

BOARD OF MAYOR AND ALDERMEN

April 18, 2023 at 7:00 PM

Mayor Craig called the meeting to order.

The Clerk calls the roll.

Present: Aldermen Cavanaugh, Stewart, Long, Fajardo, T. Sapienza, Trisciani, Levasseur, Heath, E. Sapienza, Burkush, Barry, Gamache

Absent: Alderman George-Kelly

PUBLIC COMMENT

Mayor Craig advised that the purpose of the public comment session is to give residents of Manchester the opportunity to address the Board. All people wishing to speak will have up to three minutes to do so and any comments must be directed to the chair. Any resident wishing to speak will come forward to the nearest microphone, clearly state their name and address when recognized and give their comments.

Kathleen Carswell, Amherst Street, stated:

I have been a resident of Manchester for 61 years. I am a third generation in the city. I am back again for the old affordable housing please. All of these wonderful apartments you are building, that is great. We have people from Massachusetts coming up to live here. There is still a lot of work in Massachusetts. They are taking the apartments now that you want to build for workers from Manchester. What are we going to do? Keep building more apartment buildings until we run out of space and tear down all of our old historical buildings that we have here in Manchester? It is getting to be terrible. The rent control. There has to be something we can do with rent control. No one can afford a \$3,000 apartment plus all of your utilities. You are talking \$4,000 to \$5,000 to live there – those new apartments across from Market Basket on Elm Street. Someone should be able to go up to the Governor and speak for us citizens here in Manchester and say we need low, affordable housing. I can't go any higher than I am right now. I live on disability. I can't even get Medicaid dental help because I get too much. \$1,700/month folks is too much to get help from Medicaid and that is a shame. I have

been waiting 10 years to get a cleaning and I can't even get that. Shame on us. Something has to be done in the city. So please let's grow some backbones and stand up for the citizens that have been here for generations. Help us. We want to stay here. We want to be a citizen of the city and help the city grow in the right way. We have help but we don't have enough and you are squeezing us out. There is nowhere, nowhere to go. I would like to move but I can't move. I am afraid every night that I go to bed that my apartment building will burn down because my tenant next door smokes inside. We have been after them for 10 years not to. Enough is enough. I would also like to get rid of the graffiti we have around the city. I have a poor older gentleman who is trying to run a little corner store over by Central High. His building gets tagged every time the Highway Department comes by to clean it. I say let the Police Department's gang unit...they know what the gang symbols are, go and get the people from those gangs whether they did it or not. They aren't going to fess up to it. Let them come and clean their mess. When they are tired of cleaning up after themselves...let them instead of paying the Highway Department do the work. That is one way to get that done. Maybe they will stop tagging people's buildings and apartment buildings and houses. I am tired of seeing it. It makes it look like a ghetto and Manchester wasn't like that. Please, I am asking to not pass this on but please help each other. Thank you.

Joseph Hart stated:

Sorry I missed the first call. I was actually in the middle of filing a complaint against the clerk here. You ask why. Oh because unprovoked he walked past me and proceeded to say "F*** Off" for no reason and then I followed him outside and he proceeded to get into my face several times and continued to swear and brush against me so I am filing a complaint against him for simple assault. Thank you for doing that. Also, I didn't put my name down as Joseph earlier. I think you know that. I am also here to talk about DPW workers and the police. The DPW workers recently have been wasting taxpayer dollars. They are on their phone not on break and not during lunch on social media. I have caught them several times. I have also seen DPW workers taking second extended lunches, parking on sidewalks when they don't need to...it is a systemic problem with them. I literally just see them driving around doing nothing. They just go in circles but when it comes to the police, I have countless videos, countless videos of them misbehaving and mocking me and being sarcastic and being aggressive. This is wrong.

They get into my face. Lt. Feather got right into my face for no reason. You need to watch this. The Chief will not watch it. He just told me he won't sit down with me unless the camera is off. I don't do that. When I talk to public officials, that camera is always rolling because of this problem. There is a systemic problem happening in this city. I haven't been here that long but I have captured a lot; a lot. I have been wrongfully arrested in the city. I can't say wrongfully right because I got a settlement that says I can't say that but I was arrested and the DA told me and my lawyer that it was a wrongful arrest and they dropped the charge. Thank you for reaching a settlement with me. Now I used that money to put back into activism and make this city better and I am going to continue to do that. It is just wrong. Clean up the city. Clean up the city and you have to start with the public officials first. Don't believe me? You don't have to believe me and my word right now. Go to my channel and watch the videos for yourself and you are going to see how ridiculous this has been since I moved here. It is a shame. It is a shame. How about this? I have been threatened and assaulted in front of police officers and they don't do anything. They actually turn the script around and try to press charges on me but they know they are not going to win and that is why they just let me go. I have it all on video. I had to defend myself a couple of weeks ago and the next thing you know the police are trying to get me for disorderly for saying what. Oh because I called them bootlickers. Well that is what they are. They are licking their boots, the police's boots, the whole time. They approached me. I was standing there filming the police. They approached me. They had a problem and once they realized what I was doing, they started threatening me and the police were right there watching the whole time. I did use my words and walk away like the police officer that was trying to press charges on me. I did walk away and use my words but she came after me. I had to use my pepper spray and the next thing you know they are trying to get me for disorderly. I think you guys need to get rid of Matt first. Your first rule of order is to get rid of Matt because he is an aggressive person. He does not need to do that to people. He doesn't have to swear at people in the public. Thank you.

Al Heavey, 1029 S. Mammoth Road, stated:

I am here to see how we can get a trucking company called DDA from Londonderry on Harvey Road...they have pretty much 24-hour access to trucks going in and out. I started out going to DOT in Concord. They couldn't do anything. I went to the

Manchester Highway Department. They couldn't do anything. I went to the Planning Board. They couldn't do anything. I talked to the Ward 8 alderman and he wouldn't do anything. I talked to the Mayor's Office who said they would get back to me. I waited six weeks and went back and still got no answer. They sent me back to the Planning Board. I went to the Planning Board last week and they told me to come here tonight. The reason I am here is these trucks are coming in and idling in their parking lot anywhere from 10-20 minutes. Sometimes it is six trucks in a row. Then they leave and they go up near where I live across from Lucas Road to Sheffield and up to 28 or they go down South Mammoth Road to where The Yard is and then they go on to 28 going south. It is split residential and industrial but at that time of night they are the only industrial people working. To have six trucks leave at 2 AM or 4 AM or 4:30 AM and then the trucks are coming in sometimes at 2 AM or 4 AM so there is a constant stream of trucks. This is all day. They are also in the process of building a warehouse that is parallel to the street and for the last two years we have been listening to nothing but sand trucks and gravel trucks coming in and dropping their loads and banging their doors and the trucks driving out. I have been trying to get signs put up so we can have no trucks from 7 PM until 7 AM. Nobody has been able to help me so I am here to see if somebody can step up and try to help us. We are losing sleep in the middle of the night. There are nine of us parallel to their driveway. We are 150' away from their driveway and to hear six trucks going out one after another at 4 AM or 5 AM is getting to be really ridiculous. If someone can please help me I would appreciate it. Thank you.

Dominic Osmund, 10 Prospect Street, stated:

Thank you very much for holding this public comment period and for hearing what we have to say. I am an organizer with a climate justice organization called 350 New Hampshire. I am here tonight on behalf of the 350 New Hampshire Manchester Community Chapter. We are here tonight to make a simple request and that is for this body to consider the establishment of a citizen advisory energy committee that could provide non-binding recommendations on ways in which the City of Manchester and its residents can reduce energy costs and emissions. As I am sure you are all aware, and I will not belabor the point, the folks of Manchester and NH more generally are currently experiencing a cost of living crisis when it comes to affording childcare or medicine or housing or utility costs. People are very much struggling. Just to pick a specific

example, in the last year alone, utility costs for electricity have increased by a factor of around two. This is unsustainable inflation that people are really struggling with. One of the main reasons that we are experiencing such a strong utility crisis right now is due to our state's strong dependence on fracked methane gas as a source for our state's energy. This leaves us vulnerable to the fluctuations of the foreign energy market. As we are all aware, the war in Europe has caused massive increases to costs for crude oil as well as liquid natural gas. This is something that NH is very susceptible to seeing as around half of our energy comes from this source which brings me back to what I am here for this evening and what we would like to ask of the Manchester city government which is to establish a citizen advisory energy committee. More than 100 other municipalities in NH have formed similar such committees to help lower the costs and reduce emissions for their residents. These committees can help do things such as install municipal solar projects such as the successful project that Manchester already installed; the solar array on the old dump. This is progress that I would love to see continued. Additionally, this committee could help with the studying of available federal funds to fund the installation of electric vehicle chargers and further housing modifications and updates. To conclude, several other people here with me are standing in support of the proposal for a citizen advisory energy committee. You will hear from one other tonight. Thank you again for hearing my testimony. I appreciate it.

Gillian Graves, Ward 6, stated:

I am here with 350. I will try not to reiterate too much on what Dominic has already shared with you. Yes, I would also like to voice my support in wondering if this Board and the Mayor would be considerate of establishing a citizen's advisory committee for energy efficiency in Manchester. Many of us have been affected by the high cost of utilities and energy that has come in the last few years during the pandemic. From personal experience, I know that many of my friends are struggling with that and I, myself, have had to make certain accommodations for that as well. I actually moved in with my grandparents very recently and have been helping them out. These are people who have been saving their whole lives to be able to live in the city. It has been a struggle but I am really confident that with the success we have seen in other places...as Dominic had mentioned over 100 other municipalities in the state of NH have had a committee like this in place and they have seen some great success with

being able to reduce their costs for municipal energy. I believe that having an advisory board in this regard would be of great benefit to the citizens to make it a cleaner, safer and better place to work and to live. I think it would be of great benefit to Manchester because Manchester is a unique place. It is one of the most populated places in NH and I believe that it will be of great benefit to try to create a citizen advisory board for energy efficiency.

Jeff Grinvalsky, 920 Candia Road, stated:

I am the business representative of the Carpenter's Union here in the state of NH. I do have some materials I would like to hand out but I will leave that to the discretion of the Chair on when and if that should happen. This week marks a special week for our organization. It is our tax fraud phase of action where we nationwide get information to communities and public officials regarding tax fraud in our communities and waste theft as well. Tax fraud and waste theft is an epidemic that is driving honest contractors out of the business, destroying middle class careers and forcing millions of workers into what is called the underground economy working in the shadows rather than as employees on the books. We are concerned about the decision of the developer, Jones Street, to choose Callahan Construction on the project right down the road here on Elm Street as well as their decision to subcontract that work to Metro Walls right out of Manchester, NH. 39% of construction worker families in this country are now found to be on public assistance costing \$28 billion a year in public funds, as well as a shortfall of \$8.4 billion in revenue lost by these practices. It hurts everyone. It hurts workers who are not paid fair wages and honest contractors who are trying to compete on a level playing field. The materials that I have provided you with tonight are letters from our organization to the owner as well as detailed histories of Callahan's practice in the region followed by a detailed history of Metro Walls' history in the region. The final piece there is a recent case by the NH DOL in February I believe on one of Metro Walls lower tier subcontractors being hit with over \$300,000 in fines due to these practices. Callahan has been advised repeatedly over the years of the illegal and fraudulent practices of its subcontractors. What I am hoping this Board will do is take a look at this information and ask Jones Street to insure that these practices will not happen on this project. We have a strong relationship with our contractors and with many owners and

developers and our communities. We are committed to professional and transparent partnerships and we hope that we can create some of that environment through this.

Michael Harrington stated:

It has been a couple of years since I sat in these Chambers right over there as Chair of the Planning Board. As you know, I moved out of Manchester a couple of years ago but I just wanted to follow-up on my friend Jeff here and what he had to say. You can't think of this as like a union thing and some of you might be thinking it is a union thing. It is not. It is a fair practice thing. It is paying taxes and fair wages and the ability to work without being scared and being competitive. Our, and I say our as union contractors... we, and I am not a union contractor but I work for a subcontractor now and thankfully haven't had to be in the field hanging 12' 5/8 at 60 years' old which is not fun but anyway like Jeff said it is tough to compete when you know that your competition isn't paying workers compensation taxes or isn't paying any benefits or paying them just above minimum wage if paying them at all. Like Jeff said, the fines imposed upon that company were because they weren't paying overtime at time and a half and they weren't paying taxes and they weren't paying...say they were promised \$25/hour well we will give you \$15 just to keep you quiet and keep you fed and people are taking it because they haven't gotten paid in two or three weeks so they are starving and hungry. Most people as you know live paycheck to paycheck and it is tough enough to do that without not getting paid at all. It is a tax thing. Think about the revenue that the city, the state and the country doesn't get because people aren't paying taxes and working under the table. Yes, it is legal to get paid cash as long as it is followed-up with a form saying we took this out for taxes and that out for taxes but that is not what is happening and that is why people are getting fined. Again, we hope that you consider this. Even go to the job and talk to the people on-site. If you don't think there is such a thing as an underground economy, talk to people and you will realize that there is and Jeff has all kinds of evidence to support it. Don't be shy. If you have questions reach out to Jeff or reach out to Kim or reach out to me if necessary and I can point you in the right direction and get you some answers. Again, I just ask that you follow-up with what Jeff asked and that you look at it and understand it a little bit. Thank you. I appreciate it.

Dam Wright stated:

As some of you already know, one of my biggest projects lately has been the Loads of Love laundry nights for the unsheltered homeless population of Manchester. We have been doing very well with that and getting numbers through the 3-4 hour periods with turnover that is in excess of 50 people. Some just come for the food. We have been doing that since August twice a week for 3-4 hours each night and one of the most notable things about that is, and the Chiefs can back me up on this, we have never had to call emergency services of any kind. Zero calls. Zero calls on us. Nobody has ever called the police and the police have never had to show up for that. I think that is a demonstration of what happens when...by the way I run those by myself. The team that is supporting me are the folks that come for the laundry. We are seeing similar numbers...again, Jake is dealing with this 24/7 but we are seeing similar things coming from there. It is a low amount of calls, most of which are medical concerns and things like that. Again, we are seeing that the residents of that shelter are chipping in to do the cleaning and helping out with safety and other concerns and this is the model that we now need to use for the 125-150 at a bare minimum folks that are out there. We need to take the types of things that Adrienne was talking about like the ability to connect people with services and connect them with the services that will get them out of the situation and combine it with the idea of being able to get them out of the neighborhoods and off the streets and to a place where they will be safe and everybody else will be safe with a fair enough buffer zone so we can focus on dealing with their problems while everybody else focuses on going about their day-to-day lives. I think this can be accomplished for considerably less than...I think Beech Street is doing great with the 40 people they have over there but a camp is a much less expensive proposition. I think that for less money than what we are spending for 40 we could potentially do three to four times that, especially with assistance from other funding sources such as private entities that have already discussed wanting to work on this. This would give us a central place to be able to focus all of the outreach and aid efforts. That would include the mental health stuff and the addiction stuff and the jobs programs; everything we need to do along with incentives to help people to do better and to get better. I am hoping that as this gets potentially discussed more that it is given serious consideration by all members of this Board. I do apologize because I will only be able to stay for a bit. I am not always able to stay for the entire meeting because I do have a lot of work to do out there but please don't take that as disrespect.

Dennis Higgins stated:

I just wanted to take a step back and see what was going on and how things are working out. It seems like we are dropping the ball. I may get pushback from some of the people behind me but I don't see anything...the two months that you put the Beech Street shelter up were good. Whatever we have to do about getting 1269 Café to stay open another month would probably be a smart thing because April 1 it is still cold outside so the warming station would help. I don't understand either how the shelter on Manchester Street can have a no trespass against people who are homeless. That doesn't really make sense to me because they are on the sidewalk. They are worried about their property and stuff and by the way the tent city that you basically went to court for to get rid of could be legal now but I think the minute Beech Street closes you are going to see it again. I don't know what you want and where you want these people to go. The hardest thing is I started work this week and I was making money every day but now I have to wait for a check and that really doesn't work well. What am I supposed to do when I get out and there is no shelter and nothing is open and no one is serving? There is a week that I am not going to be eating. I am just getting a little aggravated with not the process because I know I have to tough it out because there are a lot of people out there with worst stuff than me. I am listening to Dam and sometimes he is talking about this camp and I think it would be a good idea but it is not going to do anybody any good if you cannot make it safe for the weakest person there and when I say safe I kept saying it was safe down at the shelter when all of those people were there...yes there was an incident but I think that would have happened anywhere because the person who did that was just going...the kid had a problem and he was just going to do something anyway. As far as the girl passing away, again, when you come out of jail and you start using again and you are using exactly the same amount you used when you went in, I am sorry but there is not enough Narcan in the world to save you. It is just not going to happen. There is a lot of stuff that has to get done and I don't want everyone to forget that this problem is not going to go away. It is something that is going to have to be dealt with proactively all the time because there are new generations that are going to come through and you want to be on point. The more things you can do and I don't mean that we have to babysit them and there is no...how do I want to put it? At the last meeting you were talking about comfort. Go stay at that shelter and tell me how much comfort you have compared to where you are

right now. The comfort level is not it. It is the fact that you have hot water and if you want to call that comfortable, it is pretty nice to have hot water for a shower and it is pretty nice to listen to the news or watch the news on TV and see what is going on in the world. Maybe even get your clothes clean. Dam runs a free laundry and it is pretty cool that you can do your laundry instead of what they were doing which was just throwing their clothes away. It is an absolute waste of time. It is a waste. There is no coordinated effort. You have one of the best people I have ever seen in Adrienne trying to get this thing done and anybody who is pushing back on what she is trying to do is out of their mind. I know that you gave me three minutes but I want to finish. Just don't drop the ball. It seems like everyone has taken a step back and it is not as important as it was just because it is summertime. By rolling up all of these sidewalks and rolling up the parks, where do you want them to go. That is what I would like to know. If there is no place you are just going to get more crime and the further out they go, the less safe it is and the more stuff that is going to happen. Just don't let this thing go. You guys had a good thing going and you started going in the right direction. Let's keep going in the right direction. Everybody have a nice night and be safe.

*On motion of **Alderman Cavanaugh**, duly seconded by **Alderman Long**, it was voted to take all comments under advisement and further to receive and file any written documentation presented.*

PRESENTATIONS

2. Health Insurance Update by representatives from Anthem and USI.

Lisa Drabik, HR Director, stated I want to introduce the folks with me. We have Sharon Wickens, Lianna DellaTorre who is a Sr. Vice President at USI, our benefits broker, and James Montecalvo is here tonight from Anthem. He is the Vice President of Sales. With that, I will turn it over to them but Sharon and I will also be available for the discussion if you have any questions.

Lianna DellaTorre, USI, stated it is nice to see all of you again. Thanks for having us. Tonight our goal is to paint a picture of where we are in the year and where we are

headed in terms of your health benefits renewal. The data that we are sharing is a snapshot in time and just one of the various moving pieces we analyze on a daily basis. Everything we review tonight is our expert opinion and hopefully will help you to make an informed decision as we enter FY24. I also just wanted to mention that we do have some data tonight but there probably will be questions. If we don't have those answers, I will get them for you. Let's start with our accomplishments with all of your health. The active population, so actively working employees of the City of Manchester, are performing as expected in terms of medical costs for the year. Compared to last year at this time, medical costs have increased just slightly by 3.56%. That is point number one. Number two, at last year's fiscal year renewal, USI rolled out our pharmacy agreement with Anthem which is proprietary to USI and includes deeper discounts, higher rebates and a cost relief program. The city's RX or pharmacy spend is down 22.8% or \$581,000 through February compared to last year. I did want to speak a little more about the cost relief program or actually let James share a few points on what this consists of.

James Montecalvo, Anthem, stated the cost relief program is really designed around specialty medications; all of the commercials you see at night. The purpose of it is to get employees and their family members that are on these specialty medications a zero-dollar co-pay for those drugs and keep them on the medication and have less inpatient stays. As part of it, it helps the employees and their dependents but it also helps the City of Manchester because there is a pool of money that manufacturers have for assistance. This program goes after those dollars. What happens is the member gets those zero dollar co-pays and you share in those savings on the manufacturer coupon dollars. That wasn't in place last year.

Ms. DellaTorre stated we are really proud to say that out of all of those eligible for the cost relief program, 100% opted in and I have been informed that that is not usually seen from the Anthem side and certainly not from USI's either so amazing work. We have had a big focus on SmartShopper from a communications standpoint and a huge thanks to Michelle Harrington in HR for that. She has pushed the education around SmartShopper at open enrollment and at new employee orientations and throughout the year. We have also sent out targeted mailings and worked with SmartShopper closely

to make sure that everyone is educated on their programs. Because of these enhanced communications, the net savings have increased 68% for the same time period last year for an average monthly savings of \$46,000. We have also continued to partner with Truveris which is an auditing service that we put into place with our USI contract for pharmacy. Every claim that goes through the Anthem system for pharmacy is audited by this company that we are partnering with, this third party. They do a deep dive into all of the claims each quarter and at the end of the year we will do a true up to make sure that Anthem is performing. With that being said, we are also looking to issue an RFP to hire a third party for a medical claims audit as well. We have had a lot of wonderful great accomplishments this year so far and we would like to share some of the challenges that we are facing. Like most employers, we have some very sick members. Currently, we have 16 claimants with chronic conditions whether it be cancer, kidney disease or mental illness. Through February, 16 of these claimants alone have claims at \$3.18 million. Of the 16, three have hit the stop-loss and again this is just through February data and we are projected to see at least two more hit the stop-loss by the end of the fiscal year. We talked about the active population and we wanted to give you an update on the early retiree population as well. In general, as we age we need more complex medical care and that includes medication and specialty medication. Right now, we have 306 total early retiree members on the plan. That includes dependents as well. The claims costs have increased by 24% through February in comparison to the same time last year. So the medical is +23.8% and the pharmacy is +25.7%. This is medical claims across the board. All categories have gone up for inpatient, outpatient and all professional settings of care. The biggest point we want to drive home is we are not alone. In NH alone, municipalities are looking at increases up to 14.1%. The most comparable municipalities that we wanted to point out are the City of Concord at +9.5%, the City of Nashua at +9.6%, the City of Keene +12.2% and thank you Lisa Drabik for collecting this information and then USI's municipal clients across all of New England are seeing premium increases ranging anywhere from 15% to 25%.

Sharon Wickens, Finance Officer, stated this is where we are now. Over the last five years we have increased health insurance rates on average 2.44%. Just to use FY23 as an example, the school district raises working rates 7% and the City of Nashua

raised working rates 7%. As we saw on a previous slide, the City of Nashua is raising rates this year 9.6%. The school district has yet to set their rate so we weren't able to get that. I wanted to hammer some of this home so that when you see the next page...it is going to be a shock but it is where we are.

Ms. DellaTorre stated right now we are currently collecting \$23.3 million through the working rates, which is a combination of the city's contributions to the plan and the employees' contributions to the plan. For FY24, to fund the health plan, the projected amount right now is \$25.7 million so we have a difference of \$2.3 million needed. Our recommendations, and of course this is not anything that we are excited to present to you at this time but we feel it is our fiscal responsibility to just show you the data and give us our best recommendation to make the most informed decision. Our recommendation at this time is a +10% increase to the health working rates. We also determined a +7.7% increase to the dental working rates but we believe at this time we really need to focus on funding the healthcare and propose keeping dental at a flat increase for the year. Our plan going forward is HR, Finance and USI will meet weekly, if not every other day, and continue to analyze the data. We perform deep dives and have senior underwriters, USI underwriters, on your account looking at it every single day. We are constantly talking with Anthem to look for improvements and cost-saving opportunities. As of right now, we do have everything cost-savings wise that we can put into your plan in place under your current contract. We are making the most of what we can right now. We are also investigating the implementation of a population health management strategy, which is just another fancy term for wellness. The goal would be implementation this fall with the potential ability to offer an incentive for the next benefit year. With that being said, I am sure there are a lot of questions and we are happy to answer whatever we can at this time.

Alderman E. Sapienza stated thank you for the information. So, to be clear, none of the information that you just gave us applies to the 65 or older retirees correct?

Ms. DellaTorre answered correct.

Alderman E. Sapienza stated the city is self-insured so the amount of money that the city takes in from premiums does not cover the amount of money that is going out for claims correct? There is a deficit of \$2.3 million?

Ms. DellaTorre replied can you repeat that. You are paying for the claims that are going out.

Alderman E. Sapienza stated the city is self-insured so the money that the city collects from premiums does not cover the amount of money for the claims right. There is a deficit of \$2.3 million?

Ms. DellaTorre responded correct.

Alderman E. Sapienza asked does that include those that are actively working and the early retirees.

Ms. DellaTorre answered correct.

Alderman E. Sapienza asked now the early retirees, those that have retired and are not yet 65, pay 100% of the premiums correct.

Ms. DellaTorre answered yes 100% of the premium and I believe there is a NH retirement subsidy.

Ms. Drabik stated they are responsible for the entire cost of the premium but most of the folks from either the NH retirement system or the city pension system receive some sort of subsidy which offsets the cost a little bit.

Alderman Long stated thank you for the presentation. Have we reviewed our stop-loss and is there something there that we may want to look at?

Ms. DellaTorre responded we reviewed it last year at renewal and this is something that we constantly look at as well. We benchmark it and so does Anthem but we are actively

out to market and we are marketing the stop-loss. It is a small piece of the puzzle and last year at renewal we put a cap on the stop-loss with Anthem so that it won't go over a certain amount of money, that is 40%. We are waiting for some competitive numbers to come back in order to go back and negotiate with them.

Alderman Long stated with that said, whatever that savings may be, I know we have to pay a higher premium for a lower stop-loss rate correct...what do you think that would do to the 10% increase. About ½%?

Ms. DellaTorre replied it is a really great thought and it is definitely something we reviewed but it wouldn't move the needle too much.

Alderman Long asked is my understanding correct that a lot of this is due to the retiree coverage under age 65. When you look at the percentage of people working and the retirees, what is the difference? Are the retirees a higher payout and is that what is throwing us off?

Mayor Craig asked is it more the age range than a group. We have employees working that are that age also. I think that is important to know.

Alderman Long stated the under 65.

Ms. DellaTorre stated the cost of care becomes more expensive the older we get. That is what we are seeing reflected in the claims as well.

Mr. Montecalvo stated it is always really difficult to look at a cohort that only has 300 people in it versus a cohort that has 2,500 people in it. What happens is when we have a couple of high cost members in the 300 group it becomes hard to subsidize those claims. Those same three people over in the active population get subsidized by children, etc. who aren't using their benefits. They are going to look worse on a per member, per month basis. They are older and they are sicker and they don't have the subsidization through the young kids that don't really use their coverage. That is part of the dynamic here.

Alderman Long asked so that is not a major factor then.

Ms. DellaTorre stated it is more the age.

Alderman Fajardo stated you had commented that you are doing the most you are able to within the parameters of the current contract. When does the current contract come up for renewal?

Ms. DellaTorre answered 2025.

Alderman Fajardo asked what would you propose we do before then and could we amend the contract.

Ms. Drabik answered I think that would be difficult, especially in the sense that certain coverages are written into the union contracts and that sort of thing. As far as making major changes, there are very creative things that people are trying to do in the healthcare space now by unbundling plans and choosing hospital care over here and this over there. Obviously with our contract right now with Anthem it is all put together and that is what we meant. Within the structure of the contract we have right now, we have implementing the kind of cost-saving opportunities that are available to us rather than not being able to take advantage of those other perhaps more creative opportunities.

Alderman Levasseur stated I look at the premium increases and I have to wonder because a lot of these have costs associated with wages for employees. It seems like these costs are not only associated with the cost of the services...it costs more for everything when you go in for a service.

Ms. Wickens responded right and you saw that when you looked at the average increase which was 3.56% and obviously the early retirees are in their own little bucket of higher age people and they don't have the younger ones to offset the costs so it looks so much higher. You are right that it has gone up.

Alderman Levasseur stated prices have gone up.

Ms. Wickens replied yes that is exactly right.

Alderman Levasseur stated every time I see one of these things I learn something new and Alderman E. Sapienza brought up an important question. I didn't know the answer when he asked me a couple of days ago but I don't think a lot of people realize this but I assume there aren't a lot of entities that continue to pay for healthcare for people who don't work for that entity any longer whether it is a city or a company. Maybe all cities do; I don't know. Is this rare or is this normal?

Ms. DellaTorre answered most cities do cover early retirees up to a certain age.

Alderman Levasseur asked 65.

Ms. DellaTorre replied yes.

Alderman Levasseur stated I heard the number 2,500. Is that 2,500 people that are covered in our city? We have 1,500 employees on the city side so now I am thinking that is 1,000 retirees or what is the breakdown?

Ms. DellaTorre responded that includes dependents like spouses and children.

Alderman Levasseur asked how many retirees do we have in our system.

Ms. DellaTorre answered there are 306 members and on the actual retiree plan...

Ms. Montecalvo stated it is right around 180-190.

Alderman Levasseur asked do they get to keep their dependents on or are most of them old enough where they don't have the dependents anymore.

Ms. DellaTorre replied they do have dependents.

Alderman Levasseur asked so the 180 is including the dependents.

Ms. DellaTorre answered no. The 180 is how many early retirees are on the plan and the 306 is the early retirees plus dependents.

Alderman Levasseur asked of the 180 or 306, how many are over the \$250,000 limit.

Ms. Drabik stated while she is looking that up I just wanted to let you know that there is a statute in NH which requires cities and towns to permit its early retirees to continue to participate in the same medical plans that active employees do.

Alderman Levasseur asked what is the criteria to become an early retiree. How many years do you have to have in? Can anybody work for three years and stay in or is it 20 years or 30 years? Do you have to wait 25 years to become an early retiree? What is the criteria?

Ms. Drabik replied I don't know that I can answer that question necessarily. I will have to look it up.

Mayor Craig stated it takes five years to be vested.

Ms. Drabik stated yes but as far as being able to retire versus...you wouldn't be able to collect a benefit until a certain age as I understand it.

Alderman Levasseur asked is it 55.

Ms. Drabik answered I believe it is 60.

Alderman Levasseur asked so our early retirees are all over the age of 60 that can collect. So Jim you are under 60.

Ms. Drabik stated firefighters can retire early under the NHRS rules as can police.

Ms. DellaTorre stated out of the three employees who hit the stop-loss through February, one of them is an early retiree.

Alderman Levasseur stated that is good to know. On the issue of the worker rates, I am not sure but it seems like...what is the percentage of the city share and the worker share?

Ms. DellaTorre replied it is different by union.

Ms. Drabik stated it is generally 80%/20%, 85%/15% or 83%/17% with the lower number being the employee cost share portion.

Alderman Levasseur asked so the average is probably 17% and you want to raise it 10% but the 10% that will be raised has to be raised on the city side because the contracts don't allow for annual increases of that 10%.

Ms. Drabik responded no it would. Whatever the rate increase is, and I am glad you asked that question because I want to provide some real dollar amounts if you will.

Alderman Levasseur stated I don't mean to cut you off but of that \$2.3 million increase how much is on the employee side and how much do we have to come up with.

Ms. Wickens stated the whole \$2.3 million because you are thinking about general fund right...

Alderman Levasseur interjected no I was thinking of the number she said she wants to increase it by.

Ms. Wickens replied exactly and keep in mind that the enterprises have to pay the full amount so that comes back to the general fund. It is not the general fund that has to fund the entire \$2.3 million. I am thinking the city would be close to \$1.4 million.

Alderman Levasseur asked so if you need an increase in what the Mayor's proposed budget was and the aldermen's proposed budget...you can make up the losses you have today with the reserves but you are going to need that extra money going into the next budget correct.

Ms. Wickens answered I agree. Is that going to fix it? I am not sure.

Alderman Levasseur stated I am not trying to fix it. I am just trying to get you to net zero.

Ms. Wickens responded yes you are 100% right. It is just that I didn't think the budget that we had with all of the high claims...I think we are a little behind the 8-ball.

Alderman Levasseur stated thank you for that information.

Mayor Craig asked Lisa can you talk a little bit about the dollars.

Ms. Drabik stated I will just give you the numbers for an 80%/20% cost share understanding that that is what our new employees are on. We are slowly moving towards more of an 80%/20% than an 85%/15% but if an employee was on a family plan for the HMO, a 10% increase in the premium for the employee portion would be \$11.09/week. If the employee is on a family plan with the high-deductible plan, it is \$10.08 per week out of their paycheck. I just wanted to put that in real numbers so you can understand what a 10% increase would be.

Alderman Levasseur asked and they know that already every year. They know that is not part of their contract?

Ms. Drabik answered right. We set the rates and then they pay the applicable percentage.

Alderman Levasseur stated so that is what the 20% is and it can go up and they are responsible for that. So an extra \$500 per HSA family?

Ms. Drabik responded right annually.

Alderman T. Sapienza asked how many different plans are there in the city. You just mentioned a couple of them.

Ms. Drabik replied there are just two. There is a high-deductible plan and an HMO plan.

Alderman T. Sapienza asked so there are only two plans now.

Ms. Drabik answered yes.

Alderman T. Sapienza asked and that is for union and non-union employees.

Ms. Drabik responded correct.

Alderman T. Sapienza stated okay so this isn't a union issue.

Ms. Drabik asked in terms of the rates we set no.

Alderman Barry stated you mentioned Michelle Harrington who I think is great and she is certainly someone to reach out to if we need any questions answered. You had mentioned that there are about 16 people who are in tough shape I guess you could say. Has anyone, and I don't know if this crosses the HIPAA confidentiality line but would anyone reach out to them and give them alternatives as far as where they could go for different treatments that might be a lot cheaper?

Ms. DellaTorre answered when people hit a specific threshold, and I think James can speak to this better, they will be assigned a nurse case manager from Anthem. Again, not everybody will answer when Anthem is calling necessarily and that is who is reaching out.

Mr. Montecalvo stated yes that is part of our standard process. We have care management within the NH market right down the street that manages all of these complex cases from our side. We also work with the providers that are also practicing on those patients to figure out if there is a better solution for them. The issue is that they are in the right setting for what they need done at this point in time. They are fairly sick and are getting the treatment they need at this point.

Alderman Barry asked so those 16 or others, can you estimate the savings we could have if they chose alternative plans say for instance instead of going to CMC for issues they are having.

Mr. Montecalvo responded that is always a tough one. Are you at the right location getting the right care by the right doctor? Some of these members are down at Mass General. Are they better off there than up here? That becomes a very difficult question to answer. I am sure there are options to save but at the end of the day we do believe they are in the right setting for what they need done. Again, just looking at their treatment plans because we do have those that we obviously can't share but they are getting the treatment they need.

Alderman Fajardo stated I kind of want to kick the tire a little bit on the contract question. When I asked is it possible to amend the contract you cited that it would be challenging for unions but I am wondering if they can avoid 10% increases might there be a willingness there and is that truly a barrier for amending the contract?

Ms. Drabik replied I can tell you that we have not yet investigated really what it would look like to do that because of the fact that we are in the contract and we focused all of our efforts on the potential cost-saving opportunities within the confines of that contract right now. It is a difficult question to answer. The union contract language reads something like the city reserves the right to change healthcare providers after consultation with the union and upon making sure there is equivalent coverage or however the language reads. That is probably the best answer I can give at the moment.

Alderman Fajardo asked did you say it is a \$10/week increase for a family.

Ms. Drabik replied yes if you are on a family plan. That would be the increase to the premium from the employee portion. \$10 more would come out of their paycheck than does currently.

Alderman Fajardo asked so about \$520 a year.

Ms. Drabik answered yes.

Alderman Cavanaugh stated I want to focus on the good news for a second. The enhanced pharmacy contract was negotiated in right this past year with a \$581,000 savings and employees agreeing to do that which I think is a good move as well as the SmartShopper. I know during negotiations we talked about the education of that and I think we did a good job if we have a 68% increase. I am wondering if we have that for the early retirees. If we can get those kind of numbers, and I know it is a much smaller group but at least it would be trending in the better direction.

Ms. DellaTorre responded I knew you were going to ask that. I actually spoke with SmartShopper today because they have told me in the past that the early retirees do have access to utilizing it. It is at a national level though where in NH and local in New England it is state level. So they are looking at the discounts from a state level which may be better than the national level. Also, I am not 100% sure that they are getting targeted out of state. That is something that we have been investigating as well because the healthcare systems that they are targeting here in New England to the population is going to vary depending on zip codes down there. We are still navigating that but it is something that we are looking into.

Alderman Burkush asked so just to reiterate, the under 65 retirees pay 100% of their coverage correct.

Ms. Drabik answered correct.

Alderman Burkush stated we are allowed to be in the city plan but the city doesn't pay any of our premiums.

Ms. Drabik replied correct.

Alderman Levasseur asked so out of that \$25 million...where did the \$25 million come from then. The 306 early retirees don't count in that number?

Ms. Wickens answered it does and that is why we only have to pay \$1.4 million for the general fund. The retirees pay their whole premium and that comes in as part of the cost. The enterprises pay everything plus they pay 17% of the claims. You can't really say we are going to charge you based on the people that have claims because really that is private information so instead we just say the general fund has X amount of employees and EPD has so many employees and Airport and we prorate it accordingly. It is about 17%. So that is going to come in to offset that \$2.3 million. Obviously the general fund is the biggest chunk.

Alderman Levasseur stated I have to make sure I understand this. So of the 306 that are considered early retirees, what is the cost of that? Do you have that number out of that \$23 million? Assume it is just \$5 million.

Ms. Wickens responded I don't have it broken down like that.

Alderman Levasseur stated they are not paying \$5 million or the state is not paying \$5 million into that cost. The city is paying for that.

Ms. Wickens responded no they are not. They are only paying the premium and we are paying the claims because we are self-insured.

Alderman Levasseur asked what is the premium amount that they pay.

Ms. Drabik stated I can tell you that if you are a NHRS retiree on a two-person plan, they can get a subsidy of \$751.12 a month. Their net share is about \$1,000 still of the cost of the premium. If you are on the city pension, the subsidies are all over the place depending on when you retire and how long you worked. They range from \$97.40 up to \$389.58 for the subsidy portion. So you are backing that out of the premium cost.

Alderman Levasseur asked what is the premium cost per employee. Is it \$27,000 a year? I think I heard that number 15 years ago.

Ms. Drabik answered on a monthly basis for a two-person plan...

Alderman Levasseur interjected what is the cost of this on the open market for them for an insurance policy that we are giving the. If I was to buy this in the private world, I don't think I could with this deductible right?

Ms. DellaTorre responded it would depend on the carrier and the plan that they were looking at. We can look into that for you.

Alderman Levasseur stated maybe I can ask it a better way. If you say let's just go with the two-person plan that you were talking about and they get a subsidy of \$750. How much more does the retiree have to pay?

Ms. Drabik answered if they are on a two-person plan, about \$1,000 a month. That is their portion.

Alderman Levasseur stated so Alderman Burkush when you say the early retirees are paying 100%, you are not paying 100% of the cost. You are paying 100% of the premium. Where do you come up with \$1,000? How does the city say okay we know we are getting \$750 from the state and our premium is \$1,750 per month? Where do you come up with that number compared to...well that is about \$24,000 a year or so for the actual cost. So it is equal across the board whether you are retiree or not?

Ms. Drabik replied correct.

Alderman E. Sapienza stated for the sake of clarity, when we talk about the 80%/20% split for active employees, you have contractual obligations so you can't go above 20% but the figure that they are paying is going to increase if the overall cost goes up as will the 80% correct. Just to be clear, they are going to be paying more but the percentage remains the same.

Ms. Drabik stated that is correct.

Alderman E. Sapienza stated I want to ask Sharon how, whether it is a \$2.3 million or \$1.4 million deficit, problematic is that for you or is it not very problematic. Really, the idea is the premiums that they are paying they are supposed to match. That would not be ideal but that is the idea. It doesn't seem like they are off by all that much.

Ms. Wickens answered well we are because what we have in the budget for the general fund is not enough to cover what the city's portion is because of the high claims. You will see in my budget projection tonight that through March we are projected to be over budget by \$1.8 million. Now I do expect that a couple of them have hit stop-loss so some money will come back. It is not going to be crazy but it could be a few hundred thousand. I put in the projection that we will be over budget \$1.5 million but if April is anything like March, we will be at \$2 million easily over plan but we are having a great revenue year whereas last year we didn't.

Mayor Craig asked do you need a vote.

Ms. Drabik answered yes we need to set the rates because open enrollment begins the first of May.

Alderman Levasseur asked can we table this for more discussion.

Ms. Drabik stated unfortunately given the timing we need to be able to set the rate so people know what they are choosing among the two plans. We are recommending a

10% increase across the board and is within the BMA's purview to determine what you would like to do budget wise.

Alderman Cavanaugh stated I missed the timeframe. Can we get this to the HR Committee to look at it or is it something that has to be done tonight?

Ms. Drabik replied unfortunately we need to be able to start to input the data into the system that the employees then use to select their plans for open enrollment. We need to know what the increase will be in order to do that.

Alderman Long asked would the alternative be that we have to plug this in at budget time, this added \$1.4 million.

Ms. Wickens stated if you don't put that into the healthcare line, we will be in the same place we are now and next year we could be \$3 million over.

Alderman Long asked so if we don't do the 10% what is the alternative. If the 10% doesn't get approved, what is the alternative?

Ms. Wickens answered we will be in the red in the healthcare line.

Alderman Long asked in this current year.

Ms. Wickens replied no next year.

Alderman Long asked couldn't we add more money to the healthcare line for FY24 to cover this.

Ms. Wickens responded we could and we kind of looked at that. For every percent you wanted to come down, you would have to add \$250,000 to the \$1.4 million. If you said I want it to be 8%, it would be \$1.4 million plus \$500,000. You could bring it down but you would have to fund the healthcare line a little bit higher because somebody has to pay it.

Alderman Long asked so that is the alternative.

Ms. Wickens replied right.

Alderman Barry stated could you go over what the 10% increase would be for someone that is on the HMO for a single or family plan and for the HAS per month and if you have it per year that would be good.

Ms. Drabik stated let's take the 80%/20% cost share, if an employee is paying 20% and on the HMO plan, a single plan would be an additional \$4.12/week, a two-person plan an additional \$8.29/week and a family plan an additional \$11.09/week. That is with a 10% increase.

Alderman Barry asked what about the HAS.

Ms. Drabik stated for a single plan it would be an additional \$3.91/week, a two-person plan would be \$7.84/week and a family plan would be an additional \$10.08/week.

Alderman Barry asked and those numbers are per week.

Ms. Drabik answered yes.

Alderman Barry stated so even the HSA is going to be over \$500 for the year.

Ms. Drabik responded it would be \$524.36 annualized.

Alderman Barry asked and the HMO is what.

Ms. Drabik answered \$576.64.

Alderman Barry stated I know we have to vote on this tonight and that is unfortunate because it really puts us on the spot to have to vote on something that was just placed

in front of us. I don't think it is fair to the employees. If we would have known this before we voted on the contracts, I think we would have included it. I understand it.

Ms. Drabik stated if you would like, I can share the 8% numbers as well. It isn't that much of a change. Just the family plan for an example with the HMO is \$8.87/week additional and for the HSA it is \$8.07/week.

Alderman Levasseur stated the \$1.4 million is what we are really voting on here so if we increase it now we know we are going to come up with \$1.4 million. Is that budgeted or not budgeted?

Ms. Wickens responded we haven't passed the budget yet.

Alderman Levasseur replied I understand that but we are creating a budget so do we have to add the \$1.4 million or is that going to be in the line item.

Ms. Wickens stated I would say you have to add \$1.4 million to the line item. If it is short in any way because you want to cross your fingers and hope that claims are better...

Alderman Levasseur interjected the mayor already put money in for the health line but you are saying not with this additional increase.

Mayor Craig stated I didn't have this information so I didn't add it.

Alderman Cavanaugh stated Sharon if I have it right every \$250,000 brings it down by 1%.

Ms. Wickens replied I rounded up to keep it easy but maybe around \$230,000.

Alderman Cavanaugh stated everyone hates increases. Do we have \$750,000 to drop it to 7%? That would match is with most school districts in Manchester and Nashua. It is not great but it softens the pain. Do we have that money to get that \$750,000?

Ms. Wickens responded we can put it in the budget. I don't know if Alderman Long is at that point yet. We don't know what extra money might be coming in but I think everything should be thrown in the healthcare line.

Alderman Cavanaugh stated so we could approve this tonight at 7% and then put the \$750,000 in the FY24 budget.

Ms. Wickens answered you could. Now you are looking at \$2.2 million.

Alderman Cavanaugh moved to increase the working rates for health insurance by 7%. ***Alderman Long*** duly seconded the motion.

Alderman Long asked are the employees aware of this increase.

Ms. Drabik answered every year rates have changed except for one year I believe in the last five years when they stayed flat at 0%. I think everyone is likely generally aware that healthcare costs are going up. We have not had the opportunity to communicate with all of the employees yet. This is our first step in setting that rate.

Alderman Long asked Sharon in the budget if we approve this scenario, how much would you recommend going into the healthcare line item.

Ms. Wickens responded it would be \$2.2 million but at least \$2 million. It would have to be.

Mayor Craig stated or you have money in contingency.

Alderman Barry asked what is the alternative if we don't vote on this.

Ms. Wickens replied we hope that this is surplus like there was this year for revenue and if there is not that is when I...I had a little bit of a meltdown last spring when I said we have to start hiring and make this money up and we did. This year we didn't have to

do that but we could be faced with that again next year. Going through December, not this past December but the last one we were doing great and still ahead of the game. January it was a little bit up but nothing crazy. By the end of February and through March it just blew up. We are spending about \$1 million more in claims through March than we did last year.

Alderman Barry stated obviously other than the healthcare problem that we are having with the increase, our revenues are going up. We are doing very well.

Ms. Wickens stated they really are. The only revenue that isn't back to FY19 levels would be parking but Chris Goodnow has done a really good job. We were down probably \$1 million and he has it to about \$700,000 and it could go lower. It is really amazing what he has done. He has been out there with the PCO's hitting the pavement and they are bringing the money in.

Alderman Barry stated I know we are doing really well with the revenues and if we can use that as an alternative, I am all for it. I just think it is unfair to the employees to put this on them now without them even knowing.

Ms. Wickens stated the revenues are going to take care of what we are down this year. We are currently down \$1.8 million and it could be \$1.5 million. If we have a horrible April, it will only go up. Surplus was almost \$2.8 million when I reported it last month and it is down to \$2 million.

Alderman Barry stated but we may do better also.

Ms. Wickens stated we may. Things are coming in and Brenda may increase her projection for the Tax Department. Permits are doing very well and there are a couple of big projects starting to close and that could go up more.

Alderman E. Sapienza stated just for clarity, when we said we could go to 7%...we could change that. Is that what we said?

Ms. Wickens stated what they are saying is go down to 7% and the employees will only pay that instead of the 10% and the city could pick up the difference by funding the healthcare line with an additional \$750,000.

Alderman E. Sapienza stated the employees are paying a consistent 20%. That remains the same.

Ms. Wickens replied yes but this is the increase. If you are paying 20% and it is \$100 it is 10% more so \$110.

Alderman E. Sapienza stated just to be clear, everybody knows that health insurance goes up every year or they should know this. It is still a consistent 20%.

Ms. Wickens responded yes you are correct.

Alderman Levasseur stated I have been on this Board for I believe 12 years and I don't remember ever voting as a Board to vote on this increase. I believe it was always already in the contracts. If the contract calls for the increase or it says in our policy manual or something...I have never had to vote on an increase and you said it goes up every year. Why are we voting on this? This is automatic and in the contract.

Matthew Normand, City Clerk, stated this Board votes annually on the cost of the healthcare.

Alderman Levasseur stated I guess maybe it is not at the time they come before us because I have never seen us go up 10%. I don't know what the rate increases have been over the last 11 years.

Mayor Craig stated on page 6 it goes through the increases.

Alderman Levasseur stated but we have not voted for those.

Mayor Craig replied yes we have.

Alderman Levasseur asked why do we have to vote on it if it is in the contract.

Mayor Craig responded the percentage for the increase is not so it is up to the purview of this Board as to what the percentage is.

Alderman Levasseur asked what page is that on.

Mayor Craig answered page 6.

Alderman Burkush asked can we table this or do we have to do something with it.

Ms. Drabik stated unfortunately due to the timing of open enrollment so we can get everybody into the plan that needs to be in, etc., and to be ready to roll on July 1 we begin that process on May 1. Given that this is the last meeting before May 1 for the BMA, we need to be able to input the rates into the system so when people go in and do their enrollment they know what they are choosing and what the rates will be for whatever plan they choose. It is unfortunate I know that we are before you tonight. We were hanging on to hopefully get some better data because when you look at setting rates and you are looking at projections, you are using a 12-month lookback and we were hoping we could get a better month tacked on to see if we were doing any better but unfortunately as Sharon said it has been getting progressively worse since the end of January/beginning of February.

Alderman Levasseur asked what do the contracts say as far as whether we can vote for it or not vote for it.

Ms. Drabik responded I am not sure which contract you are referring to. The union contracts just specify the cost share so 80%/20% or 83%/17% or 85%/15%, etc.

Alderman Levasseur stated there must be language that says by the way just to let you know we can increase your premium costs annually.

Ms. Drabik asked in the union contracts...

Alderman Levasseur interjected well we don't need to do this now. I think we should table this to get some more information and to figure out where we are going with the budget as far as whether or not we can add that extra money into the line item for next year.

Mayor Craig stated can you explain the impact of tabling this.

Ms. Drabik replied the next meeting of the BMA which would be at the beginning of May. Just logistically, I don't think it would be possible to get the rates input...open enrollment will already be ongoing so...

Mayor Craig interjected so if it is tabled then you are effectively setting the rate increase at 0%.

Alderman Levasseur stated if we say 7% and then we vote to give you 3% more are you going to go in and retabulate.

Ms. Drabik answered no.

Alderman Levasseur stated so say we vote for 7% and then Alderman Long said we may have to come back after we do our budget and add in the other 3%. So if we vote for 7% that's it and we aren't voting on this again? There will be no increase over 7%?

Mayor Craig replied that is correct.

Alderman Levasseur asked so that is what the motion would be.

Mayor Craig answered yes.

Alderman Levasseur stated I thought maybe there was another chance to come back.

Alderman Long off the top of my head in the mayor's budget there is a split of the surplus.

Ms. Wickens stated that is split 1/3, 1/3, 1/3.

Alderman Long stated so there is \$750,000 there if we choose to vote to override that.

Mayor Craig stated yes and this Board has done that in the past.

Alderman Long stated so there are other alternatives. If there is a split of surplus and in the mayor's budget it is \$750,000 for all three.

Ms. Wickens stated keep in mind that the surplus has now gone down. It is no longer \$2.8 million because of the healthcare crisis we are in now. You are right. If you decided to do 1/3, 1/3 and 1/3 and decided not to send any revenue to the rainy day fund but send it to the tax rate, now they would have about \$1.3 million.

Alderman E. Sapienza asked if we do 7% Sharon are we handcuffing you. Are we restricting ourselves if we do 7%? Is that workable or not?

Ms. Wickens answered it is workable if you fund the healthcare line with an additional \$750,000 above and beyond the \$1.4 million. Even if you fund it at \$2 million, that might be workable. That would be increasing what the city is putting in the fund to pay the health claims.

Alderman Barry stated I would be willing to go 5% but I don't think 7% is fair. Even 5% is a big hit. I won't vote for 7% but will vote if it changes to 5%.

Alderman Cavanaugh asked to get to 5% do we have to override the revenue side.

Ms. Wickens answered when preparing the aldermen's budget because the mayor has obviously presented her budget and she did not know we were going to get slammed in the spring, you would have to increase for every percent \$250,000 in that healthcare

line. You would have to fund it at \$1.4 million and then increase it \$250,000 for every percent that you are bringing that 10% down.

Alderman Long stated so that would be \$2.2 million and we would have to find it. There are going to be too many votes on too many things for this whole Board and it depends on getting 10 people for every vote and that is going to be a tough challenge. This will make the budget vote different. 7% is reasonable. It is not 10%. I think 7% is reasonable and may be doable.

Mayor Craig stated it is also consistent with what the school district is doing.

Alderman Barry stated just to clarify, the 5% would be \$1.25 million not \$2.2 million.

Ms. Wickens stated you have to start with the \$1.4 million and then add \$250,000 for every percent you are bringing down so you would have to add \$1.25 million to \$1.4 million.

Alderman Cavanaugh stated I just want to be clear with the motion that it is 0% for dental.

Mayor Craig stated yes so it is just the working rates for health insurance that are going up 7%.

Alderman Levasseur stated Alderman Cavanaugh brings up a good point. Is this a revenue issue like we have no override because we are bringing in revenue? I don't know if he meant that but it is a good question. It is an increase in revenue or is it part of the contract?

Mayor Craig stated it depends on who puts a budget forward.

Alderman Levasseur asked is this extra revenue now.

Ms. Wickens answered no it is just funding the expenditure line.

Mayor Craig called for a vote on the motion to increase the working rates for health insurance by 7%. The motion carried with Aldermen T. Sapienza, Levasseur, E. Sapienza, and Barry being duly recorded in opposition.

CONSENT AGENDA

Accept BMA Minutes

3. Minutes from the 3/7 Special BMA and BMA meetings, and the 3/21 Special BMA, BMA and Finance meetings.

Information to be Received and Filed

4. Communication from Comcast regarding changes to the Xfinity channel line-up.
5. Communication from Tim Clougherty, Public Works Director, regarding the Pearl Street Lot project.

REFERRALS TO COMMITTEES

COMMITTEE ON BILLS ON SECOND READING

6. Ordinance Amendments:

"Amending Chapter 32: Boards, Commissions and Departments of the Code of Ordinances of the City of Manchester by creating a new Section 32.023 Department of Housing Stability."

"Amending Chapter 32: Boards, Commissions and Departments and Chapter 91: Health and Sanitation of the Code of Ordinances of the City of Manchester to transfer the Department of Senior Services to the Health Department."

COMMITTEE ON FINANCE

7. Resolutions:

"Amending the FY2023 Community Improvement Program, authorizing and appropriating funds in the amount of Two Million Forty-One Thousand Nine Hundred and Forty-Five Dollars (\$2,041,945) for the FY 2023 CIP 611523 2023 Healthy Homes Production Grant Program."

"Amending the FY2023 Community Improvement Program, authorizing, appropriating and transferring funds in the amount of Seventy-Eight Thousand Eight Hundred and Sixty-Eight Dollars and Fifty-Nine Cents (\$78,868.59) for the FY2023 CIP 711423 Annual Street Reconstruction."

“Amending the FY2023 Community Improvement Program, authorizing and appropriating funds in the amount of Two Million Dollars (\$2,000,000) for the FY 2023 CIP 611623 InvestNH Municipal Per-Unit Grant.”

REPORTS OF COMMITTEES

COMMITTEE ON COMMUNITY IMPROVEMENT

8. Recommending that the Amending Resolution and Budget Authorization providing for the acceptance and expenditure of funds in the amount of \$2,041,945 for CIP 611523 2023 Healthy Homes Production Grant Program be approved.
(Unanimous vote)
9. Recommending that the request from the Traffic Engineer for a line item adjustment to the Budget Authorization for CIP 711118 Traffic Signal Corridor Upgrades be approved.
(Unanimous vote)
10. Recommending that the Amending Resolution and Budget Authorization providing for the acceptance and transfer of funds in the amount of \$78,868.59 for CIP 711423 Annual Street Reconstruction be approved.
(Unanimous vote)
11. Recommending that the request from the Central Fleet Services Director for authorization to get bids and enter into contracts for vehicles being replaced in the FY24 MER be approved.
(Unanimous vote)
12. Recommending that the request from Easter Seals to change the use of the building at 224 Spruce Street from three units of rental housing to a group home be approved.
(Unanimous vote)
13. Recommending that the summary of abatement requests submitted by the Chief Engineer be approved.
(Unanimous vote)
14. Recommending that the request from the Planning & Community Development Director for an extension of CIP projects 611619 & 611819 through May 31, 2023 be approved.
(Unanimous vote)
15. Recommending that the request from the Fire Chief for permission to apply for a FY24 EOC grant in the amount of \$2,250,000 be approved.
(Unanimous vote)

COMMITTEE ON HUMAN RESOURCES/INSURANCE

- 16.** Recommending that the request of the HR Director regarding the creation of a new department, Homelessness Initiatives, including the following:
- Adoption of an ordinance creating the new Department of Homelessness Initiatives;
 - Adoption of the revised class specification for the Director of Homelessness Initiatives, grade 28;
 - Confirmation of the Mayor's nomination of Adrienne Beloin as the department head; and
 - Adoption of a new classification of Project Assistant, grade 13, to be added to the complement of the new department.
- be approved.
(Unanimous vote with the exception of Alderman Barry who voted in opposition)
- 17.** Recommending that the request from the Public Health Director regarding a reorganization of the Health Department including the following:
- Bring the Senior Center under the newly created Healthy Aging Branch of the Health Department;
 - Add one(1) Healthy Aging Specialist, grade 18, position to their complement and adopt the newly created class specification;
 - Add one (1) Building Maintenance Technician, grade 15;
 - Add one (1) part-time Financial Analyst, grade 19;
 - Add one (1) Public Health Administrator, grade 24;
 - Fund one (1) Public Health Specialist II, grade 20, with 50% city funds and 50% ARPA funds;
 - Allocate city funds to cover the cost of 50% of an existing full-time Administrative Assistant, grade 13, due to grant funding coming to an end;
 - Eliminate three (3) Community Health Workers, grade 15, ARPA funded positions; and
 - Move 80% of the cost of an existing Community Health Nurse position, grade 20, into ARPA funding due to grant funding coming to an end
- be approved.
(Unanimous vote)
- 18.** Recommending that the request from the Deputy Public Works Director for the following changes to their complement:
- Eliminate one (1) vacant Accounting Specialist II, grade 12, and replace with one (1) Accounting Technician, grade 14; and.
 - Eliminate one (1) vacant Timekeeper, grade 12, position and replace with one (1) Administrative Assistant III, grade 14.
- be approved.
(Unanimous vote)

19. Recommending that the request from the Fire Chief for the following changes to their complement:
- Amend the class specification for the Fire Training Officer to that of Training Coordinator;
 - Amend the class specification for Firefighter to specify that a Class B CDL with air brake endorsement be obtained within two years of hire date; and
 - Eliminate the Investigation and Compliance Specialist, grade 17, and replace with a newly created NET Team Coordinator, grade 17, and adopt the new class specification.
- be approved.
(Unanimous vote)
20. Recommending that the request from the Parking Manager regarding reorganization of the Parking Division and the following changes:
- Adopt new classifications for Downtown Maintenance Worker I, grade 10, and Downtown Maintenance Worker II, grade 12;
 - Eliminate the Parking Maintenance Worker, grade 10, positions and replace with the newly created Downtown Maintenance Worker I (one full-time and one part-time);
 - Add one (1) additional full-time and two (2) additional part-time Downtown Maintenance Worker I, grade 10, positions to their complement to be funded with CBSD funds;
 - Add one (1) full-time Downtown Maintenance Worker II, grade 12;
 - Add one(1) part-time Customer Service Representative I, grade 11, position;
 - Fund one (1) unfunded Parking Control Officer, grade 12.
- be approved.
(Unanimous vote)

COMMITTEE ON PUBLIC SAFETY, HEALTH AND TRAFFIC

21. Recommending that the request from Total Image Running to use the Arms Lot for the TI 10 miler/10k event scheduled for Saturday, May 13, 2023 be approved.
(Unanimous vote)
22. Recommending that the request from Stark Brewing to use a section of Arms Lot for a Micro Mayhem Wrestling event scheduled for Sunday, May 21, 2023 be approved.
(Unanimous vote, with the exception of Alderman Stewart who voted in opposition)
23. Recommending that the request from DEKA to use a portion of the southeast corner of Arms Lot for the ARMI BioFabUSA Meeting in the Millyard event scheduled for Thursday, June 1 through Saturday, June 10, 2023 be approved.
(Unanimous vote)

24. Advising that the request for amendments to Section 71, Snow Emergency Regulations, of the City of Manchester Code of Ordinances, has been referred to city staff for review and creation of a draft ordinance amendment.
(Unanimous vote)

SPECIAL COMMITTEE ON SOLID WASTE ACTIVITIES

25. Recommending that the request from the Public Works Director and Planning & Community Development Director for Manchester to define who is eligible for municipal solid waste collection by establishing criteria via city ordinances, and that the "Downtown Collection Zone" be modified, be approved.
(Unanimous vote)

*HAVING READ THE CONSENT AGENDA, ON MOTION OF **ALDERMAN LONG**,
DULY SECONDED BY **ALDERMAN BURKUSH**, THE CONSENT AGENDA WAS
APPROVED.*

REGULAR BUSINESS

26. Confirmations:
Fire Commission
Robert Corbeil to succeed himself, term to expire May 1, 2026
Central Business Service District Board
Jaqueline Leary to succeed herself, term to expire May 1, 2026
Conservation Commission
Larissa Robinov to succeed Garry Hayworth, term to expire August 1, 2023
Board of Registrars
Ronald Giroux to succeed Marc Tremblay, term to expire May 1, 2026
MDC Board of Directors
Roland Martin to succeed himself, term to expire March 11, 2026
Manchester Transit Authority Board
Michelle Lauder to succeed herself, term to expire May 1, 2028
Planning Board
Bryce Kaw-uh to succeed himself, term to expire May 1, 2026
Todd Connors to succeed himself, term to expire May 1, 2026
Rafael Calderon to succeed himself, term to expire May 1, 2026

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

27. Budget projections to be submitted by Sharon Wickens, Finance Officer, if available.

Ms. Wickens stated the FY23 general fund expenditure and revenue forecast as of April 18, 2023 based on department head estimates is as follows. The current projected general fund operating surplus is \$2,030,000. The operating surplus is comprised of an expenditure deficit of \$173,000 and a revenue surplus of \$2,203,000. The revenue surplus is primarily related to auto registrations, interest income and building permits. The expenditure deficit is predominantly due to significantly higher medical claims costs. Health insurance is currently projected to be over plan by \$1.5 million. If April should come in like March, it will be over plan at least another \$500,000. In this forecasted surplus, I have included the \$718,000 from the contingency account. There were 16 retirements through April 17 compared to 31 retirements at this same time a year ago. Severance paid is \$728,149 compared to \$1,057,835 a year ago. The severance reserve account is anticipated to have a balance of \$946,557 after all related entries have been posted. I have also attached the departmental overtime report as of April 8 and a summary by department of severance paid. The severance account is doing very well. I expect we will end the year with a balance. My best guess at this time would be \$300,000-\$400,000 which will help. That is why when we were talking about the healthcare and the 1/3, 1/3 and 1/3, 1/3 could go to severance and clearly cover this for next year.

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

Mayor Craig called the meeting back to order.

JoAnn Ferruolo stated I am not sure where that report is.

Mayor Craig stated we will wait for Matt.

30. Report(s) of the Special Committee on Alcohol, Other Drugs and Youth Services, if available.

There were none.

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

There were none.

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

The Committee on Administration/Information Systems respectfully recommends, after due and careful consideration, that the taxi rate increase that passed by ordinance last year and expires on April 18 remain the same instead of reverting back to the 2009 rate structure.

*On motion of **Alderman Burkush**, duly seconded by **Alderman Heath**, it was voted to accept the report and adopt its recommendation.*

The Committee on Administration/Information Systems respectfully recommends, after due and careful consideration, that the indemnity clause included in the Card Services Agreement with Global Director which would allow debit and credit card payments at the Drop-Off facility be approved.

*On motion of **Alderman Long**, duly seconded by **Alderman T. Sapienza**, it was voted to accept the report and adopt its recommendation.*

- 33.** Report(s) of the Committee on Lands & Buildings, if available.

There were none.

- 29.** Report(s) of the Committee on Finance, if available.

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

“Amending the FY2023 Community Improvement Program, authorizing and appropriating funds in the amount of Two Million Forty-One Thousand Nine Hundred and Forty-Five Dollars (\$2,041,945) for the FY 2023 CIP 611523 2023 Healthy Homes Production Grant Program.”

“Amending the FY2023 Community Improvement Program, authorizing, appropriating and transferring funds in the amount of Seventy-Eight Thousand Eight Hundred and Sixty-Eight Dollars and Fifty-Nine Cents (\$78,868.59) for the FY2023 CIP 711423 Annual Street Reconstruction.”

“Amending the FY2023 Community Improvement Program, authorizing and appropriating funds in the amount of Two Million Dollars (\$2,000,000) for the FY 2023 CIP 611623 InvestNH Municipal Per-Unit Grant.”

ought to pass and be Enrolled.

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

34. Resolutions:

“Amending the FY2023 Community Improvement Program, authorizing and appropriating funds in the amount of Two Million Forty-One Thousand Nine Hundred and Forty-Five Dollars (\$2,041,945) for the FY 2023 CIP 611523 2023 Healthy Homes Production Grant Program.”

“Amending the FY2023 Community Improvement Program, authorizing, appropriating and transferring funds in the amount of Seventy-Eight Thousand Eight Hundred and Sixty-Eight Dollars and Fifty-Nine Cents (\$78,868.59) for the FY2023 CIP 711423 Annual Street Reconstruction.”

“Amending the FY2023 Community Improvement Program, authorizing and appropriating funds in the amount of Two Million Dollars (\$2,000,000) for the FY 2023 CIP 611623 InvestNH Municipal Per-Unit Grant.”

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

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

35. Ordinances:

"Amending Section 33.026 (Director of Homelessness Initiatives) of the Code of Ordinances of the City of Manchester."

"Amending Section 33.024, 33.025, & 33.026 (Project Assistant) of the Code of Ordinances of the City of Manchester."

"Amending Section 33.024 (Training Coordinator) of the Code of Ordinances of the City of Manchester."

"Amending Section 33.026 of the Code of Ordinances of the City of Manchester."

"Amending Section 33.024, 33.025, & 33.026 (NET Team Coordinator) of the Code of Ordinances of the City of Manchester."

"Amending Section 33.024, 33.025, & 33.026 (Healthy Aging Specialist) of the Code of Ordinances of the City of Manchester."

"Amending Section 33.024, 33.025, & 33.026 (Downtown Maintenance Worker I) of the Code of Ordinances of the City of Manchester."

"Amending Section 33.024, 33.025, & 33.026 (Downtown Maintenance Worker II) of the Code of Ordinances of the City of Manchester."

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

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

TABLED ITEMS

36. Budget Resolutions:

"Appropriating to the Parking Fund the sum of \$5,259,137 from parking revenues for the Fiscal Year 2024."

"Appropriating the sum of \$20,681,387 from Sewer User Rental Charges to the Environmental Protection Division for the Fiscal Year 2024."

"Appropriating to the Manchester Airport Authority the sum of \$41,664,536 from Special Airport Revenue Funds for the Fiscal Year 2024."

"Appropriating to the Manchester Transit Authority the sum of \$1,594,761 for the Fiscal Year 2024."

"Appropriating to the Manchester School District the sum of \$191,759,220 for the Fiscal Year 2024."

"Appropriating all Incremental Meals and Rooms Tax Revenue Received by the City in the Fiscal Year 2024 and held in the Civic Center Fund, for the payment of the City's Obligations in Said Fiscal Year under the Financing Agreement."

“Appropriating to the Manchester School Food and Nutrition Services Program the sum of \$5,819,971 from School Food and Nutrition Services Revenues for the Fiscal Year 2024.”

“Raising Monies and Making Appropriations of \$177,283,166 for the Fiscal Year 2024.”

“Appropriating to the Central Business Service District the sum of \$258,000 from Central Business Service District Funds for the Fiscal Year 2024.”

“Resolution ‘Approving the Community Improvement Program for Fiscal Year 2024, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program.’”

These items remained on the table.

NEW BUSINESS

Alderman Cavanaugh stated the report that we got about the contractors that are coming in, I think we should send a letter to the developer so they are watching it. We don't want to be in a situation where employees or citizens in Manchester aren't getting paid or getting sub wages or no worker's compensation. I would say that we as a Board should send a letter.

Alderman Levasseur asked can we send them the packet we got.

Alderman E. Sapienza asked where is the letter going.

Alderman Long stated to Jones Street.

Alderman E. Sapienza asked what is that.

Mayor Craig answered the developer.

Alderman Cavanaugh moved to send a letter to Jones Street regarding the information received from the Carpenter's Union. ***Alderman Long*** duly seconded the motion.

Alderman T. Sapienza stated a letter is great but when we are putting money into projects and approving projects we ought to be requiring project labor agreements. That is what we should be doing. I have seen that go by too many times here.

Mayor Craig asked do you want to send that to a committee to come up with something.

City Clerk Normand stated it could go to the Administration Committee.

Alderman E. Sapienza stated I also want to add that if an established law is being broken there should be action taken on that. If there is an established law being broken, then there is not a lot of discussion needed.

Alderman T. Sapienza stated it is the NH Advantage. It favors these crooked companies. It is called the NH Advantage.

Alderman E. Sapienza stated I understand that there is crooked as far as opinion but then there is law. If they are not following established law, then we should go beyond a letter. The authorities need to be notified and the law needs to be enforced.

Alderman Levasseur asked what money do we have as a city in that project.

Mayor Craig answered we gave them a 79-E.

Alderman Levasseur stated I caution people who are saying what they are saying about a company that I don't know anything about. This packet that they sent us does so we should take ourselves off the hook on making any allegations that we are not sure of unless you guys have personal information. Sending a letter with this packet basically puts the onus on the people who made the complaint and not the city itself. I would caution the city about making...as a body we don't know if this is true or not. We are just sending the packet with a letter from the city to let them know it was brought forward. If there is anything slanderous in there, then they know who to go after and it isn't us. I don't think they should be called crooks by anybody unless you know that they are. Thanks.

Alderman Long stated we are not calling them anything. In my opinion I know from being in that field. I believe the Carpenter's Union and I believe their information is correct. I know it is a pervasive thing in the billing rates. What we are doing is just bringing to their attention that this was brought to us and to make them aware that this may be happening on their project.

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

Mayor Craig stated in your new business packet you will see that Earth Day clean-ups are Saturday, April 22 from 9 AM until 2 PM. The locations are Jewett Street School, Northwest Elementary, Beech Street School and Victory Park at the Hartnett parking lot. You can go to these locations, get bags and materials to do pick-ups and bring everything back. You can stay at that location and do a clean-up or go anywhere in the city you would like. There is also Nutt's Pond clean-up going on that day from 9 AM until 11 AM. The Veteran's Park monument ceremony is this Thursday, April 20 at 2 PM. The monument is also being recognized by the Manchester Historic Association for their rehabilitation that happened so I want to commend DPW for their work. We are having movies in the parks this summer. There will be five movies and there is voting right now online on Ink Link through April 21 where you can vote on the movies you would like to see.

Alderman T. Sapienza stated I know this isn't the school board but I got a very distressing phone call today from a pair of parents whose child was sent home from school last week and this week because of lack of proper services and supports required by law for a special ed student. Teachers were unavailable and the services were unavailable so they sent the kid home last week and this week. I would like to request that we get the school administrator, preferably the Superintendent and the Vice-Chair to come and explain to this Board what is going on at the schools. I know of one student who was sent home for sure and they have a very responsible set of parents. It leaves me wondering how many children are being sent home because there is a lack of special ed personnel. If a teacher takes a day off or has a planned absence, we send the kids home? That is what is going on.

Mayor Craig asked is it nurse versus teacher or both.

Alderman T. Sapienza replied it is proper services and supports that are required.

Mayor Craig stated at the school board we talked about the shortage in nurses and Anna can talk about the shortage in nurses but I am sure the administration can come forward and speak to that.

Alderman T. Sapienza stated earlier this evening we had a student sitting home wondering if they could go to school tomorrow. That is going on in this city. I would like to *move that the superintendent and the Vice-Chair of the school board come and explain.*

Alderman Long *duly seconded the motion.*

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

Alderman Fajardo *moved to enter into non-public session pursuant to RSA 91-A:3 II(d) for the consideration of the acquisition, sale or lease of real or personal property which if discussed in public would likely benefit a party or parties whose interests are adverse to those of the general community. Alderman Long duly seconded the motion. A roll call vote was taken and the motion carried on a unanimous vote.*

Mayor Craig called the meeting back to order.

On motion of Alderman Long, duly seconded by Alderman Trisciani, it was voted to seal the minutes.

Alderman Long *moved to authorize staff to negotiate a letter of intent on property identified in non-public session subject to the review and approval of the Solicitor. Alderman Trisciani duly seconded the motion. Mayor Craig called for a vote. The*

*motion carried with **Alderman Levasseur** being duly recorded in opposition and **Alderman E. Sapienza** abstaining.*

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

A True Record. Attest.

A handwritten signature in black ink, appearing to read "Matthew Normand". The signature is fluid and cursive, with a long horizontal stroke at the end.

City Clerk