we have an aggressive deadline, we will be bringing up the financials and payroll by July 1st and after that we have additional modules which we'll be working on over the next 18 months. If you look at the second page, it's a chart showing the growth in PC's and what I'd like to point out here is that these are IBM compatible PC's. The City has had micro-computers for the last 13 years, but we have started in 1992, we started replacing them and you can see the growth that we have sustained. Most of our departments are on-line, departments which aren't at this time are the Police Department, Welfare, Library, Office of Youth Services, and School. This process we had planned to have completed, but it's been slowed by the shortage of staff and by the City Hall Renovation Project which has taken a lot of our resources. If you look at the next page which is our metropolitan area network...this is totally in place at this point. All of our City departments are on-line, a lot of that has been upgraded and is going to provide us with an infra-structure that will take us well into the future. The term "metropolitan area network" means within the City, we do not go outside of the City, this is just City departments that are on-line.

Alderman Pariseau asked relative to School, Diane, is that limited to School Administration or are you able to...

Ms. Prew replied initially it's limited to School Administration for security reasons. In our Phase II, we will be putting in the necessary firewalls and security and then we will be able to bring the various schools on-line into the system. This is a transition time for us and as we go through the budget, I think you'll see some of that. We're carrying duplicates of certain things because we have a new system that's coming it, but we haven't phased out the old system as of yet. I'm ready to answer questions that the Board might have.

Alderman Pariseau asked relative to the City Hall renovations is that rewiring of this building part of your budget or is it part of City Hall renovations.

Ms. Prew replied it is part of the City Hall renovations, but my staff works with the architects in laying out where the various receptacles need to be and the electrical requirements and such. We've probably put in about six man months in the process so far with moving people to the Plaza, lining that all up, laying it all out, and actually now that the move in going on.

Alderman Clancy asked why do we need so many Information Support Specialists, it seems like every department has one.

Ms. Prew stated the department's that have them outside of mine have specialty systems. You have the Police Department has a computerated dispatch and records management system which is a large system unto itself which needs to be supported and the requirement there is that it be supported only by Police personnel because of security issues and such and that's why they have people over there. We will also be installing between 75 and 80 PC's in the Police Department shortly. The Airport has a number of unique systems. The Airport runway systems, the security, the TelePrompTer that tells you when the plans are coming in, there are about a dozen different systems over there that are again, unique and they have a person to support that. The Fire Department likewise has it's own stand alone computerated dispatch and records system that needs to be maintained. So, that is why there are separate individuals in those departments.

Alderman Clancy stated a follow-up question to that is why are the Police different from various departments when other departments are a paygrade 20, ones a paygrade 22 or 26, why is that.

Mayor Wieczorek interjected that is why you need a classification system, Alderman.

Ms. Prew stated the Support Specialists should all be in the same class.

Mayor Wieczorek stated that is why we need to do this study because we are all over. It's like revaluation, if you don't do it periodically, you know what happens, it's get out of whack and it's the same with this. We've got the same problems.

Ms. Prew stated if I might add to that, I had two vacancies which I have filled by hiring people who were making less in our own City departments. I hired a person from the Library and a person from the Fire Department. On the plus side, we haven't loss those people because they stayed within the City. On the negative side, until those departments are able to refill those positions my department will be providing the support, so we won't get the full benefit of having additional employees.

Alderman Shea stated you have 16 people working in your department.

Ms. Prew replied yes, I have one vacancy. So, I'm staffed at 15.

Alderman Pariseau stated if I may go back to the Airport, all of your efforts, are you reimbursed for all your efforts to the Airport.

Ms. Prew replied yes. For the most part, our efforts are...we don't actually see any dollars in revenue from it.

Mr. Clougherty stated it's strictly reimbursement. We are reimbursed.

Alderman Pariseau asked is that part of the $60,000.

Ms. Prew replied yes. We fill out forms on a quarterly basis indicating the amount of support that we have provided to them.

Alderman Hirschmann stated, Diane, I was curious in your Special Projects line you had put in $170,000 for '98 and the request was not funded, what did that $170,000 equate to, what was that for.

Ms. Prew replied it was a telephone system for the Fire Department and it was additional equipment which we were anticipating to be installed in the new City Hall and Annex and it was felt that with the timing of the construction we could hold that off until next year.

Alderman Hirschmann stated it would then be in '99 possibly.

Ms. Prew replies yes. Those are additional...like the Information Center that is planned there would probably be a PC that would be there, PC access for the Aldermen and so on. So, we were looking at that kind of equipment as part of that and then as I say a new telephone system for the Fire Department.

Alderman Hirschmann stated the Mayor is proposing granting more than your request in salaries and I understand that that is those two positions.

Ms. Prew replied right.

Alderman Hirschmann asked is that also upgrading your secretary to a Grade 18 from a 13.

Ms. Prew stated I believe that the funding is short for that. That was the original proposal.

Alderman Hirschmann stated I was just following up to see if that was part of this.

Mayor Wieczorek stated everything you asked for, you have.

Ms. Prew stated I thought it was $5,000 short.

Mr. Girard stated the positions that the Mayor has recommended for reclassification were the balance of the positions that Director Prew asked for when she asked to reorganize her department. Those are the only reclassifications I believe the Mayor proposed.

<u>FINANCE DEPARTMENT</u>

Mr. Clougherty stated I don't have a formal presentation. Let me explain, a lot of our budgets are still in boxes, we moved over the weekend to the Plaza, so we're kind of light here and we appreciate Richard giving us a copy of your stuff, so if you're looking for your numbers, we have them because ours are in boxes and we haven't had a chance to get them out yet. With respect to our budget, this year we are about $770,000, we put in a request for about $900,000 which included primarily increases for positions. The Mayor came back reducing that to $836,000. Basically, what we have here is a maintenance budget, it's the budget that we have this year plus dollars that are included to deal with the non-affiliated increases and increases to our Incidentals line of about $40,000 and the reason that we have done that is as you know we have not been to the market for a bond issue in some time. We will be going out for bonds this year. Now, the way the budget is structured we expect we'll be going out and issuing the bonds in the second half of the year which means we won't have principal and interest payments which helps to keep you with your maturing debt lines low, but we still have to pay for the cost of issuance this year which will be all of the underwriter's fees, all of the actuarial dollars that might be involved there, any of the financial advisor's costs, bond counsel, and as you may recall from the past that can add up. We'll be looking at probably over $20 million worth of debt for capital projects that the Board has authorized over the last couple of years. In terms of revenue, we're looking at about $6.6 - $6.7 million this year, in terms of revenue for our budget and we're forecasting $6.8 million as part of the Mayor's budget and again the reason for that increase is we think that the Fed is going to tighten like everybody else and I think we're going to see the emphasis from the Fed on still fighting inflation and as they try to keep inflation low that means that the growth of the economy is going to slow, but also if you're looking at adding on additional dollars here. Even if the rates stay the same or dip a little bit, we'll have more of a bigger budget to work with and invested that creates more dollars and that's what's factored in there. So, we feel that those revenue forecasts are reasonable given the most economics. If there's something that changes dramatically there, we will get back to the Board as we do routinely and let you know as we get closer to budget adoption if there is any movement, but we think we're going to be okay there. One of the things I'd like to speak to you about tonight is the new system that Diane just talked about. I'd like to read something to you from 1993. This is a letter dated August 31, 1993 and it's to the Board of Mayor and Aldermen and it's an excerpt of my response to you from the Management Letter of that year.

> "The balance of our observations in the Management Letter under heading of 'Financial Management' involved the City's payroll processing system. These problems are symptomatic of an archaic management system and approach to Human Resources management. The absence of sound procedures seemingly contradicting ordinances and inadequate staff raise serious questions about internal controls, compliance with federal laws, and fairness. The City desperately needs to revamp its entire contract negotiation/human resources management structure. The BMA needs to redirect financial resources of this area of operation as soon as possible."

Now, this was in 1993. We're still looking at parody/equity issues, we still have some comparable worth concerns, internal controls. I believe that the $2.5 million that we are expending to put in place the computer system is going to improve the payroll aspects of some of those outstanding problems. But, it doesn't solve everything. There are other pieces that have to be addressed. Our concern is if we were going to have, if you were to adopt the Mayor's budget and give us the staff that are included in there. We would go ahead with the system that we are working with with the consultants and with Diane and you'd have a payroll system. But, the day that we put that payroll system and put in the internal controls so that Finance can't get here and somebody else...the day that we put those in we're going to get a call that afternoon from the Personnel Department and they're going to have problems. They don't have the staff, they don't have the expertise at the lower level to process the payroll and what's going to happen is they are going to call us and that day after all of the work that we have done to put in a system they would have to lift the internal controls, so that my staff can get the stuff keyed in so that people can get paid. Now, I've talked to Hugh about this and he wasn't able to make it tonight and certainly call him to confirm that we've talked. I really would like the time over the next week to meet with Hugh to try and see if there is some way that we could structure what he needs in his department and what I need in my department to make these controls work and there may be some way that we can move people or do something with resources that we can accomplish what is necessary within the limits of the dollars that we are talking about. I have not had the time to do that with him, he's had some changes as you know, Connie has resigned. We have some concerns that moving forward, it's not enough to just have the Finance Department and the other departments set up and have the accounting system set up and not have the payroll side of Personnel Department in a position to be able to do what needs to be done and that echoes my concern of 1993. We still have to address these problems and it’s of a concern to me. So, as I come before the Board tonight, I think what we’ve asked for is reasonable. Certainly, the Mayor’s is a maintenance budget and we will do everything to live within that. But, we would like to have the ability to work with Personnel in the next week to try and come back to you with a joint proposal for the two departments to address this very necessary and important control issue that I feel is just not going to get resolved otherwise and I’d be happy to answer any questions.

Alderman Domaingue asked the internal control problems that you are talking about that have been on-going since 1993.

Mr. Clougherty replied the internal control problems we have been talking about have been going on since the 1980’s and we have been trying to resolve them procedurally as best we can. But, you can’t resolve them unless on the other side there is something to resolve them with and you have to build in there the capacity on the Personnel side to deal with processing the payrolls.

Alderman Domaingue stated with all due respect, Kevin, you’re the Finance Director and I’m finding that this past year you’ve spent more time in Concord when I needed you here. So, if you come before the Board, the Committee here tonight and ask us for attention I was willing to give it to you all year long, why are we hearing about this now, why weren’t we hearing about this before.

Mr. Clougherty replied, I don’t know why you think I’m in Concord a lot, Alderman, because if you look at my schedule I haven’t been up there a lot as compared to other years. I’ve been pretty much in Manchester, so I don’t think that’s true. Second of all, anytime anyone has tried to get a hold of me or had questions, I’ve responded to them.

Alderman Domaingue asked did you bring this subject up at all this year, before now.

Mr. Clougherty replied yes we have. We brought it up as part of the Management Letter and that’s what I read to you, as part of the auditor’s report.

Alderman Domaingue stated but I’m talking about to this Board prior to tonight.

Mr. Clougherty replied yes, Aldermen. We have had running discussions with the Board, I would say over the last four years with specific problems.

Alderman Domaingue stated with the plan that you’ve introduced, with the recommendation for the coordination between you and Personnel tonight.

Mr. Clougherty replied no, Aldermen, and the reason I haven't done that is because we felt that Personnel was going to resolve this themselves and they haven't. We felt that there was some opportunity there to work with Connie to see some things going on and that's not happening. So, we are coming in trying to get something resolved. Certainly, if the Board does not want us to do this, wants us to stay within our current budget then we will go along and do our side of the ledger. But, we would be remiss if we didn't tell you that that other side needs to be fixed and we would like to be part of the solution rather than part of the problem.

Alderman Domaingue stated I like to think that I am paying attention most of the time here, Mr. Clougherty, this is the first time I can recall this issue being brought to this level and that's why I asked the question.

Mr. Sherman stated every year in the Management Letter, we get comments about the internal control problems we have with the payroll system. We're going beyond that because we have always had concerns about the technology capabilities of the Personnel Department. They have had a stand alone system for a couple of years now and haven't even turned it on, it never got up and running and our only hope that we had there was with this new system...Connie has spent a lot of time not only going through the systems and testing the systems and being part of the evaluation of those systems that we felt that finally Personnel was going to get on a system and now you're losing that link and now it has come to head and something has to be done and we sat down and talked about it. We talked about it with Diane, we talked about it with the Mayor and Kevin's talked about it with Hugh. Everybody realizes now that there is nothing over at Personnel that is going to get this system up and running. We have some staff that has great knowledge on the system and has been working on it, but if you're going to...we have always said in the past that in order to get this segregation we needed a new system because the current system that we have didn't allow for it. We now have the system and we can segregate it, but now you don't have the staff to segregate it. It's an opportunity that has kind of been thrown at us, but it's a problem that needs handling and I think that is what we're saying that we've only talked to Hugh Thursday of last week and we still need time to sit down with Hugh to get him to understand. Hugh has not even looked at this new system, yet, and we need the opportunity to be able to sit with him and his staff and figure out what we can do here because I don't think what you want is for us to go into a new system and have the same problems that we currently have. This system is so complicated that we have 296 payroll schedules on this new system; that's one payroll schedule for every four employees.

Mr. Clougherty stated to clarify that, the system is not complicated. The difference between some of those 296 items is less than one cent and you have one person in them.

Mr. Sherman stated we talked earlier about information support systems, we talked about 22's, 26's and 20's, the one in our department is a 17 maybe. He has his own payroll schedule now because of the way his salary is calculated.

Mr. Clougherty stated in order for us to audit, it's getting more complicated as we're going and we need to get back and get control of this and it's not...you're right, Alderman...it's not a finance issue. I could come in here tonight and probably could have been gone ten minutes ago and said here's my budget, here's what I want, and I'll see you later. But, I think that would be irresponsible because down the road I'd be coming back telling you that we've got these issues and I think there's an opportunity here and I think there's a willingness on Hugh's part to sit down. We're not asking to come in with a big, new reorganization or big dollars. What we think we can do if we have a little extra time is to try and work something out and we're talking at the management levels. So, we're talking not the Chief's here, but were talking about Indians we're trying to deal with. I know there are other issues on that side, but we need to get something where we have some people that are work-a-bee's that can get this stuff done and that's our concern, that is the level that Hugh and I, I think can get some resolution on.

Alderman Domaingue stated, Kevin, I'm not questioning the necessity or the urgency at this point. I guess as we go through this budget process, I'm looking at department heads that have received significant increases over the last two years and I am only now hearing about a situation where, I guess we were all dependent upon Connie and for the City of Manchester to have an administrative staff in all departments that doesn't think forward, that doesn't think management, and how are you going to deal if somebody suddenly doesn't show up for work tomorrow on this level, on a technology level is really unfortunate. It's an unfortunate situation that we are in and all I'm saying is that I needed my department heads and if you're an integral part of this and I needed you or I needed Randy or someone to come forward sooner and talk about the urgencies of these things that the Board could get a better feel, so, I as an Alderman get a better feel of where the needs are. But, here we are at budget time and now I'm getting it, now I'm hearing about it.

Mayor Wieczorek stated I think you're now getting it, Alderman, because it has come to a head because of the circumstances that have occurred.

Alderman Domaingue stated, I appreciate that, your Honor, but it never should have gotten to this point is all I'm saying.

Mayor Wieczorek stated people are always going to leave, Alderman.

Alderman Domaingue stated we're not prepared.

Mayor Wieczorek stated you're not prepared in a small department, of course your not. You can't have a backup for everyone that's there.

Alderman Domaingue stated then our manager's aren't doing what our manager's need to do and it's a very hefty budget to be saying that.

Mayor Wieczorek stated I talked to Hugh today, as a matter of fact, because we've discussed some of the problems and I talked to Hugh today about some of the problems and we're trying to see what we can do to remedy these things. So, hopefully, by Tuesday's meeting I'll have something that I can report to the Board.

Alderman Wihby stated Kevin's taking a hit here where it's probably Personnel's hit and not so much Finances hit. I think that the hit that Kevin just took from Alderman Domaingue probably should have gone to Personnel rather than Kevin because I think Personnel should have been sitting here telling us these problems and he doesn't have enough staff and all these other things rather than Kevin trying to persuade us to do something. But, Kevin, what's wrong with going with the payroll system, the payroll companies that are out there, wouldn't they be cheaper in doing that than getting all this software and extra help.

Mr. Clougherty replied we looked at that as part of the process and not only the processing costs, but the technological costs of linking us to those things. The decision was made to go with this one system and we think it will provide the Board and the departments more cost information, more management information than if you went to an outside vendor.

Alderman Wihby asked did anybody try to go to an outside vendor.

Mr. Sherman replied we received proposals for the ADP's, etc.

Mr. Clougherty stated that was all part of the evaluation that was done by the team back when we were selecting the systems and I think Connie was someone that sat in as part of that management team.

Alderman Wihby asked how many new positions because of this new system are you going to have to have.

Mr. Clougherty replied we are not sure that you are going to need new ones as much as maybe shifting them and trying to come in with different types of expertise that you will need at different levels and that is what we need to sit down and work out with Hugh.

Alderman Wihby asked how much software are you going to need.

Mr. Clougherty replied the software is already there, it's already programmed, we're loading that, and that is going to be going. But, again, if we load it and it's all ready to run and there's nobody on their side then they call us and say you have to key in the Aldermen so they can get paid this week, then I have to take off the security and the system doesn't work.

Alderman Wihby asked is the School system on this already.

Mr. Clougherty replied this is a system that School will be on, everybody will be on this one system.

Alderman Wihby asked can we get some of their people over here to help us.

Mr. Clougherty replied we haven't approached it from that. We've really approached it from how can Finance and Personnel work out with the resources that we have.

Alderman Wihby stated in order to do something like this we should be trying to save something and if we're going to put a system together that is going to cost a lot of money we really don't need, but I don't understand why we couldn't have some of School pay for additional help or something.

Mr. Clougherty stated I'll have Diane and Randy who have been involved in this daily more than I have but, what we're asking Personnel to do for the City's side...there are already people in place in the School Department on their side to key in for the teachers. So, it's balanced. You're going to need them over there as well, I think. There may be some opportunities down the road once things are up and running but again they may want to use those people for other productive uses. So, we have not counted on that as a resource to the solution of the problem.

Alderman Shea stated I'm not really familiar with what Kevin is driving at. In other words, are you asking, Kevin, to consolidate both the Finance Department and Personnel to an extent that you...

Mr. Clougherty replied just the opposite. What happens...when somebody keys in payroll for say a new higher. My department's responsibility is to audit and once there's information in the payroll system we audit against that to make sure that somebody isn't getting overpaid or somebody isn't misclassified or somebody isn't going against the wrong appropriation. Keying that in and making sure that it is properly structured to begin with is a Personnel issue. But, if it comes that we have to pay this person and they haven't put them in or they put them in wrong or it isn't right there isn't anyone to call over on that side and say hey, fix it. We'd have to lift all of the security, go in and fix it and get that person paid and I've been hit a number of times here by the Board because I do that because if we don't pay the person we've got Labor rules and fines and penalties on that side.

Alderman Shea stated so right now there is no one or very limited personnel in the Personnel Department that is able to do that, so is your department able to train these people, is that what you're saying.

Mr. Clougherty stated we want to look and see what Hugh's other things are, what his other options are and what he feels he needs there to see if there is something that we could work out with him. Maybe it's training, maybe it's time sharing and moving people. Again, staying within resources, but still making sure that the internal controls are there so that you don't have the same person putting on one hat keying it, taking off the hat and auditing it and sending it out.

Alderman Hirschmann stated my questions reflect the revenues. The Rooms & Meals revenues look like they are down substantially on page 6 in 414. Rooms & meals go from $323,000 down to $246,000.

Mr. Sherman stated they actually go from $446,000 to $246,000 with the difference being the extra $200,000 the Board put in last year for Street Resurfacing.

Alderman Hirschmann stated with reference to EPD, Parks & Water those revenues won't be requested this year.

Mr. Sherman stated that was something the Board did last year and we didn't key them in this year, if the Board wants to make that decision to add those in again, that's up to the Board.

Alderman Wihby stated those numbers aren't in there. When we talked to everybody, they agreed to those numbers and they said there was no problem.

Mr. Sherman stated we put in Airport again because we've always done Airport, last year was the first time we did those others.

Alderman Hirschmann stated there was another $100,000 there we could request.

Mr. Clougherty stated we do the accounting for it. If you want to agree to that it will show up here because we're kind of the collection point for some of those revenues that don't fit nicely into other departments, so that is why it's on ours, but we're not going out and charging it. If you want it as a policy we could include it.

Alderman Hirschmann asked the Board, as a whole, do we want to do that.

Mayor Wieczorek stated that is a decision the Board has to make.

Alderman Wihby stated I'll give them a call again, your Honor, to see if they have a problem with it.

Alderman Shea asked how much do we expect from the Rooms & Meals Tax, about $1.2 million.

Mr. Clougherty replied about $1.2 million plus change.

Alderman Shea stated there is a difference of about $550,000 from last year, right.

Mr. Sherman stated some of it is under School as well. School has another $200,000 on there but part of the Rooms & Meals goes to Schools and part of it goes to the City, so there's a split between them. But, the increment that we have this year is about $800,000.

Mr. Clougherty stated it's on page 21 if you want to see the other revenues.

Alderman Wihby in reference to the Retirement actuary asked did it come out better than the figure.

Mr. Sherman replied yes. What I added up comes out at $426,340, but I'm not sure is that a final number of those of you who sit on the Retirement Board.

Mayor Wieczorek replied, I think that is a final number from the Retirement Board but we were trying to figure out what we needed from the Water Works.

Mr. Sherman stated I backed out all of those.

Mr. Clougherty replied that is the final report.

Alderman Wihby asked is that $74,000 I can use.

Mr. Sherman replied that is about $74,000.

Alderman Shea asked how did the School Department make out this year, did you get anything from School as far as retirements.

Mr. Clougherty replied they gave us their numbers and they're included.

Mr. Sherman asked as far as what their rate is going to be or number of retirements.

Alderman Shea replied the number of retirements.

Mr. Sherman stated we had very few in December and I have no idea what is going on for June.

Alderman Shea stated we had $500,000 for that, didn't we.

Mr. Clougherty stated what usually happens here is it is a product of the raises and step increases and people wanting to work along that line. As you know, Alderman, if there is nothing, if they don't think they're going to get anything people will leave and you see that fluctuation.

Alderman Shea stated I know that last year there wasn't enough set aside, but this year there is more than enough.

Mayor Wieczorek stated it seems to be but you don't know what's going to happen..somebody makes up their mind in May or June, even though they're suppose to notify people earlier, if they want to go, they go.

Alderman Shea stated the School Department would have a pretty good figure on that, wouldn't they when they come in.

Mayor Wieczorek stated I go to the School Board meetings, so they still don't have a good handle on it. But it's very hard to predict who's going to go.

Alderman Shea stated usually they ask for the end of December because of the $6,000 severance, so that obviously people would lose that towards their retirement and so forth.

Mayor Wieczorek stated it is my hope that the numbers they have now are going to be close to accurate, it would be very helpful.

NON-DEPARTMENTAL

Mr. Sherman stated Retirement was the only other one I was going to hit. The debt numbers are actuals. Again, we're not predicting any sales. But, we are, but it won't affect next year's budget. The only other thing I was going to hit on was the Aggregation Program that the Board sent the Resolution through at the last meeting. Tentatively, planned if you'll recall I believe it was the first meeting in February...brought through a Preliminary Plan that the Board passed onto a public hearing at that point. We plan on having the public hearing probably May 22nd, if it works out with the City Clerk and some other dates that we're working on. What we did on the Aggregation Plan is that we really staffed it with six people and we based the positions on equivalent or lower positions than what is currently at the Water Department. We're trying to find again some equity. So, what we were looking for was a customer service position. We went over and looked at what the Water Works had their customer service people classified as and we matched those up. As you're well aware some of this stuff is going slower than the State had hoped it would and we certainly wouldn't be filling all those positions right off the bat until we knew that something was going on. We probably have to bring in one or two people on to start the process so we didn't get behind the 8 ball on some on the things. But, my suggestion would be, is that we make these limited term positions and what that usually means is that when you hire the people, you tell these people that this position is only here for whatever you want to set it at - three or five years - at the most and that gives the Board the opportunity to revisit this and maybe once deregulation is up and running and everybody's used to it, the City can step back and get out of the picture and not be involved in it anymore. And, if that's something that suits the Board, we certainly would look at that and we obviously have to keep that in mind as we go out and procure power contracts. We certainly don't want them getting into 15-year contracts if the Board only wants the program around for five years. With regard to the rest of the numbers after we get by salaries, a lot of them were just grabbed out of the air. Obviously, we talked to some of our consultants on some of them on how much they thought it was going to take to get the job done, but they certainly are padded numbers, no doubt about it. We just had no idea. We're the first City in the country to be doing this. We have a lot of people watching what Manchester is doing. I remember when Fred Testa came in with his budget on the new Airport, it was like well, what do I put in there for electricity. He had no idea how much it was going to cost him to run some of that. He had some engineering studies, but really didn't have a good idea. So, we think we have adequate funds in there. Now, this is not a General Fund hit. It's a voluntary program and it's an administrative fee that's added on to the bill and if we figure that we could get as little as 20% of the city accounts that the actual monthly fee is less than 50 cents per customer. Now, we have also been approached by the Cities of Nashua and Concord and the Town of Bedford for them to maybe join in with the City in that regard and, of course, the more you can add in, we don't feel we need any additional staff for that and that that only lowers your overall administrative fee per kilowatt hour. They feel at this point why go out and reinvent the wheel if the City's doing it and as you know the City of Nashua has helped us all along with what's been going on at the PUC and the City of Nashua is also going to its Board to ask if they would help the City of Manchester in what's going on at the PUC.

Mr. Clougherty stated the other piece here that we have to think about as we put it together is that there is legislation currently being discussed that would allow the City to aggregate not only the electrical, but telephone. The idea is if the City is going out and doing a bid and getting a bid for electricity, then people can benefit from that. The same with any utility. You can go out and get a better deal on the telephone and someone wants to come on and join that rate then fine there is nothing that requires the taxpayers or the citizens to come on, but certainly if they can get something better than they could negotiate on their own then why not let them do that and the Municipal Association and some others have been talking a little bit about taking that approach and that might fold into this as well. So, there is some interesting things happening in New Hampshire that as Randy said are unique and all we're trying to do is to position ourselves in terms of the structure of the resolutions and the budget so that when they come down this Board would have the authorization or would be in a position to go ahead and do something. I think on any of this before anything could be spent they would have to come back to the Board and get a plan and layout exactly how those dollars would be spent going forward, nothing is going to be spent until we know, until this Board knows how that's going to work.

Mr. Sherman stated the final Aggregation Plan, once it comes back from the public hearing has to come back to the Board for approval.

Alderman Cashin stated on the Aggregation Program it's going to go to a public hearing, there's no commitment from this Board at this point, right. When it goes to the public hearing will we know whether Nashua and surrounding communities will want to participate at that point.

Mr. Sherman stated we can certainly try to push them to some type of resolution before then.

Alderman Cashin stated don't you think it would be wise.

Mr. Clougherty stated even if there is nothing formally, I would think that we can get the Mayor's Office down there and his staff and come to that hearing and speak to the issue and if they haven't taken a formal vote by then they can give some kind of indication to people as to how they are likely to go.

Alderman Cashin stated wouldn't it be easier to sell the package if they came up and said we'd be willing to participate.

Mr. Sherman stated it's no real commitment from the City because all they're doing is saying they'll help us promote it or they'll do the promotion in Nashua and it's no dollars out of their pockets, it's not a large step for them to take.

Alderman Domaingue stated just one question regarding revenue and I'm looking at the School Department because I'm not sure the figure I'm looking at $528,400 Kindergarten Aid Revenue, what does that represent. Is that the latest plan or is that representative of the former plan.

Mr. Sherman replied that $528,400 and how Mr. Bernard came up with $400 when it was $500 per student, I'll never know. But, that's based on the count that he had registered for last September at $500 per student and that is still based on the old plan.

Alderman Domaingue stated should the Shaheen plan prevail through everything asked what are we looking at in terms of revenue.

Mr. Sherman replied it would be double that. Now, the only issue we have is that we don't know if we're getting that $528,400 this year or not. It still has not been appropriated. We've been told that they will see that that money comes to us, but it may actually to us later.

Mr. Clougherty stated we've talked to the people in Concord on that, to people in the Speaker's Office and the Governor's Office. Alderman Cashin, you may remember when they changed to Revenue Sharing, the formula, they put in a provision that allowed...even though the State paid it to the cities and towns in the beginning of their next fiscal year, they allowed us to account it for tax purposes this year, so we're hoping that this same type of language is what's used. It gets them out of the bind, they in a sense make two budget payments in one year, but we take one of those for tax purposes and we could count it this year. That will have a big impact on this year's fund balance.

Mayor Wieczorek asked if there were any other questions. There were none.

Mr. Clougherty stated can I ask just one question. I'm leaving assuming I can go ahead and pursue with Personnel and come back to you, is that reasonable.

Mayor Wieczorek replied, fine.

<u>HEALTH DEPARTMENT</u>

Mr. Rusczek stated I want you to know that the Health Department is still challenged by the emergence of public health concerns. These are cropping up nationwide. Just in the past few weeks, we've heard about three Hepatitis A outbreaks. Fortunately, all outside of Manchester, but all of which require the involvement of the Health Department. In just the single day after there was the announcement of the Hepatitis A case associated with a restaurant in Massachusetts, we fielded three or four dozen phone calls from local residents asking what to do. We followed up the outbreaks that occurred with advisory mailings to our day cars and our food establishments to make certain that we use the opportunity to prevent the occurrence of Hepatitis A cases here. Things like tuberculosis is a concern nationwide. If you look at the service indicators in the package before you, you'll see that the number of home visits made for tuberculosis increased from fiscal year '95 (400). In fiscal year '97 we made over 1,200 home visits for the same. As supported by the management audit, we are operating at our capacity and yet we know that if we fail to complete our task in a diligent and appropriate manner, we will cause both harm and significant economic costs to the community. So, our proposed staff and expense budget are lean given our present circumstances although the numbers are much more than we would have wished that they be. We have three significant items that have upped out budget to the extent that it is for the coming year. One of them is the reinstatement of step increases and COLA figures. What you are looking at actually represents a two-year period in our budget increase. The Health Department staff has a median length of employment of less than five years and that means that half of our staff were due step increases which compares to a median length of employment throughout the City of over 10 years, so whenever there is a freezing of steps and a reinstatement of steps it has kind of a double whammy effect for our department. And, yet, the Health Department when you look at the size of the increase, the Health Department wage scale is currently the lowest in the City and that's one of the reasons why we have lost staff through the years. An example is our paygrade 21 nurses on their current salary scale are equivalent to a paygrade 19 on a non-affiliated payscale. A paygrade 9 Clerk Typist is equivalent to a paygrade 7 Clerk Typist on the non-affiliated scale. A second item that has a significant impact on next year's budget is our request and that's included in the Mayor's budget to increase by 1.5 school nurses. The management audit that was done last year gave as the number one priority for the department the reinstatement of the Deputy Health Officer position and the securing of permanent funding for our public health assessment unit. In keeping with the management audit, the Health Department has prepared a proposal to go out to the State, Optima, and health insurers to see if they will invest in the Health Department to provide the capacity through a Deputy Health Officer and the public health assessment unit to complete the health planning and some of our community health assessment needs. Second to that critical issue, the management audit found a creative way to lessen the burden of supervision of our school nurses on the School Nursing Supervisor. We're told that the industry standard for supervision of professional staff is between 8 to 12 individuals per supervisor. With 24 school nurses and 29 schools, the Supervisor found it difficult to do justice to all while answering phone calls from the public and dealing with other matters that are important at the supervisory level. So, the auditors found that a creative way to both develop staff to take on more capabilities and to provide that next generation of leadership should a supervisor leave would be to use our Certified School Nurses on a rotating basis to work at the Health Department and that would free up the Supervisor to attend to the 24 school nurses and that would require an additional school nurse and then the other half school nurse which is in the budget is for McDonough School where we have a few children that require gastrostomy tube feedings on a daily basis and it's more than one nurse can handle. To offset the additional school nurses there is additional revenue in from Medicaid Reimbursement from the School Department, reimbursement for our current services. The third significant item that impacts our budget is a relocation of the Health Department. The Health Department's lease expires on October 31st of this year. When we moved to our quarters in 1982, they were temporary, supposed to be temporary quarters. We moved from City-owned space at the Human Service Building. We have problems with heat, we have problems with an elevator, if we stay in that building then we are going to have to upgrade the electricity to handle computer and equipment needs. We have problem with ventilation, we're a Health Department with a changing population. We need to progress to the point where we have separate waiting rooms depending upon the clients that we’re serving at a given point. The building that we are in currently does not even have hot water in the public men’s and ladies rooms and we have a considerable number of configuration problems in that building. It requires us to run up and down stairs all the time and come and go in and out through locked doors. So, in the budget we have funds to pay for a move and to cover our space needs at a moderate cost of $10 a square foot. I do believe in the long-term the City would best be served to somehow find a solution which is permanent City space for the departments that are out there. We have been going through this lease thing and not having control over some aspects of the building and not having control when the elevator goes down and when it’s shut off for maintenance it’s forever challenging. I’d also like to point out that over the past several years, the Health Department has relied heavily upon outside funding. We currently oversee six to seven hundred thousand dollars in outside funded projects and we took all of those in without any increase in administrative staff and that is one of the reasons why the management audit suggested that the most critical need facing the Health Department is a Deputy Health Officer and permanent funding for the Public Health Assessment Unit. As I said earlier, we’re out and about trying to drum up support and funding for that. I know that travel expenses have come up as an item of concern in the hearings here. I want you to know that the Health Officer has not gone to a national conference on public health since 1982. I’m not saying that the Health Officer shouldn’t, but what I’m telling you is that we have redirected our money to develop our staff. Next year of the $3,000 that we have in for travel and conference, we anticipate that $2,500 of that will go to send a Community Health Nurse to the Center for Disease Control in a two-week training program to develop the skills to address the issues we have before us. As we speak a Sanitarian is down at CDC going through this training and we wish to develop our staff and we wish to develop the capacity within our staff to handle whatever might come Manchester’s way and the last item is that our revenue over last is an increase of $41,000 and with that I’ll close my thoughts and open for questions.

Alderman Wihby asked didn’t you pick where you wanted to go for the building.

Mr. Rusczek stated over where we’re at. No, we moved there in 1982.

Alderman Wihby stated I thought you had looked at some other place that you already wanted to go to or something.

Mr. Rusczek stated we did; that was along with the consolidation of departments and when that consolidation fell through, so did the funding to support that move.

Alderman Wihby asked is that where you’d’ go.

Mr. Rusczek replied we don't know if that is still available, but that was a desirable location for us.

Alderman Wihby stated I thought they had a lot of that stuff done up for you and it wasn't going to be that expensive.

Alderman Hirschmann stated I just wanted to compliment Mr. Rusczek because last year in Personnel, he came before us with requests to upgrade some people and he said the return on investments would be in the revenue area and I've tracked his revenues this year and he's come through on the revenue side, so I just wanted to pay him a compliment while he was in front of us.

Mr. Rusczek stated thank you, Alderman, I'll tell you that when we move to the point of having a Deputy Health Officer and Public Health Assessment Unit permanently funded, you'll see an increase in revenue. More important than the revenue is what we are achieving with the outside funds. We are very, very proud of what we've done with Lead Poisoning Prevention, we have models that have been picked up across the country and if you told me six or seven years ago that we would turn the corner of lead poisoning, I would listen to you with some skepticism, but we have done that. We watched in the past year with our immunization projects and building a coalition of community people who are health care providers and volunteers to actually be able to watch the system be established from the outside to increase our immunization levels and I can tell you that if the City of Manchester was able to reduce its adolescence pregnancy rate by 20%, we'd still be higher than other communities in New Hampshire significantly and in five years times we would save over $10 million. The savings would not be to the City, the City would be to the State and health care providers and the City savings would be indirect. So, those are the types of things you can ferret out with the Public Health Assessment Unit and just as the Public Health Assessment Unit laid the groundwork to get immunization money, we can help move the community if we can get to that point.

Alderman Clancy stated, Fred, what did you say, you have 24 School Nurses.

Mr. Rusczek replied we have 24 School Nurses and 29 schools.

Alderman Clancy asked how many Hygienists.

Mr. Rusczek replied two.

Alderman Clancy asked how many work for the Lead Poisoning Prevention Program.

Mr. Rusczek replied two. We have a Community Health Nurse and a Lead Poisoning Prevention Specialist, both of whom are federally-funded positions.

Alderman Clancy stated I know of a couple of places in the inner-city area, you did a heck of a job there because I know where some kids went up to a counter and had their teeth into the window sills and swallowed paint and stuff like that and Fred was over there within hours, so I must compliment him on that, you did a good job.

Mr. Rusczek stated I'm blessed with absolutely committed and wonderful staff and they're there all the time.

Alderman Clancy stated they get excited about everything.

Mr. Rusczek stated they really do and I've always enjoyed it. When I've called them on weekends when there's something that needs to be tended to, it's always a sure and a smile and they're glad to serve the public.

Alderman Domaingue stated it must have a lot to do with the Director, too. Fred, you've done a magnificent job. My question is relative to your comment for the need for a nurse and a half and 24 nurses for 29 schools, where do you see us falling short and are we looking at any kind of a serious liability. The root of my question comes from hearing about principals who are still handing out medications to students at times when your short-staffed with nurses and I worry about that and the City's liability. Can you just give us an update on that.

Mr. Rusczek replied the one and a half nurses will help. The current model of providing school nursing services in New Hampshire leaves much to be desired. New Hampshire has more school nurses per student body than any other state in the nation. So, what we need to do as a department is we need to look to other states and communities outside of New Hampshire to determine what's the best system. We feel that we get five year olds under our health umbrella and we see them leave when they are 18. When they leave when they're 18, we want to design a system that says okay, we have worked with the health problems of these children and one of the simple health problems that a school nurse can intervene on, but will have a tremendous impact is obesity. Over 50% of our children today are obese and in some cases that will require the counseling of a nurse and working with the family and I'll tell you that 15 years ago, we used to be able to fit that in. The mainstreaming of the special ed population along with some other factors has taken away the nurse's ability to do that, so the system no longer works to enhance the health of kids. So, the short answer is, I think the whole system needs to be looked at and revamped.

Alderman Domaingue asked are you aiming for 29 nurses in 29 schools.

Mr. Rusczek replied if we had 29 nurses, we wouldn't put one nurse in every school. We need that we know more support in the high schools and we don't quite know what we can put in that will augment the nurses services and is also cost-efficient. We know that we have other schools that will benefit from additional nurses.

Alderman Shea asked do you provide much services to parochial schools.

Mr. Rusczek replied we do provide services to Manchester's children in parochial school, but not at the same level as in the public schools. The parochial schools are smaller, so they don't need that daily five-day coverage and they don't generally have the population as is needed in the public schools.

Alderman Shea stated they do have kids that need medical attention.

Mr. Rusczek replied, yes, they do.

Alderman Shea asked so in other words what is it like, like they use to go to St. Francis maybe once-a-week or so.

Mr. Rusczek stated that's about right. The parochial school which receives the most services is Trinity High School. We provide nursing coverage up there two and a half days per week.

WELFARE DEPARTMENT

Commissioner Lafond stated before we get into the specifics of the budget, I should bring you up-to-date on Welfare reform. I think I talked with you briefly about it, I can't remember when, but I talked with different Aldermen personally and with Kevin and with different representatives because last year it looked like we were going to be in a tough situation along with the rest of the country and then certain things unfolded on almost a monthly basis that have helped us substantially. The first thing was and I'm giving credit to Governor Merrill, so pay attention because it will be the only time I'll ever do that. But, he allowed Steve Kennedy to craft an excellent Welfare package for the State of New

Hampshire and it is, in comparison with the rest of the country, a very appropriate and very real program that actually addresses people's need in a common sense way. So, that in itself, when you hold that up against the Welfare packages in the other states across the country we're in very, very good shape. Then along came the Food Stamp changes and it looked like we were going to receive people between the ages of 18 and 60 after they received three month's worth of Food Stamps. There were no Federal waivers available for the Food Stamp Program, so that was something that we could not avoid and that looked pretty rough. I walked with the people at the State level and we were able to use our work program as a work program within the context of what they were looking for to keep those people on Food Stamps and, in fact, it did not even come to that, that would have taken place April 1st because the State has worked diligently in that area as well and they have their own work programs set us through DES at this time. So, another major population that looked like it was coming to us has essentially evaporated. Terry Morton has done an outstanding job as well as a number of the bureaucrats up there and the next and probably the last biggest hurdle that we're looking to overcome from the Welfare Reform standpoint is the legal immigrants. As I'm sure you know, last August 22nd, all legal immigrants were found to be no longer eligible for any government programs. I'm not talking about illegal, legal. If you brought your parents over 15 years ago from the old country they were entitled to SSI and stayed here legally and were entitled to that money and were receiving that one a monthly basis. The immigration law as well as the piece of the Welfare Reform law affecting legal immigrants changed all of that. Thankfully, there has been a one-year extension giving the states a year to comply and that was good for New Hampshire because there was no way to single out those people who were legal versus those who weren't, that information was not readily collectible. So, we thought we'd begin to see some legal immigrants coming to us who had received money right along, legally, and because the State is now looking to address that population we feel that it will reduce substantially any responsibility that may come to us. So, this has been a situation where waiting has helped us. There was a time, I talked with Kevin and the Mayor about bringing a letter to the Board about what we may face within this fiscal year and as late as the day that the budget was due, I was calling Rich Girard with the last piece of information we had about the Food Stamp Program and was able to cut back $20,000 there. So, it has been good news right along. Now, the other piece of that is that...well, this really doesn't have anything to do with Welfare Reform, but I think many of you know that I've spoken about this each and every year. The Welfare budget is basically a guess, it's based on what we know is happening right now and is going to continue, and what we know is going to happen in the future. I don't plug in money based on what might happen. If we had done that, we would have plugged in a lot more money this year and as you can see as time went on it was in our benefit. However, each and every year I've come before you and talked about the housing market in the City and we were in...the only thing that really got us through the depression that this City was in in 1991 was the fact that the housing market, the vacancy rate was in double digits and that the rooms that we paid $95.00 a week for were now $35.00. We knew that that wasn't going to last forever and, in fact, the vacancy rate has been closing up and rents are beginning to climb again for a variety of reasons. People that moved out of the City when there was no employment, historically people have left Manchester to work where there was work and then coming back to their home when there was work again plus the numbers of fires and there were some buildings that were razed as a result of condemning. So, all of those things have added to bringing the housing market much tighter than it has been and we are beginning to see the rents climbing. Now, how far that's going to go, I don't know. Rich and I have been in our tug of war every year over...I'm asked to present my best guess about what the budget is going to be, which I do and then it gets whacked and then given back to me and said okay, give me your best bet again and it's like I've already done that. I really believe that we are going to have some impact with regard to the housing market. How much and when, I don't know. I don't have any idea. The caseload has changed dramatically. We virtually have no able bodied people on our rolls. The proliferation of the temporary labor agencies, we can get anyone a job that comes in the door, so we have the walking wounded, the people who are awaiting disability, long-term or short-term, or who don't qualify who are needed to be home to care for children or in rare cases infirm elderly or who are ineligible for any kind of disability from work or whatever, but just can't work. If you've got a broken leg and you've only been with a company for a short period of time, you may not have any disability, so that essentially is who we have on our rolls. Most companies are hiring people on a long-term basis, but they're hiring them through temporary agencies. I think I'm going to need some more money in the rent line item, about $20,000. Food is another commodity and prescriptions. Prescriptions especially have skyrocketed. In the new wave of the psychotropic medication is very, very expensive. We saw our first $275.00 a week for this one type of medication. We call the doctor on every prescription that is unusual. We used to have a limit, the caseworkers had to come to me or their supervisor for anything over $50.00. Well, there's nothing less than $50.00 now. So, we have to increase that to $100.00 and we do call. The caseworkers on a routine basis call the physicians and ask them if there isn't something else that's appropriate that could be used in place of this expensive medication and sometimes there is. Sometimes the physicians just don't realize how much a medication is. On the other hand there are some that want to know which medical school I went to and that they're prescribing and that is what they need. So, it's part of the process to ask to try to reduce the amount of medication. I think that we will spend all of $60,000 this year, if not more and we've got $60,000 in for next year, so that's definitely very close. I think we're going to spend more than $160,000 in food, I don't know how much, not this year, but next year I believe we will spend $160,000. But, again, I can't ask you for more money there because I can't give you any idea of how much more. Rent, I think, we are going to be $20,000 short and with regard to personnel...fuel. Fuel is a funny thing. We really expected to have more of an impact this year because I hadn't paid a lot of attention to the fuel assistance program once we found that the Federal appropriation was the same as it had been the year prior. What happens is we are able to send most of our caseload for fuel assistance for the month of January anyway and they receive assistance for January and February, thereby alleviating the department of responsibility essentially for those months because the fuel assistance program can also pay rent in certain circumstances. So, we've had a tremendous benefit from the fuel assistance program. While I was watching Welfare Reform so carefully, I forgot about fuel assistance and even though the appropriation was the same as year's prior, they reduced the amount that people were going to be eligible for on an individual basis. Instead of the $450-$550, they were getting $150-$250 or $300 and that did impact us somewhat, although we're beginning to see it now more than when I expected to see it in February. People are coming in now for problems with their fuel bills, so there's not really any pattern that I can point to and say we should have had more of an impact with this and we haven't. I just had one other point that I wanted to make about personnel and then I'll take questions. The $345,110 that the Mayor recommended is without steps, but it is also...we had to rectify a payment to the temporary caseworker. She was being inappropriately underpaid at the wrong level. I had Hugh over at some point about a month ago and so we've rectified that and that puts that figure $2,901 down. We were going back and forth with Hugh on it and the budget was already in.

Mr. Girard stated that $345,110 number carried your staff as is plus the $18,000 plus that you asked for the temporary.

Commissioner Lafond stated it was within that discussion period that we realized that she was at the inappropriate level.

Mr. Girard stated that level that you requested in the budget, that you asked either to have a permanent part-time at $18,000 and change.

Commissioner Lafond stated the temporary at $18,000 and change was an inappropriate number. She should be paid at the same rate as the other caseworkers even though she's temporary and we missed it and Personnel missed it. So, we're down $2,901 on that, so we're looking at $347,201 and that's no reclassifications, no steps.

Mr. Girard asked is she going to be entitled to any back pay.

Commissioner Lafond replied, we did it out of this year's budget.

Mayor Wieczorek stated the caseload that you have in there, you have some that I imagine are going to be on there as long as they're alive probably.

Commissioner Lafond replied, no.

Mayor Wieczorek stated really. You don't have any permanent recipients. So, what makes up the majority, are they citizens from Manchester or are they people that come to Manchester.

Commissioner Lafond replied, we're essentially a temporary emergency assistance program. What we do is we try to assess people and try to fit them where they belong and that's either back in the workforce or to some other benefit program. So, we're a bridge to those other places. During the depression ('90, '91, & '92) is the first time that we had anybody over two years on our rolls because there was no work, there was nothing and that's when we had like 400 people on the work program in every department.

Mayor Wieczorek asked do the refugees that come here have any impact on your program.

Commissioner Lafond replied there are so many different categorizations now. Refugees are different from legal and illegal immigrants. The refugees have less of an impact than what they had in the past. We're receiving fewer or we're receiving the kinds of cultures that don't believe in government assistance. When the Romanians, I think I told you this before the Romanians were our biggest and I hate to be stereotypical but the Romanians were our biggest population, a most difficult population because they come from a socialist country and they're very used to government doing everything for them plus they're a very chauvinistic country, they still wanted the women not to work and that we were going to support them and do whatever. Now, there are many other cultures that have been brought here, for example, we see almost no southeast Asians, they just culturally do not go to government.

Alderman Wihby asked do we still have a Workfare program then.

Commissioner Lafond replied it is almost non-existent. It's there and we had offered our program to the State and we were going to use it, they were going to funnel everybody to us because we've done it and we have it.

Alderman Wihby asked if someone comes to us, do you care where they live. If they live out of the City do you tell them to go away.

Commissioner Lafond replied no. It's a process. If someone lives in another town and they're going back there that day and they have the ability to get back there before the town closes and they are in an emergency need, we make contact with the town, we send them over, and we send them on their way. Now, if someone, and this happens in the 24 years that I've been doing this, the State can't seem to get the idea that Manchester doesn't provide assistance to all of Greater Manchester, to Derry, Hooksett, they send everybody to us. So, then we send them out to the appropriate places and most often people are able to get to the town in which they live and get assistance, but there have been times when people are without food and some of these towns close at two in the afternoon for assistance and they have no food. We will give them an emergency food order to tie them over to the next day until they can get to their town or whatever.

Alderman Wihby asked is it possible that if somebody was at one town could they still get the same benefits that we would give...like if somebody was in Derry, would they say to themselves I'm going to go to Manchester, I can get more or is it the same amount that they could get for help.

Commissioner Lafond replied we have...the State law says that it makes no difference if you have a residence there or not, but practically, we're not going to help somebody who is living in another town and if we find out that's one of the series of questions that we ask people...where have you lived. So, we make contact with the sending town and unfortunately some towns do send people to us saying that I don't have emergency housing, we don't have jobs, we don't have public transportation go to Manchester and we have an unwritten agreement among the Welfare administrators of the State that the sending town will pay for the first 30 days of the assistance required. Now, I take some exception...we never send anybody anywhere, there's no place to send them. But, we are on the receiving end often and 30 days doesn't even seem like a lot when you know that someone is disabled and has multiple problems and is going to be awaiting Federal assistance and that takes six or eight months.

Alderman Wihby stated if someone is sending us somebody and they're going to pay for 30 days asked what are they paid for 30 days, do they send you a check.

Commissioner Lafond replied yes, we bill them.

Alderman Wihby asked is that under the revenues you have.

Commissioner Lafond replied yes. If I could address just one personnel issue of parody and again I've talked with Hugh about this again and I believe he supports it, though you'll have to ask him directly. In 1991, I started writing letters to the Personnel Department requesting reclassification of a woman in my department who had gone from being a screening agent to a caseworker. She's essentially been doing casework since 1991. Each and every time there's been a different issue...we had a freeze, there was no reclassifications, whatever. She is doing casework and she has been doing casework since 1991 and it's because she has not rocked the boat, we haven't gone much further with it. If it was another employee that was more verbal, I think there would have been more of a question of parody, but she's doing an outstanding job, I don't know what we would do without her. Even though she is not the only one that does the job, all of the people in my department are cross-trained, but she's exceptional and to not have her paid for the work that she's been doing for six years and you can talk to Hugh because he's got the documentation where I've asked over and over and now he says yes she deserves it, I believe and that comes to $3,901.

Alderman Wihby stated before he was saying no.

Commissioner Lafond stated before he was saying there was a freeze.

Mayor Wieczorek stated that is why we need a reclassification study.

Commissioner Lafond stated the difference in what she's being paid and what she deserves to be paid is $3,901 for the year.

Alderman Domaingue stated I guess I'm a little confused by the numbers that I'm seeing in the green book, so you're going to have to help me through this. I was under the impression that New Hampshire had one of the lowest if not the lowest unemployment rates in the country, right now. So, some of these people that you don't see in your department, I guess I have to assume have gone back to work and found meaningful employment and I'm looking at numbers that I guess you presented to the Mayor's department or they presented them to us, somebody presented them...looking at total unduplicated households assisted, number of people in households, casework appointments...fiscal year 1997 totals to date, year-to-date with three months left, number of people in households is 4,873 you say are being served, is projected to jump to 8,876 in three months. How does that happen.

Commissioner Lafond replied that wasn't through...if it says...

Alderman Domaingue reiterated it said fiscal year ‘97 projected and the asterisk on the bottom showed 15% for the last five months of fiscal year ‘97 while this is dated in March, the year ends the month of June and that leaves us with three months left for figures and I’m looking at three months left and looking at almost doubling that figure, how does that happen with the unemployment.

Commissioner Lafond replied when that was done, we were still looking at the entire group of 18 to 60 year olds coming to us as a result of being cut off April 1 of food stamps.

Alderman Domaingue stated you’re projecting doubling it.

Commissioner Lafond replied easily.

Alderman Domaingue asked in all of these categories.

Commissioner Lafond stated the entire caseload, if we received...

Alderman Domaingue stated it appears the casework appointments number is based on your assumption that those numbers will double and, therefore, you projected what it will cost in terms of work hours, is that what I’m reading here. I guess what you’re telling this Board despite the Federal reforms and what’s happening out there in the world in terms of people being employed and getting off of the welfare rolls seem to be two different things.

Commissioner Lafond stated it is not Welfare Reform, first of all, it’s politics.

Alderman Domaingue stated I am not talking politics or Welfare Reform, I’m talking strict numbers. New Hampshire, right now, is enjoying one of the lowest unemployment rates it has enjoyed probably in six years.

Commissioner Lafond stated you know as well as I do that those figures are like a smoke screen, they only count people who are actually receiving unemployment, first of all. Second of all, all of the people that are going to the temporary job agencies are...you can say that they are employed full-time, but they are getting five, six, seven dollars-an-hour and if that’s full employment, I don’t see it as that and the projections that I had made were on the basis at that time. The only thing I changed at the end, I didn’t go back and change all of those things because it was the last day of the budget was the money...after talking with the State that we were not going to be the beneficiary of all of the people who are being cut off the Food Stamp Program as well as the unknown quantity of the legal immigrants at that time that we expected would be also a tremendous number. I felt that that was a conservative figure that we were going to be doubling our caseload because again, this has been sold as Welfare Reform, it is not Welfare Reform. It is in every other state in the country, the locals are going to pay for it because Governor Merrill got some waivers in to the Federal government prior to the signing of the bill, we are positioned in better shape than almost any other state in the country.

Alderman Domaingue stated, Susan, it stands to reason that if they people are going back to work even if as you say it's correct because of their educational background or whatever, they're only earning five to seven dollars-an-hour which we all know is not enough to support a family of four or five. They are still bringing in income and they are lightening the burden for the assistance that the City of Manchester needs to give them and I'm not seeing any of that.

Commissioner Lafond stated when I put those figures together, we had those two populations, the Food Stamp population and the legal immigrant group that I have no information on except that they were substantial.

Alderman Domaingue stated let's move to the temporary staff worker that you say has been underpaid and is down $2,901, is she currently on staff.

Commissioner Lafond replied yes, she is currently on staff.

Alderman Domaingue asked how long has this existed that they were being inadequately paid...a month, two months, six months.

Commissioner Lafond replied a year-and-a-half.

Alderman Domaingue stated that for a year-and-a-half you've had someone in your department that was not receiving the pay that they should have gotten and neither you nor the Personnel Director caught it, that scares me.

Commissioner Lafond replied that scared us too and part of the problem is that foolish freeze that was put on everybody, excuse me, for a year was very difficult...Personnel has always been wonderful at catching anything, but because she was a temporary and because there was a 12-month period where everybody was supposed to be frozen where she was in that, I don't know and the person in my department didn't catch it either.

Alderman Domaingue stated so between this worker down $2,901 and the other one who needs parody for the $3,901, we're talking $7,000.

Commissioner Lafond replied yes, six thousand something.

Alderman Domaingue stated both of these circumstances were known and had been in existence for at least a year-and-a-half and probably longer.

Commissioner Lafond replied the two thousand dollar one no, the two thousand dollar one we just came across and reworking all of the figures with Hugh. The $3,901 yes and I've been petitioning the Personnel Department for years to try to get that rectified.

Alderman Shea stated I wondered about the increase in the rental of the building, is that 7.1%.

Commissioner Lafond stated I just pulled out the figures from the lease, I don't know what the increase is. All I can tell you is that we haven't been paying the full amount of rent, we have been withholding because the elevator that they promised us is not working, so it's an escrow account. At some point, we will have to pay, but we are not paying...and the amount that is in there is based on our five-year lease and what the increments were for each of those five years.

Alderman Hirschmann stated I have just two questions related to line items. One of them was special projects - what do you intend to do for special projects.

Commissioner Lafond replied because our department is unique within the City system, we have looked for casework computerization software that we could purchase and implement with the PC's and in talking with Information Systems, they initially were going to do it themselves. At this point, we don't know if they're going to do it or if we're going to buy it. If we're going to buy it, it could be anywhere from $8,000 to $20,000. For them to do it that is the figure that they gave me that they thought would be an appropriate figure for design of a data base for our system, whether they do it or it's done from the outside.

Alderman Hirschmann stated my other question was there is a line item called 390 Other Services which is going up like 78%.

Commissioner Lafond stated Other Services is basically dental and medical testing that we can't get for free for people who absolutely need it. I'm involved in the dental partnership for the community, there are eight of us, eight agencies that have come together to try to provide basic dental care over and above what we've been able to do in the past with the dental clinic. We've had some horrendous stories. Many of the dentists, if not most in this City will not accept our clients even if we pay top dollar and will not accept Medicaid clients either. I had a fella go to the emergency room with a very bad tooth, only to be turned away there, not even given a dentist and came back into my office the next day...he had tried to pull his own tooth out with the pliers and then the hospital had to take him because he had only yanked a part of it. To have people...because we are the emergency office there are many other agencies in the community that are able to do a lot of the preventive stuff and Fred didn't get into that, but they are also in the partnership and they are doing a wonderful job with the kids and some adults. We get the people who are in pain and our position has always been to relieve pain and suffering and I'm telling you it's like "Dialing for Dollars", we get on the phone and start dialing and begging dentists to see people and they do, but they see them only if we pay the top dollar. So, what we are trying to do with this dental partnership, we've been funded through the Health Care Transition funds at the State level for two years. We're getting an oral surgeon, we've got a dentist that is working on our people alone, so we hope to make a substantial impact on that over the next three years or so. It will take that long to see any reduction in the cost.

Alderman Cashin asked who's does Poisson Dental Lab take in.

Commissioner Lafond replied that is no longer. Optima is also a part of this group and we'd hoped to continue the clinic at the Poisson Dental Care Clinic, that may or may not be the case, it is right now.

Alderman Cashin stated they take care of your clients don't they, or some of them.

Commissioner Lafond replied right, that is the only place that we've used, but they're booked for three or four months and that is the clinic that the agencies have come together around to try to expand...we've got two chairs, we want three. We've got our dentists working there, but the money is negligible, it's used up in a very short period of time now and what I'm paying, what you see in that figure there some of that is 50%, the Poisson Dental Care Clinic pays 50% for some of the money. We got $3,500 this year, I think, so that's $7,000 worth of care, but the balance of the money is the total 100% of the cost that we have to pay top dollar to for the other oral surgeons because people have to be seen right away because they're in that much pain or at least within a few days and we get them pain medication and the Poisson Dental Clinic is booked three months in advance.

OTHER BUSINESS

Mayor Wieczorek stated there's some work being done on the Police contract and a lot of progress, thus far, has been made and they're continuing to work at it, so hopefully, we'll have a resolution to the whole thing by the time our next meeting comes on May 6th. I just wanted to acquaint you with that.

Alderman Shea asked are we going in a different direction there in terms of insurance, I read something in the paper about an insurance agreement that may be different than what...

Mayor Wieczorek interjected, I don't think we want to be discussing what's going on publicly, but the answer to your question is yes we are taking a lot at something else that maybe will save us more money and if it does that is the direction we want to go in.

There being no further business to come before the Committee on Finance, on motion of Alderman Pariseau, duly seconded by Alderman Clancy, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee