

BOARD OF MAYOR AND ALDERMEN

May 17, 2022 at 7:00 PM

Mayor Craig called the meeting to order.

Mayor Craig called for the Pledge of Allegiance, this function being led by Alderman Heath.

A moment of silence was observed with Mayor Craig stating please keep in mind the 10 people who were murdered this weekend in Buffalo in a tragic act of hate, as well as their families and friends. White supremacy has no place in our country, our state or our city and we stand with all of the members of Manchester's black community as we mourn this loss.

Alderman Cavanaugh asked that everyone keep the family of Gus Snyder in their thoughts and prayers.

The Clerk called the roll.

Present: Aldermen Cavanaugh, Stewart, Long, Fajardo, T. Sapienza (virtual), Sharonov, Trisciani, Levasseur, Heath, E. Sapienza, Burkush, Barry, Gamache, George-Kelly

PUBLIC COMMENT

Mayor Craig advised that this public comment session, not to exceed 30 minutes, is an opportunity for residents of Manchester to address the Board on items of concern affecting the community; that each person will be given only one opportunity to speak and all comments shall be limited to three minutes. Any comments must be directed to the Chair. When your name is called, please step forward to the nearest microphone, clearly state your name and address when recognized and give your comments.

Richard Irving, Ward 3, stated:

There are several issues in our city that need to be addressed once and for all. One, the Police Department is 15 officers short and the police are unable to handle calls due to that shortage. Two, school enrollment is down. Three, the tax cap. Four, there are

potholes in our streets. Five, crime is way up. Six, with 1,714 homeless and hungry citizens living outside, the situation hasn't gotten any better. Seven, affordable housing doesn't exist. As citizens of Manchester, we have had enough. I ask the mayor and aldermen to address those difficult issues. Thank you.

Rich Girard, 283 Orange Street, stated:

Rumor has it that tonight the Board will not only vote on a budget yet to be proposed by Alderman Long but will also vote to override the so-called revenue cap of the tax cap. First, if it is true that a budget will be presented tonight, I trust that you will defer any vote until your next meeting and make all materials to the public well in advance. The taxpayers deserve the opportunity to review any proposal and offer feedback prior to any vote. Second, it is time to put an end to the idea that there is a so-called revenue cap that can be overridden while pretending to stay within the tax cap. The tax cap does not apply to the city's tax rate. It applies directly to the amount of actual property tax dollars that can be raised from one year to the next. For example, if the Board appropriated \$100 million in property taxes in the prior year's budget and had a cap for the coming year of 3%, then the Board can raise \$103 million in property taxes for the next budget; an increase of 3% in the number of dollars raised. If the Board votes for a so-called revenue cap override to capture revenue from a projected increase in the tax base, revenue that would otherwise lower the tax rate, it is, in fact, overriding the tax cap because it is increasing taxes by more than the cap allows. To be clear, the so-called revenue cap override is a tax cap override. It is also something that voters overwhelmingly rejected when asked to amend the charter to allow revenue from projected increases in the tax base to be used under the cap. This despite having unanimous support of every member of the Board of Aldermen, Board of School Committee and Mayor Gatsas. Charter Section 6.15(A) 4.d does allow the Board to add "real estate taxes calculated by applying the prior year real estate tax rate to the net increase in new construction" and defines that increase as "the total assessed dollar value resulting from building permit activity less the total assessed dollar value resulting from demolition permit activity for the period of April 1 until March 31 preceding budget adoption." That is all the Board can add without overriding the tax cap and given the beating that homeowners took in the revaluation coupled with last year's tax hike, they shouldn't even do that. Finally, the cap also provides that local expenditures not exceed

the projected amount of property taxes increased by other revenues generated by the city. This spending protection for the taxpayer will be cast aside if the tax cap is overridden for any reason – real or make believe. I urge the Board to live within the tax cap as taxpayers besieged by this wicked Biden inflation are struggling to put food on their tables, fuel in their tanks and recover from last year's post-election property tax pounding. Thank you.

Glenn Ouellette, 112 Auburn Street, stated:

I would like to remind the Board that this so-called 8.3%, the cost of living right now in America, if you go abroad into Europe, theirs is 7.9%. There are three major areas that have caused that. One is the pandemic. We are still dealing with it although it is coming to an end I hope but we don't know. The second one is inflation is also being caused by product coming into our country. In the last three weeks, China has closed down its country and they are not manufacturing anything. You think we had a hard time last year? In months to come if they stay out of work for too long, there will be no product. We will have the same problem. The third one is Russia. The United States did not invade Ukraine, Russia did. Inflation right now is a global factor and we are always told in this day and age that we live in a global economy and if we don't take part in that we would be the losers. Please, it doesn't matter who is President, there will be some kind of inflation because right now it is a global thing. The other thing is the school that was talked about earlier in a committee meeting. You already had a citizens meeting for the citizens in that area. Please make sure that the majority of their comments count for something because that is what that area wants. That is very important. There are cities around the world, including in this country, where they build things in neighborhoods that the neighbors don't want and sometimes it creates more crime or something else. You have to make sure it fits the neighborhood. Please listen to the neighbors. They live there and they have to deal with it once you put what you want there. If they want the gymnasium open, you should have more discussion. I am not in favor of or against it. I am just saying make sure that the people who spoke...that it counts and doesn't just get waived down. Often times that is what happens. The other thing I want to speak about is education. Because of the pandemic, our student grades have gone down. I am speaking to this Board because I work on Monday nights and can't speak at their meeting but Your Honor, you are still the chair of that board. I

will end with this. We need to find ways to bring back education where it brings back scores in math and science. Thank you.

Lisa Freeman, Ward 2, stated:

I am the chair of the Manchester Republican Committee and before I start, Madame Mayor, I would like to say politics aside I'm glad to see you are feeling better. As someone who went through Covid, it is kind of scary but when you are feeling better, you are feeling great. It is nice to see you. Often times people come in front of this Board and are accused of being negative and never finding anything positive about the city so tonight I decided what I would do is bring you concerns that people have brought to me with a solution. I am going to read you some numbers that have been amassed over the past 12 months. The current inflation is 8.5%. Gas is up 48%, heating oil is up 43%, food is up 10.8%, housing 16.2%, natural gas 30%, propane 54%, and health insurance premiums between 6.5 and 10% depending on coverage. These were amassed from government websites. Tonight you will have a budget presented to you with a number that, although right now in these times might not be the best thing for the residents of Manchester, I hope you won't vote to override the tax cap based on these inflationary percentages. We all know that inflation is fueled right now by government spending and what we should all be doing is tightening our belts just like everyone at the kitchen table is doing. My solution to that is please don't override the tax cap. The school district with their budget at \$189 million also has \$35 million in a reserve account. Given the amount of ESSER money that they have received, I would propose that the school district be level funded. With the amount of students that have opted to not attend the school district and I believe it has been about 1,200 students over the past three or four years, we also don't have the state adequacy and I don't understand increasing a budget when we don't have as many students. That would be my solution to that. We also have an issue as well, and this is an issue I brought up at the school board about health insurance for board members. According to the charter, if you are an employee of the city or the district, you cannot hold an elected seat in this city. Now in order to get the health insurance benefits, all of the elected officials have been designated as employees and that flies in the face of our city charter. My solution is that this Board would take a vote to change their status as employees and eliminate the health insurance once and for all and I am sure that would save us a lot of money. In

closing, I would like to say that these issues are not political issues. These issues are real issues for the residents of this city right now. People are going to be feeling this. We are heading into a recession and this Board can send a huge message to the city and let them know they are being heard by not overriding the tax cap and actually looking to see if they can lower the tax rate.

Daniel Mowery, 112 Holt Avenue, stated:

First I want to thank the Manchester Police Department and the Manchester Fire Department for their service and the city employees. I enjoy looking at old photos of Manchester. The photos I have been seeing are of a flourishing city with great mills, majestic churches, attractive homes, safe neighborhoods with clean tree-lined streets. They also display many pleasant public places and the civic pride was obviously undeniable. The pictures also depict the rugged industrious citizenry that worked hard and enjoyed full employment of upward mobility. The city appeared largely self-sufficient and undoubtedly received little, if any, state or federal funding. I don't know exactly when we went wrong but now I see a center city and many neighborhoods that are rundown, dirty, and crime ridden. Homeless people seem to be everywhere. Beggars greet us regularly at stop lights. The drug addicts populate our parks, alleyways and wooded areas. Storefronts are boarded up, churches are empty and schools are marginally and increasingly dangerous and apartment buildings are occupied by people that are dependent upon the federal government to pay their rent. I am here to help stop the tax cap from being overridden. Government's first responsibility is to protect life, liberty and property. The evidence we see on a daily basis is liberal or progressive politicians have failed to uphold these basic responsibilities by every measure. Policies such as PR bail, subsidizing homeless encampments, vilifying police officers and undermining their policing efforts, pandering to the public teacher's unions, bussing undocumented refugees and illegal aliens, and failure to charge and prosecute criminals and drug addicts for the crimes they commit are destroying our city and the quality of life of its law abiding taxpaying citizens. You, Madame Mayor, and the majority of the Board of Aldermen are advocates of these same destructive policies and then you have the nerve to say that the solution to all of these failed government policies is still more government and higher taxes. If you can't handle your primary responsibilities, why should we trust you with more tax dollars? If

you override this tax cap that the citizens have put in place, then I will lead the charge to put the question on the November election ballot that we will show you where you can save money. It will involve converting your generous pension plans into the same 401K retirement plans that your citizens and taxpayers must rely upon for their retirement. Thank you and God Bless you all.

Tammy Garthwaite, 166 Varney Street, stated:

While I know it is a better use of time to do just about anything other than come here and ask this Board not to override the tax or spending caps, here I am doing just that. I do this more for the people at home who are equally frustrated that their taxes go up and up and their property assessments went up and that yet again this Board fails to be able to live within their means and by their I mean the taxpayers. Those people at home struggling with crazy food prices and crazy heating prices, rising interest rates, rent increases and insane gas prices. This Board's solution to the increase in residential assessments and record inflation due to the federal government failing to come even remotely close to controlling spending almost as if they can just print more money whenever they want to is not to find ways to reduce the burden on the taxpayers but is to again spend even more but I digress. In the Mayor's cap compliant budget, a budget we all know was never going to be the actual budget, \$2.3 million would be spent on repairing 32.9 miles of city roads. That is a good thing. That comes out to about \$70,000 per mile. This \$2.3 million is just 1.4% of the city side of that cap budget and likely will be an even smaller percentage of what this Board will ultimately approve. City pensions in contrast, just on the city side, are \$26 million. That is nearly 16% of the cap budget. That is the equivalent of 370 miles of road repairs. Keep in mind that there are only 400 miles of roads in the city. Pension liabilities, something that those taxpayers watching from home get zero added or improved services for, increase every year; some years more than others. In just five years since FY18, city side pension spending has increased \$7.3 million. That is not \$7.3 million total over five years. That is how much more was spent just this upcoming year over what we spent five years ago. That is 100 miles of road or ¼ of our city. The tax and spending caps are in place to curtail spending and curtail taxing. The caps allow for growth in both spending and taxes at the average of three years of the CPI. Last year the cap was 1.87%. This year it is 3.57%. CPI is already at 8.3% at the end of April and still climbing. Even if it stops at

8.3%, next year's caps will allow for an increase of 5.57% and if we don't make a drastic recovery and we have another 7%, FY25's cap will be 7.61%. Curtailing spending and taxes takes work; hard work. It takes ideas and finding a way to make those ideas work to work for the people of this city. Public pensions are simply not sustainable. Anybody who tells you they are are either lying or they can't do math. Why do you think private businesses switched from defined benefit plans to defined contribution plans? The reality is we could fill every pothole in this city or we can keep spending more on pensions. I urge everybody at home when you are driving down the street and you hit yet another pothole tomorrow and yet another pothole and yet another pothole, think about the city's pensions and why this Board can't fix it. Thank you.

Dam Wright, Manchester, stated:

I didn't come to talk about taxes today but I do have a way you can save some money. Maybe we need to start thinking about not sweeping the camps off of the public lands. That costs a lot doesn't it? The cost of putting the police down there to do it and all of those clean-up costs and then the cost of holding it. Those are some pretty big numbers. What is the cost of the fencing under Amoskeag or sending the patrols out to where the bucket used to be? That is some tax savings right there. What I really came to talk about was how those sweeps are impacting everybody in the city not just the folks in those camps. It is costing money and what happens? You end up with folks scattered into the wind with nowhere to go way more desperate than they were before and they are going to end up in the neighborhoods causing problems. Then you are going to end up with the cost of having to deal with that. This doesn't seem like a good plan. Again, whether you like the homeless or you hate the homeless, it doesn't really matter. It doesn't seem like a good thing for the citizens. I realize that folks like to point to the fact that sometimes we get an occasional person into respite care but there are a whole lot more people that don't go. Safety issues in the camps. Okay but they are not safer when you chase them out of there. Again, I just think that this is a policy we need to look at more deeply into and think about the consequences regardless of your feelings about the people in those camps. I understand that it may be tempting to try to do this and solve a problem over there so that the next day you can solve a problem over here. From a political standpoint, okay but again everybody else is losing when this happens. Maybe leave them alone or it would be so much cheaper to get a

dumpster and port-a-potty. There is supposed to be housing coming right? We have promises for housing and I hope that comes but it is not here yet. It is not here this summer and we lost a lot of people out there last summer again whether you care about that or not. I don't think this is a good idea. Thank you.

Victoria Sullivan, So. Beech Street, stated:

I am here tonight to reiterate my concern for the taxpayers in regard to this proposed budget. At a time when our citizens are sitting around their kitchen tables talking about where they can cut spending in order to make ends meet, this Board is increasing spending and taking on bonds and financial commitments at an alarming rate. Some current and former city employees have actually confided in me that they have witnessed first-hand departmental waste. Many of these employees also stand with the displeasure and disapproval of many of the union bosses as they only look out for the guys at the top while the little guy is still struggling to get by. Cutting waste could free up funds to support the workers who are out there doing the heavy lifting for our city instead of just pumping up the incomes of the guys and gals at the top. The fact is that this Board should be requesting a zero based budget from every department and the school district. Simply increasing spending based on some arbitrary number is irresponsible. Our citizens, your constituents, are living at a time when the cost of living expenses are outpacing their incomes. The increase they have already seen in taxes from this Board and this Mayor are forcing many to choose to leave this city. The property tax increases have placed a greater burden on families that are renting apartments as those property tax increases are passed on directly to the renters. I want to make sure that you guys understand that. I have come here and said it repeatedly. When you are saying that you are supporting the little guy, you are not. When you raise those property taxes, they go directly to the renters and in some cases they have been increased over \$200/month. You tell me how many families in this city can just scramble to make up that difference. Members of this Board pretend to care about the homeless and our families who are struggling. The number one thing that you can do to help people to lower the cost of living is to reduce spending and reduce property taxes but you do not have the courage to take that initiative. The City of Manchester has received an enormous influx of funds from the federal and state government over the last two years. It was an opportunity to pay down debt and decrease bonds and provide

property tax relief to our citizens but instead the money has been used in most cases to grow government and create more city jobs. Those jobs by the way that are taking away from the small businesses around the city that are desperate for workers. On the school district level, ESSER funds are being used to create administrative and non-teaching jobs that not only are a waste of our tax dollars but are of no benefit to our students. Those funds should have been used to support programs that increase parental involvement and strengthen families with NH DOE supported programs that are proven to improve education outcomes. Meanwhile, paraprofessionals remain some of the lowest paid employees in the budget when they do some of the most challenging work with the students in our district. Once again, the leadership of this city casts its citizens aside for pet projects and special interest and leaves its citizens, especially those with young families and on fixed incomes, left to scramble to pay for it. This Board, with the exception of very few, should be ashamed of what you are doing to the good hard working folks of this city. You made a whole lot of promises during election season and I truly hope that people are starting to wake up and pay attention to actually what is going on in this city.

Alderman Cavanaugh moved to take all comments under advisement and receive and file any written documentation presented. **Alderman Long** duly seconded the motion. A roll call vote was taken. Aldermen Cavanaugh, Stewart, Long, Fajardo, T. Sapienza, Sharonov, Trisciani, Levasseur, Heath, E. Sapienza, Burkush, Barry, Gamache and George-Kelly voted yea. The motion carried.

Mayor Craig stated with the Board's indulgence, I would accept a motion to take the items off the table now and go through the budget.

Alderman Levasseur stated prior to doing that I would respectfully request that we table this and come back in another week so we have time to digest this. This is just being handed to me for the first time and I kind of read through it and many of the department heads that this would affect, especially the school district, are not here. Also, I have questions concerning revenues that were projected from the mayor's budget. They all seem to be pretty close. I also am concerned about the cost of things.

Alderman Levasseur moved to table.

Matthew Normand, City Clerk, stated it is already on the table.

Mayor Craig stated you can vote against removing the items from the table.

Alderman Long moved to remove Item 46 from the table. **Alderman Cavanaugh** duly seconded the motion. Mayor Craig called for a vote. Aldermen Cavanaugh, Stewart, Long, Fajardo, T. Sapienza, Sharonov, Trisciani, Heath, E. Sapienza, Burkush, Barry, Gamache and George-Kelly voted yea. Alderman Levasseur voted nay. The motion carried.

TABLED ITEMS

46. Appropriating Resolutions:

“Appropriating to the Manchester Airport Authority the sum of \$36,682,992 from Special Airport Revenue Funds for the Fiscal Year 2023.”

“Appropriating to the Manchester School District the sum of \$189,097,818 for the Fiscal Year 2023.”

“Raising Monies and Making Appropriations of \$166,471,585 for the Fiscal Year 2023.”

“Resolution ‘Approving the Community Improvement Program for Fiscal Year 2023, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program.’”

Alderman Long stated since the Mayor’s FY23 budget was proposed in April, we have been made aware of federal ESSER funding eligibility for a portion of the school district’s estimated \$3.3 million increase in transportation costs along with HB1221 and SB420 which pledge another estimated \$5.2 million to the Manchester school district for the next fiscal year. Given this additional funding relief and our budget discussions with the school district, we propose to reduce the school appropriation by \$2 million.

Alderman Long moved to amend the resolution “Appropriating to the Manchester School District the sum of \$189,097,818 for the Fiscal Year 2023” with a new total of

*\$187,097,818 and that it be Enrolled. **Alderman Cavanaugh** duly seconded the motion.*

Alderman E. Sapienza asked is he only talking about the school portion.

Mayor Craig answered yes that is correct.

Alderman Heath stated taking money out of the school budget is very difficult but I support Alderman Long's proposal because I know that SB420 is going to be contributing \$3.9 million in FY23. I just want to remind folks that when that money does come that we did take money away from the school district and I want to make sure that it gets to the school district and in FY24 we will be getting \$2.7 million.

Alderman Levasseur stated I am not sure what the total number is coming from the state but from what you just said, it is \$3.1 plus \$2.9 million but we are only taking \$2 million. So they are getting an extra \$1.9 million from the state when we need that money on this side and you could get a much lower tax rate instead of being very close to the tax cap. I don't know what you did or if you spoke to anybody at the school district or if they know about this decrease of \$2 million. You can probably tell us.

Alderman Long replied no I haven't spoken with anybody at the school district. I spoke to the aldermen because it is our budget.

Alderman Levasseur responded I understand that. As far as the \$3.9 million has that already been voted on? I just want to make sure people know that.

Alderman E. Sapienza asked again we are only voting on this one section regarding the school district.

Mayor Craig answered yes. We take them one at a time.

Mayor Craig called for a vote. *Aldermen Cavanaugh, Stewart, Long, Fajardo, T. Sapienza, Trisciani, Levasseur, Heath, E. Sapienza, Burkush, Barry, Gamache, and George-Kelly voted yea. Alderman Sharonov voted nay. The motion carried.*

Alderman Long stated as we worked through this budget process and reviewed the city department budget proposals, we have recognized several priorities and adjusted the FY23 appropriations. These adjustments include for example \$70,000 added to the Fire Department for additional training and \$138,861 added to the Police Department for a Juvenile Division Sergeant and Evidence Tech positions. The reason for the Juvenile Sergeant is because they are getting increased calls from DCYF and that will help them address those calls. The Evidence Tech position is because they are having an issue with downloading their body camera footage and this person will help that become more efficient. \$57,000 is being added to the Library to cover two new positions and \$1,100,000 is being added to the severance reserve account. Lastly, \$3,128,729 will be added to contingency for future city needs. So with the \$2 million in FY23 funding requirements freed up, we are close to covering the priorities I just explained. I am now proposing an override of the tax cap, but only to capture the increase in new assessed valuation projected by the Assessor. This will provide the final \$1.2 million needed in this budget and still lower the Mayor's proposed tax rate increase of 3.57% down to 3.52%.

Alderman Long moved to override Section 6.15 of the City Charter in its entirety for the sole purpose of utilizing \$70 million of the anticipated increase in assessed valuation to realize an additional \$1,281,700 to assist in funding these critical services that directly impact our residents. **Alderman Cavanaugh** duly seconded the motion.

Alderman Levasseur asked so the extra \$70 million in valuation was given to you by the Assessors and the Mayor was not able to capture that at the time of her budget presentation correct.

Mayor Craig answered correct. Mr. Gagne can come up but I spoke to him today and actually the projection as of yesterday is \$80.4 million in new growth so it has grown since the alderman's budget.

Alderman Levasseur asked so \$2 million from schools and did you say \$1,281,000. So that is \$3,281,000 that is coming back to the city side for next year's budget?

Alderman Long answered correct.

Alderman Levasseur stated I want to ask some department heads some questions because I guess this vote you are taking is approval of the budget itself even though it is just for the revenue or are you having a separate vote on the revenue.

City Clerk Normand responded the next vote will be the resolution that affects the departments. This is an override vote of the tax cap.

Alderman Levasseur asked so you can't do them separately.

City Clerk Normand responded they will be separate.

Alderman Levasseur asked so this vote is strictly to capture the \$70 million in extra assessed value for FY23.

Alderman Long replied correct.

Alderman Levasseur stated okay I just want to make sure we all know what we are voting on.

Alderman Cavanaugh stated I just want to bring that up too. Any business who is generating revenue is going to reinvest in itself. The city is doing that and not only is it \$70 million but it is actually, I think \$83 million.

Mayor Craig stated \$83.4 million right now.

Alderman Cavanaugh stated that shows new businesses and people building and we are trying to do the right thing and increase services to the citizens. I think it is a good idea. Thank you.

Alderman Levasseur asked how much did it increase from last year. I know the number that you put in your budget Mayor.

Mayor Craig responded I couldn't include this in my budget.

Alderman Levasseur replied I am talking about the total assessed valuation number. What was the difference between last year and this year?

Robert Gagne, Assessor, answered the difference as of close of business yesterday was \$83.4 million.

Alderman Levasseur asked can you tell me what line that is on. I am having a hard time finding it.

Mayor Craig answered it is at the very bottom.

Alderman Levasseur stated I am asking about the total valuation.

Mr. Gagne replied I don't have what you have. I just have my information. The tax base as of close of business yesterday was \$13,345,896,000 and that is before exemptions.

Alderman Levasseur stated I see \$13,128,827,277 less utilities. I am just wondering what last year's number was. My reasoning is that your valuation went up because the values of all the properties went up correct?

Mr. Gagne responded last year. This year, the \$83.4 million is growth. It includes subdivisions, new construction, condos, and apartment buildings. It doesn't include the

change in value for utilities which we will get to later in the year. We do expect those to go up as well.

Alderman Levasseur stated I am just wondering how when the Mayor put her budget together on March 29 and we are now on May 17 and you came up with \$83 million more. How did you come up with \$83 million in two months?

Mayor Craig stated there was a significant increase when I put my budget together as well. I just am not allowed to use that in my budget.

Alderman Levasseur stated I understand that. I am just wondering where he came up with \$83 million in eight weeks.

Mr. Gagne stated as of January 3, we were up \$58.5 million. As of April 7, we were up \$73.2 million. As of the end of April it was \$74.33 million and in May just under \$80 million and as of yesterday evening, \$83.4 million. We are working every day to pick up that new construction and we still have more to do. We had a significant increase when the Mayor worked on her budget but she can't touch it. She can't include it.

Alderman Levasseur replied I get that. That is not my question. Last year when we put our assessed value together, the DRA has the final decision on what that number is. Did it come in above or below the number the aldermen used?

Mr. Gagne responded last year we did a reval and I think it came in higher. I don't have that information in front of me but we had more growth out of the revaluation than we had anticipated early on when the budget was set.

Alderman Levasseur asked so you are okay with the number that is being used. It is conservative compared to what we could use?

Mr. Gagne answered yes.

Alderman Levasseur stated I just wanted that on the record. Thank you.

Alderman E. Sapienza stated this override vote that we are about to take has been termed money that the city will use to reinvest in itself right. Just for the sake of clarity, at the same time those same funds could be used to lower the tax rate correct?

Alderman Long answered yes.

Alderman Levasseur asked if we didn't take the \$1,231,000, that money would just go back directly to the taxpayers correct.

Alderman Long replied yes it would, however, some of the needs that I just mentioned which is in your handout, wouldn't happen because we wouldn't have that money.

Mayor Craig stated so there would be an impact on critical city services.

Mayor Craig called for a vote. Aldermen Cavanaugh, Stewart, Long, Fajardo, T. Sapienza, Trisciani, Heath, Burkush, Barry, Gamache and George-Kelly voted yea. Aldermen Sharonov, Levasseur and E. Sapienza voted nay. The motion carried.

Alderman Long moved to amend the resolution "Raising Monies and Making Appropriations of \$166,471,585 for the Fiscal Year 2023" with a new total of \$169,867,998 and that it be Enrolled. **Alderman Trisciani** duly seconded the motion.

Alderman Levasseur asked Brenda Masewic Adams to come forward. I don't know if you know the number off the top of your head and maybe Finance does but this year's projected revenue number in the Mayor's budget was \$22,679,920. The alderman who put this budget together has kept that number the same. How short were we from last year's projection? Is the number we are using now the same as last year's number or is it higher?

Brenda Masewic Adams, Tax Collector, answered last year's projection was higher than FY23 is going to be and that was due to motor vehicle issues.

Alderman Levasseur asked how much were we short from the aldermen's project budget.

Sharon Wickens, Finance Director, replied I don't recall. I don't think it was much. I think we started seeing the shortfall as we headed into the summer.

Alderman Levasseur asked what is the shortage from what she projected last year to this year. Isn't it \$1 million?

Ms. Wickens answered we are down about \$1.450 million.

Alderman Levasseur asked so when the aldermen last year voted on a budget override and a tax number, the number came in much higher because the revenues were totally different than what was projected correct. That is why I am wondering are you okay with this \$22,679,920 number this year?

Ms. Adams answered yes I am.

Alderman Levasseur asked why is that.

Ms. Adams responded due to the chip shortages that continue and the supply issues.

Alderman Levasseur asked so you are okay with this number because it is lower than it was the year before.

Ms. Adams replied yes.

Alderman Levasseur asked do you still think it is in line with what you should be able to get.

Ms. Adams answered yes.

Alderman Levasseur stated well you are the biggest revenue source and that is why I am asking.

Ms. Adams stated because motor vehicle registrations are reliant on economic issues, whenever there is a shift in the way the economy is moving, up or down, we generally see a direct impact on our revenue. It is probably better to focus mostly on the property tax side than to depend on revenues from motor vehicle registration.

Alderman Levasseur asked Kevin Sheppard to come forward. In your graciousness, you were able to give the aldermen an extra \$236,614 in revenue but you didn't increase your budget and I am wondering with oil and gas and what that is going to cost you where you are getting the extra \$236,000.

Kevin Sheppard, Public Works Director, answered I haven't seen Alderman Long's budget. I am assuming that may be the school chargeback. Our school chargeback is going up so there is an increase in our revenues.

Mayor Craig stated this budget increases your utilities.

Alderman Long stated there is \$187,000 added to the \$236,000 which brings it up to \$423,000.

Alderman Levasseur asked and that is from school chargebacks.

Alderman Long answered the \$236,000 is chargebacks and then we add \$187,000 to his budget for electricity and fuel increases.

Alderman Levasseur stated I know he is more conservative than anybody I have ever met when it comes to projections and that is why I wanted to ask him. Thank you. The tax rate. You haven't mentioned it but it is going to come in at 3.52% where the tax cap allows for 3.57%?

Alderman Long answered correct.

Alderman Levasseur asked would the county tax change that or does that not matter. It doesn't affect the actual tax cap for the city but just added to the tax bill correct?

Ms. Wickens stated it does impact the city. If that expense goes up, the city needs to pay that. Historically we have always budgeted whatever we paid the prior year. Sometimes it goes up a little and sometimes it might be down. If this increases greatly, that would have an effect on the tax rate.

Alderman Levasseur asked so you budgeted \$1.4 million.

Ms. Wickens responded no we budgeted for \$12,554,109 million which is exactly what we paid last year. The reason you see a little bit of a change is because if we grab the revenue from the revenue cap that was just overridden, that kind of skews the percentages going up. It is not a different amount that is going to county tax. It is kind of a rounding thing.

Alderman Levasseur asked so you keep the number the exact same yet you sent us an email last week warning us about the county tax rate. There were like four numbers projected in that and I don't know if you found one that you like or you at least think is coming in. I think the last one I saw was 13% but I am hearing it is going to be a lot lower. I don't know if it is going to 3% or 4% but it is a lot higher than what this is going to be.

Mayor Craig stated that was proposed by the county commissioners and I think Alderman Long can go through that process.

Alderman Levasseur stated that is why we are having this Q & A.

Alderman Long stated last year the county went up 4%. The county commissioners sent the delegation a budget increase of 13.73% or something to that effect. This year they sent a budget to the delegation that is an 8.63% increase and we are looking to

decrease that. In May we do our sub-committees and at the end of June we will vote on the percentage.

Alderman Levasseur asked so you are saying that you put in the same number for your expenditures of \$12,554,109 million and you think that is going to be lower.

Alderman Long replied it is hard to say what the delegation is going to vote on but I don't think it will be lower. This number is the same as last year and I think it is going to go up but I don't know how much.

Alderman Levasseur asked any projections at all.

Alderman Long answered no I have no projection. There are 122 members of the delegation.

Alderman Levasseur stated sorry I was asking Finance.

Ms. Wickens stated they sent their budget forward and said it was going to be discussed. It was nothing that had been voted on which is why I alerted the aldermen that potentially this could go up. After speaking with Aldermen Heath and Long, they seem to think that it wouldn't go up to that capacity but I can't even venture a guess as to what the county will do or what will be voted on.

Alderman E. Sapienza asked can you clarify when you say that the city pays the county portion. Can you explain that? The county portion is separate from the city portion correct but it is on each individual property owner's bill and I understand that.

Ms. Wickens answered the city has to pay their portion of county tax. Every municipality does. It is based on population and we have the largest chunk of that there is no doubt at \$12 million. When we do the tax cap, we figure how much the city can get but we also have county tax as a payment as part of the budget. They get a percentage of what is raised from taxes as well.

Alderman Levasseur stated so basically we do their tax collecting for them and we do it in our bills.

Ms. Wickens responded yes that is exactly right.

Alderman Levasseur stated I have a question on where we are today with our deficit issues or revenue issues. If this is voted on today, is there anything that will occur before June 30 that would affect us in FY23? Do you have enough ARPA funds to cover any shortfalls?

Ms. Wickens replied we do have enough ARPA funds to cover any shortfalls in this budget and we do have some for next year. I expect interest income to be better next year because rates are starting to go up. I am not as optimistic about parking.

Alderman Levasseur stated my question is if there is any deficit in FY22 it can't be carried over to FY23 correct.

Ms. Wickens answered correct we can't bring it forward.

Alderman Levasseur stated so do we have a deficit in this year's budget or do you have enough in reserves.

Ms. Wickens replied I think there will be a deficit and a draw on the health insurance reserve and the CGL reserve. I don't think the draws will be as much as what we are in deficit but I do believe there will be draws on those reserves.

Alderman Levasseur stated are you okay with this severance number Mayor.

Mayor Craig answered yes.

Alderman Levasseur asked was there an increase to the health insurance line.

Mayor Craig replied there is a decrease in the health insurance line.

Alderman Levasseur asked from your budget.

Mayor Craig answered yes.

Alderman Levasseur asked how much was that.

Mayor Craig replied \$800,000 because of projections we received from USI.

Ms. Wickens stated USI negotiated a new pharmacy contract with Anthem and it is expected to have a savings of \$800,000.

Alderman Levasseur stated so Alderman Long you were aware of that and took \$800,000 and put it on the other side. As far as the contingency account, you are putting in \$3.5 million?

Alderman Long answered yes. That includes the \$2 million from the school district.

Alderman Levasseur stated Mayor I don't believe you had any money in contingency.

Mayor Craig responded I had a little bit but not much. I had \$410,000.

Alderman Levasseur stated last year we got burned on our budget because we were all at home and virtual and we couldn't ask any questions. It was very difficult and all of these numbers were coming at us. I feel a little bit better about the questions I am able to get out and ask and get people on the record regarding their projections because we really didn't come close to our projections from last year. We ended up with a higher rate than what we came in with on the tax rate. I think there was a tax cap budget last year and it came in much higher and I can't remember if it was the revaluation number that really hurt us. I think the aldermen's budget projected it too high. Now the Assessor says the number is conservative so we shouldn't have any issues at the DRA unless the county nails us with something. Thank you.

Mayor Craig called for a vote. Aldermen Cavanaugh, Stewart, Long, Fajardo, T. Sapienza, Trisciani, Heath, Burkush, Barry, Gamache, and George-Kelly voted yea. Aldermen Sharonov, Levasseur and E. Sapienza voted nay. The motion carried.

Alderman Long stated the next motion is to adjust the Airport Enterprise resolution based on expected increases to their contractual services as well as anticipated increases in their operating revenue.

Alderman Long moved to amend the resolution “Appropriating to the Manchester Airport Authority the sum of \$36,682,992 from Special Airport Revenue Funds for the Fiscal Year 2023” with a new total of \$38,857,992 and that it be Enrolled. **Alderman Cavanaugh** duly seconded the motion. Mayor Craig called for a vote. Aldermen Cavanaugh, Stewart, Long, Fajardo, T. Sapienza, Sharonov, Trisciani, Levasseur, Heath, E. Sapienza, Burkush, Barry, Gamache and George-Kelly voted yea. The motion carried.

Alderman Long stated this concludes our amendments to the Mayor’s proposed budget. The Clerk will walk us through final motions required to pass the balance of the Mayor’s proposal.

City Clerk Normand stated the only remaining resolution is for the CIP Program for FY23. Since that was proposed, I understand there have been some changes in federal funding and I think Leon can probably explain where those changes need to be made in order to pass the resolution this evening.

Leon LaFreniere, Planning and Community Development Director, stated unfortunately the federal fiscal year does not line up perfectly with our budget and every year we have to use estimates of what we anticipate the appropriations will be for our entitlement dollars from HUD. Those are the funds for CDBG, HOME and the ESG program. In this case, yesterday afternoon we received notice that our allocations for CDBG and ESG were going to be less than what we projected. We had received an indication that we could expect a 1% increase in those funds and we actually received something in the order of a 4.5% decrease. The CIP staff has spent quite a bit of time evaluating the

program revenue that was anticipated to be received during the time that the Mayor's budget was prepared and any changes that occurred between then and now. We were able to make some changes to that anticipated program revenue that defrayed some of the reduction in funding that we will be seeing. The bright spot of the HUD picture is that while CDBG went down almost \$100,000 from what we anticipated, ESG went down a lesser amount of about \$2,500 and the HOME funds went up almost \$100,000. So the net received from HUD is not significantly different, however, the programming does present some challenges with regard to how those funds are spent. As a result of that \$100,000 decrease in CDBG, we have identified some modifications that could be made to the Mayor's budget to address those changes. We were able to defray the \$100,000 decrease in CDBG funds to less than \$65,000 because of additional program revenue we found. I apologize for all of the detail associated with this but it does get into that level of detail in order to be able to explain the nature of the changes. We have prepared an amended resolution that will accommodate these changes that decreases allocations to some of the sub-recipients that were scheduled to receive funding. I can go over quickly what those decreases are. Obviously it is up to this Board to determine what the ultimate distribution of those funds are so I don't want to be presumptive in terms of these comments but we tried to make an evaluation based on program need, spending levels for the FY22 budget as well as how these programs could adapt in our estimation to a decrease. Would you like me to go over them individually?

Mayor Craig answered yes.

Alderman Long asked are these related to non-profit organizations. This isn't City CIP correct?

Mr. LaFreniere responded there is some of each.

Alderman Long stated I am looking at the Mayor's presentation to identify...

Mr. LaFreniere interjected it is primarily the non-profits. The first being the city project that is run out of Planning & Community Development and that is the Dilapidated Building and Demolition Program and a reduction of \$5,000 from \$75,000 to \$70,000.

There is an increase in the HOME set aside. Those are the HOME funds that went up. It is an increase of \$14,579. Once again, because the HOME funds were increased from what we originally anticipated to be a \$90,703 increase in the Housing Initiatives Program. Those are funds that had not yet been assigned to specific projects so there is no significant impact there because the aldermen will see any proposals that come forward for that program in the future. In the ESG program we reduced the Planning & Administration portion by \$182. That is a minor change obviously. The next is Easter Seals, The Way Home, the Tenant Based Rental Assistance Program and a decrease of \$246.24. That is a minor decrease once again. The Families in Transition Family Emergency Shelter has a decrease of \$2,000 from \$63,000 to \$61,000. Girl's Inc. has a decrease of \$2,000. Holy Cross Learning Center has a decrease of \$600. MCRC and these are the CDBO special activities of \$52,000 and I will get into what those specific reductions would be. Then the final one would be the Palace Theatre that has been historically funded at \$20,000. They were funded this year in the Mayor's budget of \$25,000 and we propose a decrease of \$5,000 to bring it back to \$20,000. In the CDBO, there are four projects that we have recommended for consideration for reduction. Those are the City Year NH City Whole Child from \$150,000 to \$125,000; Girls at Work Build Me Up from \$15,000 to \$10,000; Granite YMCA Start Program from \$55,000 to \$43,000; and Salvation Army Kids Café from \$47,000 to \$37,000. Again, these are just recommendations that we worked through to try to find a way to balance the budget. We need to keep in mind that the CDBO projects in particular are only recommendations to the Manchester Community Resource Center as they have complete autonomy over how those funds are spent. Their total spend level received would go from \$618,750 to \$566,750. That is the reduction of \$52,000 that I had referenced earlier. I know that is a lot of information in a short period of time. I would be happy to answer any questions.

Alderman Levasseur asked is there a total you have that is going to be necessary for the city to come up with in cash to allay any deficits or are they all worked out.

Mr. LaFreniere answered we worked out some of them with program revenue. The total decrease I think is in the order of \$65,000. If you wanted to fully fund all of the non-

profits and that one city project at the level that was in the Mayor's budget, you would need to find \$65,000.

Mayor Craig stated the answer to your question is no. There is no cash.

Alderman Levasseur asked so that wasn't budgeted in this budget we just voted on.

Mayor Craig answered no.

Alderman Levasseur asked did this just come up today.

Mr. LaFreniere answered it came up yesterday afternoon late and we have been working on it since to try to figure out what it meant because we didn't have an identification for what the changes were in the program revenue picture from a couple of months ago until now.

Mayor Craig stated I would say it has been over a decade or more that this Board has allocated cash towards projects like this.

Alderman Levasseur asked have the affected parties been notified.

Mr. LaFreniere replied no. We got this together at 5 PM today.

Alderman Sharonov stated so this just came up yesterday and is not in our packet at all.

Mr. LaFreniere responded yes.

Alderman Sharonov asked can you repeat one more time the old number and the new number.

Mr. LaFreniere asked the old number being the...

Alderman Sharonov interjected total.

Mr. LaFreniere stated the total CIP budget...there was a miscommunication and I gave my printed copy to the Clerk a few minutes ago that has the new number on it. The CIP budget in the aggregate would go from \$3,622,823 in federal community development block grant program funds and program income to \$3,161,163.

Alderman Sharonov asked so a \$500,000 decrease. Is that right?

Mr. LaFreniere answered the net effect once we were able to add in the program income and make other adjustments comes down to a plus \$97,194 in HOME funds, a minus \$2,428 in ESG and a minus \$99,510 in CDBG. The \$99,510 has been mitigated by additional program income down to \$64,600. In terms of trying to more directly answer your question, that is the scope of what we are talking about here - \$65,000 on the CDBG program side and \$2,500 on the ESG program side.

Alderman Cavanaugh asked so you are talking about \$67,000.

Mr. LaFreniere replied yes approximately \$67,000 that we have to adjust the budget down. The net reduction is the \$99,510 plus the \$2,428 but because we determined that we would have some additional program revenue coming in that we didn't know about when the budget was originally prepared, that is why that number comes back down to \$67,000.

Alderman Cavanaugh stated I am wondering if we should send it back to the committee and have them look at this. It is a number that I think is workable for sure.

Mayor Craig stated it has to be approved by mid-June.

Alderman Long asked Leon could we approve this and send it to CIP to get the entities and numbers. Can we pass this and then have CIP review it? The non-profits never know until we approve a budget what they are going to be getting because it fluctuates so could we approve this?

Mr. LaFreniere answered this isn't the first time that we have ended up with an allocation that is less than we anticipated. Usually it is not necessarily of this magnitude and it is absolutely not typical that it comes in the 11th and a half hour of the budget process. Usually it comes in later. Sometimes we don't get this information until October and we make the adjustments at that time. Before we sign any sub-recipient agreements with the non-profits, we notify them that they can't spend any funds and we can't execute sub-recipient agreements until such time as we get the notification from HUD as to what the actual allocations are. It is not unusual that adjustments are made with the start-ups later on.

City Clerk Normand asked so they could approve the resolution this evening as amended and then they could decide which projects get affected in a subsequent CIP meeting.

Mr. LaFreniere responded I believe that to be true; yes.

Mayor Craig stated my budget was just a draft budget so it isn't like anybody was notified that these funds are coming.

Mr. LaFreniere stated that is absolutely true.

Alderman Levasseur asked is the city legally obligated to fund the \$65,000 and the recipients of this money are responsible for finding the funding or the federal government has to match them or are we responsible contractually.

Mr. LaFreniere replied the city does not have a responsibility. The city chooses or has chosen in the past to provide this benefit to several of the non-profits.

Alderman Levasseur stated I am just talking about the \$65,000 decrease. Can we choose to fund that if we want?

Mr. LaFreniere answered the entirety of the HUD allocations could be spent on city projects if the city chose to.

Mayor Craig stated the requests that come in are probably five times what HUD funds.

Alderman Levasseur asked so this number that has been given to us hasn't actually been allocated yet.

Mayor Craig answered correct.

Alderman Levasseur stated so it is just \$65,000 less. It is not money that has already been...these non-profits don't know what is coming yet correct.

Mayor Craig replied correct. We are talking about the next fiscal year.

Alderman Long moved to approve the CIP appropriating resolution as amended.

Alderman Cavanaugh duly seconded the motion. Mayor Craig called for a vote.

Aldermen Cavanaugh, Stewart, Long, Fajardo, T. Sapienza, Trisciani, Levasseur, Heath, E. Sapienza, Burkush, Barry, and Gamache voted yea. Alderman Sharonov voted nay. Alderman George-Kelly recused herself due to her full-time employment at WayPoint, a non-profit in the city that receives ESG funding. The motion carried.

Mayor Craig stated before we head into the consent agenda, I just wanted to say a few things. As was mentioned earlier, when I presented my budget back in the beginning of March, I said that it was a start. I want to commend the aldermen who worked together to proactively draft a budget that meets the needs of our community. Manchester is a growing city with a strong economy as evidenced by the \$83.4 million in new growth generated over the last 12 months. As we emerge from the pandemic, we must retain and attract employees in order to maintain and grow our critical city services. We consistently hear from our residents that they want police patrolling our streets, they want roads paved and plowed, and they want more teachers in the classrooms. This budget does that and much more. The FY23 budget that was approved tonight maintains all essential city services while balancing the fiscal constraints of our residents and again I want to thank the aldermen who worked hard on this budget to do what is right for the city.

CONSENT AGENDA

Accept BMA Minutes

2. Minutes from the April 19 Special BMA, BMA and Finance meetings.

Approve Under Supervision of the Department of Highways, subject to funding

3. **50/50 Sidewalk Petitions:**

Commercial

- 179 Elm Street

Residential

- 40 Ashland St
- 117 Everett St
- 170 Fleming St
- 328 Prospect St
- 512 Milton St
- 955 Chestnut St
- 1038 S Beech St

REFERRALS TO COMMITTEES

COMMITTEE ON FINANCE

4. Resolutions:

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Four Hundred Twelve Thousand Six Dollars and 25/100 (\$412,006.25) for the FY 2022 CIP 213122 Primary Care Services for the Homeless.”

“Amending the FY 2020 Community Improvement Program, authorizing and appropriating funds in the amount of Two Hundred Sixty Two Thousand Five Hundred Dollars (\$262,500) for the FY 2020 CIP 412020 2020 Community Response Unit.”

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Thirty One Thousand Ninety Seven Dollars and 56/100 (\$31,097.56) for the FY 2022 CIP 412622 Police Search and Rescue Equipment.”

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Fifty Thousand Dollars (\$50,000) for the FY 2022 CIP 412722 GOFERR Locality Equipment Matching Program.”

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Ten Thousand Dollars (\$10,000) for the FY 2022 CIP 511322 Recreation Programming.”

“Amending the FY2018, FY2021 and FY2022 Community Improvement Program, authorizing and appropriating and transferring funds in the amount of Four Million Five Hundred Thousand Dollars (\$4,500,000) for the FY 2022 CIP 711022 CMOM Study, Design, and Construction.”

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Six Hundred Twelve Thousand (\$612,000) for the FY 2022 CIP 712822 COVID Pandemic Expenses.”

REPORTS OF COMMITTEES

COMMITTEE ON BILLS ON SECOND READING

5. Recommending that Ordinance Amendment:

“Amending Chapter 97 Streets and Sidewalks of the Code of Ordinances of the City of Manchester by changing the word street to city way in Section 97.03 and adding the Department of Public Works to Section 97.06.”

ought to pass and be referred to the Committee on Accounts, Enrollment and Revenue Administration.
(Unanimous vote)

COMMITTEE ON COMMUNITY IMPROVEMENT

- 6.** Recommending that the summary of abatement requests submitted by Fred McNeill, Chief Engineer, be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
- 7.** Recommending that the Amending Resolution and Budget Authorization providing for the acceptance and expenditure of funds in the amount of \$412,006.25 for CIP 213122 Primary Care Services for the Homeless be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
- 8.** Recommending that the Amending Resolution and Budget Authorization providing for the acceptance and expenditure of funds in the amount of \$262,500 for CIP 412020 Community Response Unit be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
- 9.** Recommending that the Amending Resolution and Budget Authorization providing for the acceptance and expenditure of funds in the amount of \$31,097.56 for CIP 412622 Police Search and Rescue Equipment be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)

10. Recommending that the Amending Resolution and Budget Authorization providing for the acceptance and expenditure of funds in the amount of \$50,000 for CIP 412722 GOFERR Locality Equipment Matching Program be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
11. Recommending that the Amending Resolution and Budget Authorization providing for the acceptance and expenditure of funds in the amount of \$10,000 for CIP 511322 Recreation Programming be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
12. Recommending that the Amending Resolution and Budget Authorization providing for the acceptance and expenditure of funds in the amount of \$612,000 for CIP 712822 COVID Pandemic Expenses be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
13. Recommending that the Amending Resolution and Budget Authorizations providing for the transfer and expenditure of funds in the amount of \$4,500,000 for CIP 711022 CMOM Study, Design and Construction be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
14. Recommending that the request from Fred McNeill, Chief Engineer, for a line item adjustment to CIP 710816 Cohas Brook Sewer be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
15. Recommending that the request from Leon LaFreniere, Planning & Community Development Director, for adoption of a policy on the Protection and Secure Handling of Personally Identifiable Information be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
16. Recommending that the request from the Planning & Community Development Director for various CIP project extensions be approved.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
17. Recommending that the request for authorization to apply for \$450,000 in Congressionally Directed Spending (CDS) funds to renovate the Emergency Operations Center and fund technical and equipment upgrades be approved with the understanding that if awarded, there is a 25% City cost share.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
18. Recommending that the request from the property owner of 251-261 W. Hancock Street for subordination of a City lien in the amount of \$60,060 has been received and filed.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)

COMMITTEE ON HUMAN RESOURCES/INSURANCE

19. Advising that the draft Human Resources Social Media Policy has been referred to the Committee on Administration/Information Systems to be combined with a draft policy from Information Systems so there is one policy for the city.

20. Recommending that the ordinance amendment to Chapter 33.080 Military Service to include employees who have not passed probation be approved and referred to the Committee on Bills on Second Reading for technical review.
(Unanimous vote)
21. Recommending that the reclassification of the Senior Services Specialist II, grade 14, to a Senior Center Manager, grade 18, effective July 1, 2022 be approved.
(Unanimous vote)
22. Recommending that the request for an update to the class specifications for the Senior Services Specialist I and II positions to more accurately reflect their duties and responsibilities be approved.
(Unanimous vote)
23. Recommending that the request from Kyle Davis of Queen City Pride Festival to use the Arms Lot for their event on June 18, 2022 be approved.
(Unanimous vote)

COMMITTEE ON PUBLIC SAFETY, HEALTH AND TRAFFIC

24. Recommending that the NH Department of Transportation move forward with their proposals for road safety upgrades at South Willow Street (NH 28)/Sheffield Road and Cilley Road/Jewett Street.
(Unanimous vote)
25. Recommending that the following traffic regulations be approved:
NO PARKING ANYTIME
On Lake Shore Road, east side, from Candia Road to 1581 Lake Shore Road
Alderman Sharonov
On Depot Street, south side, from Canal Street to a point 35 feet east
Alderman Long
NO PARKING LOADING ZONE
On Depot Street, south side, from a point 35 feet west of Canal Street to a point 45 feet further east
Alderman Long
NO PARKING LOADING ZONE 7 AM-3:30 PM, MON-SAT
On Depot Street, north side, from a point 20 feet west of Hampshire Lane to a point 25 feet further west
Alderman Long
METERS- 10 HOURS 8 AM-6 PM, MON-FRI
On Depot Street, north side, Elm Street to Hampshire Lane
On Depot Street, north side, from a point 45 feet west of Hampshire Lane to Canal Street
On Depot Street, south side, from Elm Street to a point 162 feet east of Canal Street
Alderman Long

RESCIND NO PARKING ANYTIME

On Lake Shore Road, east side, from Minot Street to a point 200 feet north (ORD 10431)

Alderman Sharonov

RESCIND NO STANDING, STOPPING, OR PARKING 7AM-3PM, MON-FRI

On Jewett Street, east side from Hayward Street to Merrill Street - Busses Only (ORD 10518)

Alderman Heath

RESCIND NO STANDING, STOPPING, OR PARKING 7AM-9AM AND 2PM-3PM, SCHOOL DAYS

On Jewett Street, west side, from Merrill Street to Hayward Street (ORD 10517)

Alderman Heath

RESCIND SCHOOL ZONE 8:00-8:45 AM AND 2:50-3:35 PM

On Jewett Street between Valley Street and Young Street (ORD 10500)

On Hayward Street between Cypress Street and Woodman Street (ORD 10502)

On Merrill Street between Jewett Street and Woodman Street (ORD 10501)

Alderman Heath

RESCIND NO PARKING ANYTIME (LIVE PARKING ONLY DURING SCHOOL HOURS)

On Hayward Street, north side, from Jewett Street to a point 160 feet east (ORD 9310)

Alderman Heath

RESCIND HANDICAP PARKING ONLY

On Merrill Street, south side, from a point 2015 feet east of Jewett Street to a point 40 feet east (ORD 10628)

Alderman Heath

RESCIND LIVE PARKING FOR PICK-UP AND DROP-OFF ONLY DURING SCHOOL HOURS

On Merrill Street, south side, from Jewett Street to a point 180 east (ORD 10626)

Alderman Heath

RESCIND METERS- 10 HOURS 8 AM-10 PM, MON-SAT

On Depot Street from Elm Street to Canal Street, both sides (ORD 8256)

Alderman Long

RESCIND METERS- 10 HOURS 8 AM-8 PM, MON-FRI

On Depot Street, north side, Elm Street to Hampshire Lane (ORD 8397)

Alderman Long

RESCIND METERS- 10 HOURS

On Depot Street, north side, from a point 45 feet west of Hampshire Lane to Canal Street (ORD 8398)

Alderman Long

RESCIND NO PARKING LOADING ZONE 7 AM-3:30 PM MON-SAT

On Depot Street, north side, from Hampshire Lane to a point 20 feet west (ORD 8389)

Alderman Long

(Unanimous vote)

HAVING READ THE CONSENT AGENDA, **ALDERMAN LONG MOVED TO APPROVE. ALDERMAN CAVANAUGH DULY SECONDED THE MOTION. MAYOR CRAIG CALLED FOR A VOTE. ALDERMEN CAVANAUGH, STEWART, LONG, FAJARDO, T. SAPIENZA, SHARONOV, TRISCIANI, LEVASSEUR, HEATH, E. SAPIENZA, BURKUSH, BARRY, GAMACHE AND GEORGE-KELLY VOTED YEA. THE MOTION CARRIED.**

REGULAR BUSINESS

- 26.** Communication from Linda Miccio advising the Board of her resignation as an alternate member of the Heritage Commission.

City Clerk Normand noted for the record that Alderman T. Sapienza has left the meeting.

*On motion of **Alderman Long**, duly seconded by **Alderman Heath**, it was voted to accept with regret.*

- 27.** Communication from Mike Skelton advising the Board of his resignation as a member of the Manchester Development Corporation Board of Directors effective May 10, 2022.

*On motion of **Alderman Stewart**, duly seconded by **Alderman Cavanaugh**, it was voted to accept with regret.*

- 28.** Nominations:

Arts Commission

Kathy Daneman as an alternate member, term to expire December 1, 2024

Manchester Development Corporation Board of Directors

Heather McGrail to succeed Mike Skelton as a member, term to expire March 11, 2024

(Note: Pursuant to Rule 20 of the Board of Mayor and Aldermen, these nominations will layover to the next meeting of the Board.)

29. Confirmations:

Airport Authority

Marlana Trombley to succeed herself as a regular member, term to expire March 1, 2025

Board of Registrars

Claudia Carr to succeed herself as a regular member, term to expire May 1, 2025

Elizabeth Wester to succeed herself as a regular member, term to expire May 1, 2025

Fire Commission

Keri Pappalardo to succeed Scott Cairns as a regular member, term to expire May 1, 2025

Planning Board

Molly Lunn Owen to succeed herself as a regular member, term to expire May 1, 2025

Christopher Wellington to succeed himself as a regular member, term to expire May 1, 2025

John Goeman to succeed himself as an alternate member, term to expire May 1, 2025

Bob Gagne as Ex-Officio Administrative Member

Manchester Transit Authority Commission

Daniel Elliot to succeed himself, term to expire May 1, 2027.

*On motion of **Alderman Long**, duly seconded by **Alderman Fajardo**, it was voted to confirm the nominations as presented.*

- 30.** Communication from Leon LaFreniere, Planning & Community Development Director, advising the Board of his retirement effective June 30, 2022.

*On motion of **Alderman Cavanaugh**, duly seconded by **Alderman George-Kelly**, it was voted to accept with regret.*

- 31.** Communication from Sharon Wickens, Finance Officer, requesting approval to transfer \$20,188 from the Manchester Public Television Equipment Escrow Account to cover reimbursement of services and equipment.

*On motion of **Alderman Barry**, duly seconded by **Alderman Long**, it was voted to approve the request.*

- 32.** Communication from Michael Reed, Stebbins Commercial Properties LLC, requesting an extension of the P&S Buyer Due Diligence Period for the Wellington Hill properties until July 31, 2022.

*On motion of **Alderman Stewart**, duly seconded by **Alderman Long**, it was voted to approve the extension request.*

- 33.** Tentative Agreement between the City and the City Library, Teamsters Local 633.

*On motion of **Alderman Barry**, duly seconded by **Alderman Cavanaugh**, it was voted that the tentative agreement be ratified and layover.*

- 34.** Tentative Agreement between the Manchester School District and the Teamsters Union, Local 633 for Directors and Coordinators.

***Alderman George-Kelly** moved to ratify the agreement. **Alderman Burkush** duly seconded the motion. Mayor Craig called for a vote. The motion carried with Alderman E. Sapienza being duly recorded in opposition.*

- 35.** Budget projections to be submitted by Sharon Wickens, Finance Officer.

Ms. Wickens stated the FY22 general fund expenditure and revenue forecast as of May 17, 2022 based on department head estimates is as follows. The current projected general fund operating surplus for FY22 is zero. This amount is comprised of an expenditure surplus of \$254,000, a revenue deficit of \$3,643,500 and the use of \$2,749,500 in ARPA revenue replacement funds. An anticipated draw on the health insurance reserve and CGL insurance reserve accounts is currently projected to be in the aggregate of \$640,000. The revenue deficit has the same issues – interest income, parking revenue, and motor vehicles. We do have a new one. The Comcast franchise fee looks like it will be about \$240,000 short this year. I don't know if people are using Roku more or what is happening but that is coming in less. Motor vehicles for April were down versus the budget by about \$200,000 but on the flip side tax deed collection efforts and the favorable real estate market conditions are expected to realize a surplus in the interest on delinquent taxes and the interest on tax liens just shy of \$400,000. Parking revenues continue to lag. There were 140 permits returned to the city for the Pearl Street Lot over a week ago. Health insurance is still trending above plan. Any gains that we made in the month of March were lost in April. Utilization is bringing it over plan by about \$1.9 million. We haven't dug into exactly what is causing the big

spike in April. We see that the invoices have come in and we know that it is there but we are working with USI to get the information. It is only two weeks into May and it takes them about three or four weeks to get more information. We will try to get an idea of how we might end the year. CGL is also running above budget. There were several high claim settlements that have brought the account now over budget by \$726,000. The majority of the health and CGL shortfalls will be covered by the surplus that is being returned by the city departments but I still forecast that there will be a hit to the reserve accounts. Currently we are looking at a \$462,000 draw on health and \$178,000 on CGL. We are using the \$340,000 from contingency in this projection. There were 43 retirements through May 7 compared with 36 this same time a year ago. Severance paid through May 7 amounts to \$1,136,598 compared to \$1,637,792 a year ago. The severance reserve account has a balance of \$727,288 as of May 7. While I see that we still have retirements that will need to be paid out, it looks like we will have \$400,000-\$500,000 left in this account that will rollover to next year. I also attached the departmental overtime report as of May 7 and a summary by department of the severance paid. Are there any questions?

Alderman Levasseur asked so you don't expect there to be any surplus on June 30.

Ms. Wickens answered no I don't.

Alderman Levasseur asked if there was then 1/3 would have to go into...1/3 and 1/3 and 1/3. We won't have that issue so you won't need a vote by the Board on whether to hold it back or whatever.

Ms. Wickens replied right. If we get a windfall of money it would go 1/3, 1/3 and 1/3.

Alderman Levasseur stated I just want to make sure because if we are \$300,000 short, where are you going to get the money. Where do you get it from? I keep asking this question but I don't feel like I am getting an answer. If there is a deficit...is there going to be a deficit on June 30 or do you have that already covered?

Mayor Craig responded this is the projection.

Alderman Levasseur stated I see that. So you can just fill it with ARPA funds. Is that the answer?

Ms. Wickens stated you are right. Let's take the health insurance line. It is down about \$1,882,000 but because we have so much surplus being returned from the departments, the draw on the reserve is only going to be about \$462,000. If we went more into deficit and it couldn't be covered by ARPA funds, that draw on health insurance could be up to \$1.8 million. I mean it is never going to get there but we would have to do more of a draw on these accounts that have reserves.

Alderman Levasseur stated maybe my question should be you are going to see a balance...we are going to come out balanced on June 30.

Ms. Wickens replied correct. Whatever is needed to bring us to zero, whether it is more money from the reserve or less money from the reserve, we will still come to that zero.

Alderman Levasseur asked and you see where all of the little pockets are and you are confident that you will be coming in balances.

Ms. Wickens responded yes. I mean anything can happen but yes right now I see that we should balance.

Mayor Craig stated that is based on the projections we have in front of us and I think something you said, Sharon, is worth saying again. We are not hiring. There is a hiring freeze and we are only hiring for essential employees right now and many of the departments, if not all of them, have vacancies. Our departments are turning funds back in thankfully to the city which is helping us with this budget.

Alderman Levasseur stated I understand that but every single week I get at least five job postings. I get that they are not filled but...

Mayor Craig interjected we are starting to post jobs for July 1. We are not hiring them right now unless there is a cost to the city in not hiring someone or a serious negative effect to city services. I do just want to stress and thank the department heads for all that they are doing in managing their budgets because it is helping us during this difficult year.

Alderman Stewart stated Sharon I was hoping you could talk a little bit more in detail about the Comcast franchise fee. Can you explain how we get that money and how it is allocated?

Ms. Wickens stated I would defer to City Clerk Normand.

City Clerk Normand stated the franchise fee is a percentage that is paid to the city through the subscribers in the city. It is a pass through and goes directly into the revenue fund. It doesn't go to a department but right to the general fund.

Alderman Stewart asked so more people on cable means more money for us and less people means less money.

City Clerk Normand answered yes.

Alderman Stewart stated so more people are cutting the cord.

City Clerk Normand replied yes and that hurts a lot.

Alderman Levasseur stated Consolidated is running cable everywhere. Is it only television that we get money from?

City Clerk Normand responded I had a conversation with Consolidated on that and they are not providing cable services. Their platform is for streaming services which we are not able to capture at this point.

Alderman Long asked have we requested the second half of the ARPA funding.

Ms. Wickens answered I actually requested the second half last week. That should be coming in at any time.

*On motion of **Alderman Heath**, duly seconded by **Alderman Levasseur**, it was voted to recess the meeting to allow the Committee on Finance to meet.*

Mayor Craig called the meeting back to order.

38. Report(s) of the Committee on Finance, if available.

The Committee on Finance respectfully recommends, after due and careful consideration, that Resolutions:

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Four Hundred Twelve Thousand Six Dollars and 25/100 (\$412,006.25) for the FY 2022 CIP 213122 Primary Care Services for the Homeless.”

“Amending the FY 2020 Community Improvement Program, authorizing and appropriating funds in the amount of Two Hundred Sixty Two Thousand Five Hundred Dollars (\$262,500) for the FY 2020 CIP 412020 2020 Community Response Unit.”

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Thirty One Thousand Ninety Seven Dollars and 56/100 (\$31,097.56) for the FY 2022 CIP 412622 Police Search and Rescue Equipment.”

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Fifty Thousand Dollars (\$50,000) for the FY 2022 CIP 412722 GOFERR Locality Equipment Matching Program.”

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Ten Thousand Dollars (\$10,000) for the FY 2022 CIP 511322 Recreation Programming.”

“Amending the FY2018, FY2021 and FY2022 Community Improvement Program, authorizing and appropriating and transferring funds in the amount of Four Million Five Hundred Thousand Dollars (\$4,500,000) for the FY 2022 CIP 711022 CMOM Study, Design, and Construction.”

“Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Six Hundred Twelve Thousand (\$612,000) for the FY 2022 CIP 712822 COVID Pandemic Expenses.”

ought to pass and be Enrolled.

*On motion of **Alderman Long**, duly seconded by **Alderman Cavanaugh**, it was voted to accept, receive and adopt the report.*

39. Report(s) of the Committee on Accounts, Enrollment and Revenue Administration, if available.

There were none.

40. Report(s) from the Committee on Bills on Second Reading, if available.

The Committee on Bills on Second Reading respectfully recommends, after due and careful consideration, that the Ordinance Amendment:

“Amending the Code of Ordinances of the City of Manchester by amending Section 181.33(A) Rates for Fares Established, by increasing the current rate by which licensed taxicabs may charge their passengers from \$5.00 per mile to \$6.50 per mile.”

ought to pass and be referred to the Committee on Accounts, Enrollment and Revenue Administration.

***Alderman Long** moved to suspend the rules and place the ordinance on its third and final reading without referral to committee and Ordain. **Alderman Fajardo** duly seconded the motion. Mayor Craig called for a vote. The motion carried on a unanimous vote.*

41. Report(s) of the Committee on Administration/Information Systems, if available.

There were none.

42. Report(s) of the Committee on Lands and Buildings, if available.

There were none.

43. Resolutions:

"Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Four Hundred Twelve Thousand Six Dollars and 25/100 (\$412,006.25) for the FY 2022 CIP 213122 Primary Care Services for the Homeless."

"Amending the FY 2020 Community Improvement Program, authorizing and appropriating funds in the amount of Two Hundred Sixty Two Thousand Five Hundred Dollars (\$262,500) for the FY 2020 CIP 412020 2020 Community Response Unit."

"Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Thirty One Thousand Ninety Seven Dollars and 56/100 (\$31,097.56) for the FY 2022 CIP 412622 Police Search and Rescue Equipment."

"Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Fifty Thousand Dollars (\$50,000) for the FY 2022 CIP 412722 GOFERR Locality Equipment Matching Program."

"Amending the FY2022 Community Improvement Program, authorizing and appropriating funds in the amount of Ten Thousand Dollars (\$10,000) for the FY 2022 CIP 511322 Recreation Programming."

*On motion of **Alderman E. Sapienza**, duly seconded by **Alderman Heath**, it was voted to waive the reading by titles only.*

*On motion of **Alderman Cavanaugh**, duly seconded by **Alderman Stewart**, it was voted that the Resolutions ought to pass and be Enrolled.*

44. Ordinances:

"Amending Section 33.024, 33.025 & 33.026 (Senior Center Manager) of the Code of Ordinances of the City of Manchester."

"Amending Section 33.026 (Senior Services Specialist I) of the Code of Ordinances of the City of Manchester."

"Amending Section 33.026 (Senior Services Specialist II) of the Code of Ordinances of the City of Manchester."

*On motion of **Alderman Stewart**, duly seconded by **Alderman Fajardo**, it was voted to waive the reading by titles only.*

*On motion of **Alderman Burkush**, duly seconded by **Alderman Cavanaugh**, it was voted to Ordain.*

NEW BUSINESS

Alderman Long stated I just want to thank Jen Drociak for the clean-up she has been doing throughout the city and more importantly the volunteers that she is getting to help her. Nutts' Pond I believe had 18 volunteers.

Mayor Craig stated Alderman Burkush was one of them.

Alderman Long stated he can probably speak to how much garbage they picked up.

Alderman Burkush stated there were 76 trash bags and a one ton Parks & Recreation truck for two hours. That was just one half of Nutts' Pond. The other half was done two weeks ago and we had Alderman Fajardo and Alderman Trisciani and others.

Alderman Long stated I want to thank Ms. Drociak and the volunteers that are showing up for these clean-ups. It is amazing.

Alderman Trisciani stated I want to give a shout out to DPW. They have been a huge part of that as well and sending resources to help out and we truly appreciate the extra effort on Saturday mornings to work on that.

Alderman Barry stated I know in the past we have talked about having an alderman on the negotiations team for the city. *I would like to move to nominate Alderman Cavanaugh. **Alderman Long** duly seconded the motion. Mayor Craig called for a vote. There being none opposed, the motion carried.*

Mayor Craig stated if you look at the packet that was handed out, Matt sent out an email to discuss when we get into June and only meet once a month. He wanted to check and see if the Board could move the June meeting to the third Tuesday versus the first

and we are scheduled to meet on July 5 after the holiday and we were thinking the third Tuesday would be better. It is up to the Board.

Alderman Sharonov asked so both of these are also Tuesday.

Mayor Craig answered yes the third Tuesday instead of the first.

Alderman Sharonov moved to change the date of the June BMA meeting Tuesday, 6/21 and the July meeting to Tuesday, 7/19. ***Alderman Barry*** duly seconded the motion. Mayor Craig called for a vote. The motion carried with Alderman Long being duly recorded in opposition to moving the June date.

Mayor Craig stated the DPW South Willow Street road congestion public meeting will be held on May 18 at 6 PM at DPW, 475 Valley Street. The discussion is on the intersection improvements at South Willow Street and Weston Road. This week is National Public Works Week. Alderman Cavanaugh, myself, and Alderman Trisciani went over to DPW for the employee appreciation lunch today. It was great to be with all of the employees and recognize their efforts and dedication to the City of Manchester. There is a resolution in your packet that I read and that we posted on social media as well. Also in your packet, as we come out of Covid the city's housing market is very strong and you will notice that there is an overview that was put together by Pamela Goucher that highlights that there are 1,425 new housing units that have either recently been completed, are under construction or in the final planning stages come to the city. This is as of last week and we know that there are other projects in the works. It is important to know that there are a significant number of new housing units coming to the city.

Alderman Levasseur stated on that note, whatever happened with the two lots that we put out for an RFP. Did we get anything from that?

Mayor Craig stated City staff is currently working on that. There is a note in your packet. There was a visitor that came for the SNHU graduation and just commented on how clean the city was and how friendly our police officers were in the downtown and I

just wanted to share that with that the Board and with the public. It is nice to have the thank yous and pats on the back for city employees. You will also note a communication from Anna Thomas. It is Armed Forces Day on May 21 and of course Memorial Day on May 30. The City of Manchester Health Department would like to pay tribute, as we all would, to those who have served and sacrificed and ask that you proudly wear the enclosed American flag pin in their honor, memory and health. In addition, you will find two gratitude cards designed by Veterans Count, a program of Easter Seals which we ask that you give to constituents you know who are veterans and might be in need of care coordination services if their needs aren't met. You can visit the Manchester website to learn more about the city's military squares dedicated to Manchester residents who lost their lives while serving our country. Lastly, there is an opportunity to get more free at-home Covid tests. You can go to www.covid.gov/tests. It is important to have those so I encourage you to order them.

*On motion of **Alderman E. Sapienza**, duly seconded by **Alderman Heath**, it was voted to recess the meeting pursuant to RSA 91-A:2, I(a) for strategy or negotiations with respect to collective bargaining.*

Mayor Craig called the meeting back to order.

***Alderman Long** moved that the prior approval for the Health Department's COO and BSO promotions take effect on June 1. **Alderman Trisciani** duly seconded the motion. Mayor Craig called for a vote. There being none opposed, the motion carried.*

*There being no further business, on motion of **Alderman Cavanaugh**, duly seconded by **Alderman Long**, it was voted to adjourn.*

A True Record. Attest.

A handwritten signature in black ink, appearing to read "Matthew Harmond".

City Clerk