

BOARD OF MAYOR AND ALDERMEN

April 5, 2022 at 7:00 PM

Mayor Craig called the meeting to order.

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

A moment of silence was observed.

The Clerk called the roll.

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

Absent: Alderman T. Sapienza

PUBLIC COMMENT

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

Jane Beaulieu, 609 South Main Street, stated:

I am here for three reasons. One reason is on the west side of Manchester there has been a junkyard for 30 years illegally operating. I heard recently that the city was negotiating with that property owner to purchase it. In the meantime, I have been driving by every day. The gates are open and kids are playing in the junkyard. There is more trash being emptied into the junkyard and nothing seems to be moving forward. I just found out today that I guess you closed on the property yesterday and there is going to be a clean-up. If that is the case, thank you very much. I live on the west side. Many of you probably don't go to the west side because it is the west side but I would

like to make sure that during this process there is oversight. Oversight for cleaning it up, keeping the gates locked so kids don't play in there and total removal of junk. Right now I am pleading with all of you to make sure that there is oversight during this process. You all have photographs of the junkyard. It seems to be getting worse but if there was a closing yesterday and someone purchased it and is going to clean it up, that is a good move. Another matter I would like to bring up is over the last few years I have noticed that many automobiles are parked on sidewalks all throughout the city. I think it is illegal to park on a sidewalk and it makes it very difficult for people who are disabled to use their wheelchairs on the sidewalks if people are parked there. They are half on the sidewalk and half on the street. I am not sure who can go out there and take a look at this problem because it is everywhere and it is just not right. People need to know and residents need to know that they can't park on the sidewalk. The last matter is during your address, Madame Mayor, you talked about rebranding the City of Manchester. Well years ago when Jay Minkarah was the Economic Development Director, they rebranded the city and spent over \$100,000 and this was the brand. It states "birthplace of the American dream." If you and the aldermen want to spend another \$100,000 rebranding the city, please revisit this marketing tool because I am sure it is in the Economic Development Department and you can revive it because I think the city would be wasting money if you rebranded it because they did a great job years ago.

Lisa Freeman, Ward 2, stated:

I am before you this evening to discuss the fate of Hallsville School. It is always a sad day when a school, any school, closes. No one enjoys or relishes the task of repurposing such a vital community building. After 130 years, Hallsville has served the city and its citizens well. With declining enrollment, which is not exclusive to Manchester, a difficult and challenging short and long term budget, and millions of dollars to address major infrastructure issues, the difficult decision was made. A community discussion is scheduled to occur tomorrow evening to solicit input and feedback from the community on the fate and new purpose of the school. Community forums can be a useful tool, but only when all facets, which include laws and ordinances, are followed so as not to dash the expectations of those community members. Given that, attention should be placed on our state laws concerning the sale

of an unused facility and the process to be followed. As cited in a newly codified law in July, RSA 194:61(3), "a school district shall offer an unused facility to a chartered public school for purchase or lease." It further states "if a school district's board extends an offer to purchase or lease an unused facility to a party other than an approved chartered public school which operates in this state, the contract shall include a provision which makes a purchase or lease subject to right of first refusal by an approved chartered public school." Seeing as the property has yet been listed for sale, will the bill be considered. During the committee hearing on this bill, comment was made that this RSA would not apply to Manchester as the city owns the district buildings. In my further research, this RSA was discovered; RSA 199:4(2) and it is one page that clearly states "whenever a schoolhouse shall no longer be needed for public school purposes, the school board shall transfer its care and control to the city." That is a statewide law that applies to all school districts. In conclusion, we all want a positive, meaningful and equitable solution to the future use of the Hallsville School. Our due diligence will allow that to happen. Thank you.

Kathy Staub, 374 Laurel Street, stated:

I am here tonight because I am a member of the Raise Up NH Coalition, which is a group of faith-based labor and grassroots organizations that advocate for policies that help working people of modest means. Tonight I am here because the HR Committee of the Board of Aldermen is considering a resolution that will insure that every public employee will make at least \$15/hour. Raise Up NH is very much in favor of this resolution and as a resident of the city, I am even more so. I have a deep appreciation for the city and school employees who pick up the trash and answer the phones when I have a problem or make sure that our school children are fed. These folks are some of the lowest paid workers that we have and the work that they do is important. It allows the rest of us to go about our day without worrying much about it. As you are aware, Manchester is becoming a very expensive place to live. The average rent for a two-bedroom apartment in the city is now over \$1,500/month and when you consider that some of these folks work less than 40 hours a week, you can see that that is really unsustainable. The people that we rely on to keep our city running deserve to live with dignity and I hope that as a Board you will support the resolution. Thank you.

Glen Ouellette, 112 Auburn Street, stated:

I have a few questions. I know you can't answer them but you can think about it because they concern our citizens and our taxpayers. We do not have an Intown anymore. Who is taking over that position? Summer is coming and the plants need to be planted and the downtown needs to be cleaned and the restaurants and businesses who are paying this \$258,000 for a special tax expect that. I suggest we recreate Intown or something like it. It needs to happen. We need to bring back our community before COVID-19. I know it is getting late in the season but it can still happen. It is time to set-up at least a couple of concerts in Veteran's Park. It is time to bring Manchester back to some normalcy. You have a lot of people who have been stuck in their apartments, particularly seniors, for two years. They need to come out to breathe and take part in our community. That is just as important as other services that we have in our city for health reasons. Please consider that. I don't know who would do it but it needs to be done. The money is there. It is supposed to be spent just for that and I don't want to see it go anywhere else. Another thing is we need to do a better job in dealing with drugs in our city. I understand how difficult it is to get rid of drug addiction or to get rid of those who are selling drugs illegally but we need to form a committee and come out with some solutions to speed the process up. It shouldn't take eight, nine or ten months to have a drug bust. It has to happen faster. The shootings on the weekends? I understand that not many people are getting hurt but every time there is a shooting in someone's apartment, guess what? You are raising the risk of a citizen getting hurt or killed, including children. We need to do a better job. I want to thank the Manchester Police Department because when they gave the report last month I believe they took out 87 guns or something. We need to take the guns that are illegal, not those that are licensed by our citizens who use them for what they are supposed to be used for. We have about 20 gangs in this city. It is too many for our population and we need to control it because it is now in every neighborhood. The gunshots are not just downtown. They are everywhere. It is a serious thing so please put that on your radar because that is a high risk area and we shouldn't have to wait until someone gets murdered. The last thing I want to say is that you are now in your budget. I understand that your reserves that you normally get from your Health Department for example for the insurance and stuff like that are not going to give you what they normally give you. I understand that Parking is not making as much money as it did. You have to find a way

to make sure that services remain the same because they are still just as important to the citizens who pay taxes. Remember, when the rent for a two-bedroom apartment averages \$1,500 and you do not have an increase in your pay, how do you expect them to pay for that? That is why we need affordable housing. Affordable housing is not made for people that are lazy and don't want to go to work. It is for people that are struggling in this city and working very hard to survive. You need them to work in your businesses and they need to survive here in our city. Thank you and good night.

Brendan Lemay, 36 Linx Way, stated:

I am here to actually sing some praise tonight rather than complain. We recently have seen a lot of developments around affordable housing. It looks like a few hundred units have been announced so far and it seems like more are on the way. I just want to say that this is a great start. As Kathy mentioned, the average rent is creeping above \$1,500/month and people are struggling to get by. I truly believe that when people's basic needs are being met like with housing that things like crime will go down. I think we should also consider the ramifications of that. I think the last thing I want to address is our Director of Homelessness Initiatives has done this with an operating budget of zero dollars and zero cents outside of her salary. I know some people in this room have questioned that salary but I think given her experience and the fact that she had to relocate halfway across the country for a job that wasn't even permanent along with the results that we are seeing, especially with the Housing Trust Fund, I think this was an investment. I kind of want us to consider that. That is amazing. We did all of this without any operating budget. That is amazing. I just want us to consider that and give pause. Thank you very much.

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

Mayor Craig stated with the Board's indulgence what we are going to do is have the health insurance update at the end of the meeting. We will move right into the Manchester School District-Manchester Proud video presentation.

PRESENTATIONS

3. Manchester School District/Manchester Proud video to be presented by Barry Brensinger.

Aimee Kereage, Community Partnerships Coordinator, Manchester Proud, stated I am joined by Katie Labranche who is the Chair of Manchester Proud's Council and Dr. Jennifer Gillis. We are very excited to be here this evening. We have worked diligently with the school district and with the school board to create this video that you are all going to see tonight. The collaboration that we have had thus far has been successful because of the shared community vision on making exceptional public schools and that vision comes from thousands of voices across this community. We are also thankful to members of this Board, including June Trisciani and Will Stewart who are part of our partnership network work group which brings together many folks to accent and highlight great community partnerships from non-profits to our for profit and with our school district.

Katie Labranche, Chair, Manchester Proud, stated we are all drive by the belief that our public schools are an essential community asset and that every student in Manchester deserves a wonderful education that is excellent and equitable and those are the foundations of our plan. We ultimately know that every Manchester resident's life and future is impacted by the quality of our public schools. We believe that extraordinary schools can only be achieved through broad and deep community engagement. This instills a sense of pride and ownership in our school district. We all share in the opportunity and responsibility to build the best possible future for our community for our students.

Jennifer Gillis, Interim Superintendent, stated the video this evening is intended to showcase and harness the power that we have witnessed through community partnerships over the last number of years. It is our hope that through the video we continue to inspire and empower those to engage with us as we are all striving in the City of Manchester to have amazing, exceptional schools for our students, our staff and our community as a whole. With that, I will turn it over to Aimee to show our video.

Mayor Craig stated thank you.

CONSENT AGENDA

Accept BMA Minutes

4. Minutes from the January 4 Special BMA meeting; the January 18 BMA meeting; the February 1 BMA and Finance meetings; the February 15 Special BMA, BMA and Finance meetings; the March 1 BMA meeting, and the March 15 BMA and Finance meetings.

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

5. 50/50 Sidewalk Petitions

Residential:

- 1670 Brown Avenue
- 171 Laval Street
- 293 Walnut Street
- 4 Gurtner Street
- 40 Oxford Street
- 448 Ray Street
- 46 Dubuque Street
- 485 Rimmon St
- 499 Cilley Road
- 65 Campbell Street
- 689 Pine Street
- 795 Belmont Street
- 951 Chestnut Street
- 98 Belmont Street

Information to be Received and Filed

6. Communication from Peter Chiesa, Deputy City Solicitor, providing an update on pending lawsuits against the City.
7. Urban Ponds Restoration Program Spring 2022 Clean-Up Schedule.

REPORTS OF COMMITTEES

COMMITTEE ON ACCOUNTS, ENROLLMENT AND REVENUE ADMINISTRATION

8. Advising that the update on the Revolving Loan Fund has been accepted.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)
9. Advising that the Financial Report for the first eight months of FY22 has been accepted.
(Unanimous vote with the exception of Alderman Cavanaugh who was absent)

10. Advising that the Finance Department reports:

- Accounts receivable over 90 days
- Aging report
- Outstanding receivables

have been accepted.

(Unanimous vote with the exception of Alderman Cavanaugh who was absent)

COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

11. Recommending that Ordinance amendment:

“An Ordinance amending the Housing Code Chapter 150 of the City of Manchester Code of Ordinances to allow a single means of egress as allowed by the Manchester Building Code and NFPA 101-Life Safety Code and to allow a ceiling height of seven feet in one and two family dwellings as allowed by the Manchester Building Code.”

be approved and referred to the Committee on Bills on Second Reading for technical review.

(Unanimous vote with the exception of Alderman Sharonov who was absent)

*HAVING READ THE CONSENT AGENDA, ON MOTION OF **ALDERMAN***

***CAVANAUGH**, DULY SECONDED BY **ALDERMAN LONG**, THE CONSENT AGENDA*

WAS APPROVED.

REGULAR BUSINESS

12. Nomination(s) to be presented by Mayor Craig, if available.

Mayor Craig stated pursuant to Section 3.14 (B) of the City Charter, please find below the following nominations which will layover to the next meeting of the Board pursuant to Rule 20.

Office of Youth Services Advisory Board

Erika Perez to succeed Tilak Niroula as a regular member, term to expire

January 1, 2025

Zoning Board of Adjustment

Joseph Prieto to succeed himself as a regular member, term to expire March 1, 2025

Greg Powers to succeed himself as an alternate member, term to expire March 1, 2025

Central Business Service District

Donald Stokes to fill a vacancy as an at large regular member, term to expire

May 1, 2024

Jacqueline Leary to succeed Richard Tango-Lowy as a regular member, term to expire

May 1, 2023

Highway Commission

Mark McKenzie to succeed Armand Forest as a regular member, term to expire

January 15, 2024.

13. Communication from Mark Gomez, Chief of Parks, Recreation & Cemetery, requesting authorization for the Department of Public Works to execute a Memorandum of Understanding with Manchester Moves for a mural and lighting in the Parker Street Tunnel on the Piscataquog Trail.

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

14. Communication from Kevin Sheppard, Public Works Director, requesting authorization to amend the FY23 Pinard Waste contract to allow for bi-weekly yard waste collection from July 4 through October 7, 2022.

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

15. Request from Anna Thomas, Public Health Director, to send a letter to the General Court of New Hampshire Election Law and Municipal Affairs Committee, on behalf of the Health Department and the Board of Mayor and Aldermen, in opposition to HB1268.

***Alderman Barry** moved to approve. **Alderman Heath** duly seconded the motion.*

Alderman Sharonov requested a roll call vote.

Alderman Levasseur asked voting to send the letter doesn't mean that you support it right.

Mayor Craig replied right. We are opposed to it. The letter is in your packet.

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

16. Report(s) of the Committee on Community Improvement, if available.

The Committee on Community Improvement respectfully recommends, after due and careful consideration, that the Bond Resolutions and Budget Authorizations for two FY23 CIP projects, CIP 710123 Mill Girl Stair Replacement in the amount \$650,000 and CIP 710023 FY23 Roadway Program in the amount of \$3,628,358 be approved and referred to the April 19, 2022 Committee on Finance meeting.

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

17. Report(s) of the Committee on Public Safety, Health and Traffic, if available.

There were none.

18. Report(s) of the Committee on Human Resources/Insurance, if available.

There were none.

NEW BUSINESS

Alderman Trisciani stated I would appreciate it if Chief Aldenberg could join us and give us an update on the property clean-up at the Cracker Barrel sign site.

Allen Aldenberg, Police Chief, stated the last communication I had with the property owner, John Ashkar, was on March 16. He provided quotes for clean-up and I passed those along to the people that were on the original email. I acknowledged back to him receipt of those quotes. We are giving him until the end of this month to complete the clean-up. I sent him another email early this afternoon to get an update as to where he was at and when the process is going to start and I haven't heard back from him.

Alderman Trisciani asked so at this point then we are where we were originally when everyone agreed to extend to the 30th and if he doesn't have the clean-up completed by the 30th then we would be within our rights to charge him or cite him correct.

Chief Aldenberg answered we would be but let me hear back from him before we start to make any decisions about enforcement because I think if we get into an adversarial relationship with him it will not be beneficial to the clean-up. At this point I would recommend against any type of enforcement action until I hear back from him.

Alderman Trisciani responded I appreciate that and it is not getting into anything adversarial, it is the fact that something needs to be done. We are still getting calls on that property and it is still a mess. I think he needs to communicate and take his role in this as seriously as we are taking it.

Chief Aldenberg replied he is and I would say that thus far he has been cooperative and responsive with myself and with some of the aldermen. At this point I have no reason to believe that he isn't going to fulfill his end of the agreement.

Alderman Levasseur stated I have been in communication with Mr. Ashkar for the past couple of months. I got him in touch with a small company that he has already contracted with to clean the place up. He is scheduling the dumpsters and working with Walmart to be able to get the dumpsters through the parking lot. Obviously he can't come up through the tracks. I talked to his contractor and they will have it done before the 30th as long as the weather permits. I don't think there is going to be an issue. He has been working hard on this and trying to find the best prices he can and trying to do most of the contracting himself. The first bid that he got was a little bit high but he was able to work it out with a contractor who I personally know. I don't know when the work will be starting but it should be starting pretty soon. I know that the contractor said it will take about two weeks to clean that mess up and the issue is now to go to some staffing agencies to try to find a crew to pick the stuff up. He has rented a Bobcat to level it out and they are going to be doing what the police recommended and pulling out a lot of the brush and clearing the trees so there won't be any opportunity to hide camps and stuff in there. I want to thank the Chief for being very diplomatic with him. He has appreciated it and said thank you. I believe government should be like the dew on a clover in the morning. I don't believe we should be using the heavy hand of government to try to force people to do things if they are at least working in that direction. He has been very open and very communicative. He has a few different phone numbers and emails so sometimes it is a little bit hard to reach him immediately but I know he is working diligently on that and I expect it will be cleaned up.

Alderman Stewart stated I just wanted to bring everyone's attention to an item in the packet tonight with regard to the Manchester Urban Ponds Restoration Program Spring 2022 pond and park clean-up dates. They are taking place on April 23 at Black Brook Blodgett Park, April 30 at Stevens Pond and Stevens Pond Park, and May 7 at Nutt's Pond and park as well. If anyone wants to learn more or take part, you can find information for the Manchester Urban Ponds Restoration Program on Facebook or the city website and manchesternh.gov/urbanponds.

Alderman Cavanaugh stated this is nothing like a cool morning dew but I think it is a step in the right direction. One of our speakers, Mr. Ouellette, stated that we should get back to normal and I couldn't agree more. Everyone has been hunkered down and sick of this pandemic. I want to recognize a great organization, the Ancient Order of Hibernians, who this past weekend held the St. Patrick's Day Parade. The attendance was great for the participants as well as people watching on the side of the street. It is step and I think we can keep going.

Alderman E. Sapienza stated going forward regarding Hallsville, I want to say that I hope we can get some guidance, clarification and input from the City Solicitor so that we are within the limits of the law and abiding by the RSA. I know there is a hearing tomorrow at 6 PM at Hallsville. I don't want to spend a lot of time, energy or effort on something that is not within the limits of the law. I hope that we go forward with the proper guidance.

Mayor Craig stated I can share the RSA with the Board because I have it here. It is very specific to school buildings owned by a school district which does not happen in the City of Manchester. We have many options when we do have buildings that the city owns. We can sell them or lease them. We are not doing anything out of the ordinary bringing the neighborhood together tomorrow to talk about what they want to do with Hallsville and I would be happy to share that RSA.

Alderman E. Sapienza stated it is terrific bringing the neighborhood together. I just want to make sure we are operating within the limits of the law. That's all.

Mayor Craig responded we are.

Alderman Long stated my understanding regarding the west side property when we agreed to sell was that they would start cleaning it immediately. Is there an update on that?

Mayor Craig responded the city doesn't own it. I just want to be clear because it seems like the communication is that the city owns it and has an authority to manage it and say what happens when we don't.

Alderman Long stated but we did weigh in on some things because of the interest owed in back taxes. Does anyone know if they intend to start cleaning tomorrow morning?

Mayor Craig answered I would look to city staff. Again, this isn't a city property.

Alderman Long stated well one of the conditions on our waiving the interest was that clean-up start immediately.

Alderman Barry stated I have been in contact with the attorney who represents Mr. Skwozinski throughout this whole ordeal. He called me yesterday to tell me that it was closed yesterday. My understanding is the developer or the person who bought the property is going to be developing it into hopefully affordable housing. I would hope that whoever purchased it would clean it up as soon as possible. Time is money and the sooner they get that built the sooner they can start making money so I am hoping...

Mayor Craig interjected we did include that in our approval.

Alderman Barry stated right and they understand they are responsible. I go by there all the time and I will check on it.

Mayor Craig asked Leon can someone from your office check it out or check with the attorney.

Leon LaFreniere, Planning & Community Development Director, responded yes we can do that.

Alderman Long stated I was also going to bring up Hallsville. I know a couple of months ago it was verified through the Office of Legislative Research that the City of

Manchester is not part of that RSA. It is clearly for a school district owned building and that is not the case here.

Alderman Levasseur stated I am seeing these pictures for the first time regarding the west side junkyard. Are they closed? Is that a business that is closed? Is that why this is like this?

Mayor Craig stated it has been a place for many years that has been like that.

Alderman Barry stated it is a fenced in area that has been like that for a long time.

Alderman Levasseur stated I know where it is and what it is but these pictures look like it was hit by a Russian bomb.

Alderman Barry stated the unfortunate thing is some people took it upon themselves to put stuff there and nobody knows who.

Alderman Levasseur stated I thought maybe it was closed down and that is why it is so bad looking.

Mayor Craig stated I would ask Jodie to come up and give the Board a quick update on the downtown and what has been happening.

Jodie Nazaka, Economic Development Director, stated thank you for the opportunity to provide an update. I have been working closely with many of the other departments on this initiative. I just want to make sure that everyone understands that we are in an interim period right now as we work towards getting an RFP out to get a new entity in to do the services that Intown had previously been doing. While we are in that interim phase, we have had some successes in trying to get the services back to the CBSD district. The city is fortunate, and I am honored to say, that we were able to bring back two of the maintenance workers that were previously employed by Intown – Pepe Lorenzo and Nancy. They are two fantastic individuals and very hard workers. They came onto the city payroll a few weeks ago and they have been a huge presence in the

downtown ever since they have been back. They are currently part-time but we are working on getting them to full-time. They are interested in doing weekend shifts as well and I know that is a big concern for some of the downtown businesses so that is something we are working towards. I am also working closely with Janet Horvath, the Recreation and Enterprise Manager for the Parks Department. She has experience with concerts in the park so I am working with her and actively pursuing some interim concerts. Also, we are soliciting RFP's to get the planters planted for this season. That started this afternoon. I was working with DPW to get an RFP together and a planting schedule. I worked with the Planning Department to find the old planting schedule that was originally designed for those planters. That should be happening in the next month or so. Prime planting season is within the next month and we will be working to get those installed. Again, this is an interim period and we will be working on a RFP with the CBSD assessment payers to find out what they would like to see moving forward, what has worked for them in the past and what they would like to see changed. It will definitely be an engaging experience. We have a couple of options that we have been throwing around so it will be a nice opportunity to work with them to see what fits best for their needs. I would be happy to take any questions. I have also been working with Chief Aldenberg and the Police Department fielding any concerns we have from businesses downtown. Also, we have been working with DPW to hopefully coordinate an alleyway clean-up. What that would involve is having some volunteers in addition to some DPW hours and removing all the toters and cleaning up all the trash and pressure washing the sides of the buildings as well as bringing in the street sweepers. I think in the last couple of years the alleyways have gotten a little grungy if you will so they could use a nice deep cleaning. I think that will go a long way in keeping some of the trash down on the main streets as well. That is something we are coordinating. Hopefully we will have an RFP out in the next couple of months understanding that it does take time to draft and get approved through the CBSD district.

Alderman Levasseur stated we provided the money for the concerts right. The money didn't come from the \$258,000 correct?

Mayor Craig stated in the past we did provide some cash and I believe it was \$18,000. I don't think we have done it for the last two years and we haven't had cash in our budget for a while now.

Alderman Levasseur asked so there is nothing in the budget for concerts downtown this year.

Mayor Craig answered there is no.

Ms. Nazaka stated correct and that is one of the struggles that we are working with which is staying within the \$258,000 assessment fund. As you know, Intown did a lot of fundraising to supplement that money and that is how they were able to pay for a lot of their programming.

Alderman Levasseur asked is the Taco Tour going to bring extra money in.

Ms. Nazaka replied the Taco Tour is actually an initiative of the Chamber in partnership with Economic Development. We were thankful that the Chamber was willing to take on that heavy lift. I believe they are just looking to break even. They are doing the whole event through sponsorships and are just looking to bring some more activity to the downtown. That will not likely bring in any revenue.

Mayor Craig stated I know of at least one application that has been put in for the Community Event and Activation Grant that involves a concert. I am hoping there is more than one but that is something that is a great way to provide concerts in the park.

Ms. Nazaka stated Janet at Parks has also received a few inquiries about doing concerts not just in the downtown but throughout the city and we have had a few people reach out to us and we are actively working with them to try to make those concerts a reality in the absence of an entity to really coordinate those.

Alderman Levasseur stated that brings me to another question regarding the \$10,000 grants. Are there two separate grants out there or just one?

Mayor Craig stated there is an events one and then there is one for small businesses.

Alderman Levasseur asked what is the amount for each.

Mayor Craig answered up to \$10,000.

Alderman Levasseur asked how much is the total amount for each grant program. I believe one is \$1 million correct?

Mayor Craig responded \$1 million and \$2 million.

Alderman Levasseur asked so there is an opportunity for people to say okay we want to do four concerts in the summer in the park and they can just apply for that.

Ms. Nazaka answered yes and we would encourage that.

Alderman Levasseur asked when somebody applies, do they know which one they are applying for.

Ms. Nazaka replied there are two separate applications through the Planning Department for the small business grant and the community activation grant.

Alderman Levasseur asked can you explain the differences between both.

Ms. Nazaka stated I might defer to Leon to explain them a little bit more but in short the small business grant opportunity is up to \$10,000 for small businesses in recovery efforts from COVID-19. As long as they can demonstrate that they have 25% or more in losses in revenue from 2019, 2020 or 2021, they are eligible. Also, they cannot employ more than 15 full-time employees.

Alderman Levasseur asked what is the maximum that they are allowed to get.

Ms. Nazaka answered \$10,000.

Alderman Levasseur asked and the other one is an events grant.

Ms. Nazaka stated the community activation grant is centered more around events like block parties, concerts, anything to bring the community together. There is a wide range of what is eligible under that and the grant is up to \$10,000. That one is slightly different where there needs to be an in-kind match of 25% and that in-kind match can be anything from volunteer hours to personal investments to a cash amount.

Alderman Long asked with respect to the workers downtown, have they been using the equipment or have we been looking to get some of the equipment that they used.

Ms. Nazaka answered they do not have access to the equipment that they previously used when they were employed by Intown. DPW is supplementing equipment as needed for them to do the job they need to do.

Alderman Long asked so DPW is giving them the equipment to do what they need to do.

Ms. Nazaka replied for the most part. They don't have access right now to the little cart they used to drive around downtown or the water tank but hopefully we will have access to those at some point or access to a vehicle of a similar nature so they can get around the downtown a little bit easier and also for when the planters are fully installed getting those watered daily.

Alderman Long asked with respect to the banner program, are we looking to give that to the next bidder that comes up.

Ms. Nazaka responded the banner program will absolutely be part of the discussions with the RFP moving forward. That as a big initiative of Intown and that was a revenue source for them. It is outside of what we are able to do in this interim period without factoring in a longer term plan.

Alderman Long stated it just looks more lively when you have the banners out there advertising businesses.

Ms. Nazaka stated I am in preliminary discussions with Mark Gomez about bringing some hanging basket planters to Arms Park. We have also tossed around the idea of bringing some of those downtown.

Mayor Craig stated thank you very much. I want to bring your attention to the packet. As we talked about, tomorrow night we have the Hallsville community meeting at 6 PM at 275 Jewett Street, Hallsville. We have an Earth Day Community Clean-Up Scheduled for Saturday, April 23 from 9 AM until 2 PM. There are five locations where DPW will be supplying materials for us to use – Jewett Street School, Northwest Elementary, Smyth Road School and Beech Street School. Yard waste pick-up begins this Monday, 4/11. The school district is now open for registration. You can go online to mansd.org/registration. All of the elementary schools have dates when parents can go in and sign their kids up. Street sweeping begins tomorrow, 4/6. There is a map in your packet to show where that is happening. I hope you saw that there was a change in staffing in my office and Shannon MacLeod is now my Chief of Staff so welcome Shannon. The school district will be presenting their budget at the next meeting on Tuesday, April 19. With that, we will have the health insurance update from Anthem and USI.

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

Milan Varagic, Anthem Representative, stated I would like to introduce myself. There are a lot of new faces here. I am familiar with some of you that have been here for a few years but for those new people, welcome. We will be working very closely together. I am your Account Executive with Anthem Blue Cross/Blue Shield. We have been your carrier of health benefits for over 10 years and I have worked most of those years with you and your HR Department. I am your direct liaison and I work with HR, Unions and employees to answer any questions and resolve issues. You will be seeing me around. I will now turn the presentation over to USI.

Lianna Delatorre, USI, stated thank you so much for having us here tonight. I work at USI Insurance Services on behalf of the city as one of your consultants. I am here with Jim Farrelly as well and Celina Broderick who is the underwriter assigned to the City of Manchester.

Jim Farrelly, USI, stated we are privileged to be the partner of the City of Manchester and we are going to go through where the health insurance program stands. Right now as we face our July 1 renewal, probably many of you have seen that we have a challenge in front of us and we are continuing to work to make this situation the best that it can be. We have open enrollment meetings scheduled coming up and we are trying to finalize the numbers. I want to assure you all that we are still working to get this to the best place financially that it can be. We are cognizant of keeping this program sustainable for next year and future years. We have ideas on how to mitigate claims costs. It is a tough conversation. This is our first time in front of all of you and it is a challenging renewal but we are committed to getting it to the best place it can be and we understand the importance. The City of Manchester offers excellent benefits to their employees. We are here to tell you what is going on and how we are going to help to keep it sustainable. We will talk about what is driving the costs and Milan is going to go into some of the details of what is happening with the plan. I will now hand it over to Lianna.

Ms. DellaTorre stated we wanted to go over a quick agenda and paint the picture for what we are going to talk about tonight. As Jim stated, we are looking at a large increase for your medical benefits this year for the City of Manchester. One thing upon review is that the recommendations made at the time of the renewal did not foresee the increase we are looking at for July. The rates and contributions have not increased for two years while cost of care has. That is an important point. We also want to note that USI did not recommend the flat rate hold as of last year, which is a large part of what is driving this drastic increase and we are going to shed more light on that soon. Milan is going to go over the Anthem utilization review and then we will discuss more about what is making up this +13 increase on medical benefits, which as Jim stated is a moving number. We do want to note that high cost claimants total \$3.1 million so we are dealing with sick individuals. Pharmacy spend is 21.6% of overall claims. The norm is

18-20%. Lastly, all new employees coming to work at the City of Manchester are automatically enrolled into the high deductible health plan if they elect coverage. This is increasing the City of Manchester's health savings account contributions and that is another added expense. What is driving this cost? We talked about being in a deficit coming into the year looking at the renewal from last year with the flat rate increase. We are looking at +/- \$3.2 million in renewal estimated costs. The cause of this increase is inflation and every year we are looking at that, facing a global pandemic, and then cost of care where there are increases across the board for inpatient, outpatient and pharmacy.

Mr. Farrelly stated Lianna made the point about the funding of the plan this year based on the recommendations of last year. While USI was working hard to become your business partner, these decisions were already made and put in place. One thing I will say is I think it is the impact of the pandemic but for the months after the experience period used to calculate this year's rates and contributions, for the months after which would be February through the end of June, claims trended 6% higher than was factored into the experience renewal calculation formula. Again, I think that is probably mostly pandemic related. The point is, the rates were set lower than they should have been. Anthem did their projection and came up with something closer to 8% but the way it played out, it was 7% higher than what was projected at the time.

Ms. DellaTorre stated with that being said we did go back and with Celina's help used our USI methodology in projecting what we would have recommended last year and that would have been around a +3% rate increase. So we would still be looking at a significant increase this year.

Mr. Farrelly stated this year claims have continued to run at a higher level than was anticipated. Milan is going to get into some of the details of what is driving that but the actual per member/per month cost is 5% higher than the projection that was used at the time.

Mr. Varagic stated I can speak to the details regarding what is driving the claims but before I go into details I think it is really important to paint the picture and say can we

really compare 2020 to 2021 in essence. 2020 was an anomaly. It was a once in a lifetime year where hospitals and providers and services were totally shut down. The care was not provided in many cases. If you remember, many of you probably received refund checks from your car insurance companies and your dental insurance companies. Insurance companies were refunding money in 2020 because claims were not coming. You experienced in 2020 I believe -9%. So you actually had a drastic decrease in 2020. It is really hard to compare 2020 to 2021. What we did here on the screen on the bottom left corner is we took out completely 2020 and just compared 2019 against 2021 and averaged it out. What you see is over those two years you actually had an average increase of 3% in claims. Historically, and I have been here for 10 years now, your average trend for your population over that 10 years is less than 5%. The City of Manchester's plans on average run drastically better than the rest of the population. What you are faced with now is return of care. Our company has been warning about this; return of care. Care is going to come back. Even though I don't like to use the word elective because it sounds like I am electing some kind of procedure but elective procedures are coming back. At the same time, in the fourth quarter of 2021 we got hit with the Delta and Omicron variants. If you really think about it, the fourth quarter of 2021 compared to 2020, we got hit more in 2021 than we did back in 2020 when COVID was first discovered. Back in 2020, the hospitals were closed while in 2021 they were not so people were getting the virus but still getting their physicals and primary care visits. What you saw in essence...you definitely did see an increase in trend but that trend is drive by return of care. It is also drive by a couple of conditions that you have always had. It is really hard for me to talk about a couple of these conditions because these are your employees. These are your hardworking employees that work every single day and rely on this insurance. For me to say that cancer has increased 38% is really hard but that is the fact. You definitely have a lot more cancer patients and those cancer patients now compared to the year prior are driving higher costs. Could you say that some of this was because of postponed care back in 2020? You could hypothetically say that but it is very hard to still narrow it down in data and say yes it is because they postponed a few of their treatments. If I look really deeply in the cancer category and what is happening in that category, it is chemo and radiation. These folks are sicker than they were in prior years. You could kind of make some correlation between what is really happening there. The other category that is really

driving the increase that you are experiencing now is musculoskeletal systems. That is another category that is seeing an increase compared to the prior year. Then what we also saw, and it is hard to talk about this as well, is we saw in the fourth quarter of 2021 and I didn't put it up here but I am going to state it and I will show it on a couple of other slides is we saw that Omicron and Delta did hit you and you unfortunately had a handful of people that were inpatient and they were in the hospitals for days and weeks. Those claims were nowhere to be seen coming. It is not something that we can project. These people got infected and ended up in a hospital, a local hospital thankfully, and they were treated. I believe most of them survived but some of them were incubated and they were there for weeks. That drove the claims up in the fourth quarter of 2021. Here are some stats as well. The health status category saw a 12% increase. What that health status category encompasses is these are your annual physicals and your primary care and your specialists care. This is the normal return to care. Folks feel comfortable going back into their doctor's offices and they feel comfortable going to get their physicals. We actually want to encourage this because if you have a preventive screening done annually and if there is something happening, you want to catch it early so there are better options for those employees to get treated. With that category, it is not a bad thing that we are seeing that people are getting back to their doctor's offices. I think we can all say that that is what we want and that is why they have insurance. It is hard to see in front of you when it is numbers. Some of the other stuff that we saw is that 49% of the high cost claimants that you have have been with you all along. So these people are not new people. They have been on your policy for years. At the same time, 99% of those high cost claimants are still with you so they are still around. This slide is a benchmark and what I did here was breakdown the cost by per member per month so the PMPM means per member per month. It gives you a better shot. Currently you can see an increase of 15% per member per month. The prior year was - 9%. Two years ago it was 4.6% and then 5%. Overall, you are averaging 3% over the time period. If you look at the risk score on the bottom, that is a really good measure and it really didn't change. What that is telling us if I look at the risk score and I also look at some of the claims, is unit cost trend remained flat at 1%. It is telling me that the trend is driven by utilization and not directly by the cost of care. You are getting a lot more folks back in the system visiting their doctors and that is what is driving the overall increase. It is return of care once again. On the next slide I am breaking down your per

member per month claims and showing you cancer and how it compares to the benchmark versus the prior year. You can see that in October, November and December of 2021 we had major paid claims for some of these cancer patients that have unfortunately ended up inpatient. That is why that blue line is drastically going up and that is why we have seen some of the claims come through. You will remember that you are a self-funded client of ours so you pay your own claims. You saw on your monthly statements that claims went up in October, November and December and that is because some of the cancer diagnoses happened in those months. Is there a light at the end of the tunnel? I can tell you that January, February and March so far have flattened out and look better than the previous January-March. So it looks like the trend is flattening out but we still have April through June of this plan to really look at. If those three months can run the way January-March ran, then we might be in better shape than we are thinking. This next slide is showing you the Covid treatment. I already told you that you had a handful of members with Covid and you can see that in October-December unfortunately they had to be seriously treated. I am just going to say that two of them were in the hospital for more than 30 days. That is some serious treatment. Overall, that is what we see. We are going to be keeping an eye on the next three months and that will tell us more about what is happening. The question coming from the aldermen will be is this just an anomaly happening just in the City of Manchester or is it happening across other municipalities. I can tell you that I am an account executive with the Manchester School District also as well as a couple of other local hospital systems and we are seeing the same thing across all of the municipalities. We are seeing the same thing across our book of business in NH. We are definitely seeing a return to care. Those folks back in 2020 and early 2021 that postponed their physical therapy and occupational therapy and chiropractic visits and labs and x-rays are coming back. They are coming back and feeling more comfortable visiting their doctors. In some instances, and you might have experienced it yourself, their doctors are actually calling them and sending them notes and saying we haven't seen you for the past two years come back. You can financially see why doctors and hospitals would do that. They need those members to come back because they need the money. That is what I have here for you. I would be happy to answer any questions you might have.

Alderman Long asked regarding Omicron and Delta, are any entities getting Covid Recovery Funds for that. Is USI getting that? Does Anthem get some of those funds and how does that go towards your customers?

Mr. Varagic stated we are working with HR to run some reports on your account to see if you can submit that to FEMA to get some of that back. I am working with Kathy and Michelle and running reports.

Alderman Long stated we are in April and I first heard about the situation we are in a few weeks ago. Why did it take two months for us to get the information from October-December? That is one of my concerns.

Mr. Varagic replied personally I am always willing and eager to come here whenever you invite me. I do meet with the HR Department almost weekly and I am more than happy to share the information.

Alderman Long stated okay so the information was given to HR. If you were to recommend an increase for FY23, what would that be? I am hearing that January-March is flat but that doesn't really mean anything. This happened pretty quick.

Mr. Farrelly stated just to clarify, when we originally did this we looked at claims through January. We were able to update that with claims through February. We don't have claims through March yet. Anthem is in a unique position right now. It is only April 5 and that information is not yet available to us. Milan pointed out that we are going to wait and see what happens but at some point in time you have to just set a budget. This is what we know and this is what we can predict and project for the upcoming year. Open enrollment meetings are scheduled for the end of this month. This is imminent and we have to get to the right number. I will say that while there isn't a silver bullet here, it is worth mentioning that USI is in the process of negotiating a different pharmacy arrangement with Anthem and IngenioRX which is Anthem's pharmacy benefit manager. I can't share details because it is not finalized but I can tell you roughly that it is going to save the city money and it should positively impact where we land on this. Projections for the next three years are that the city will save a

considerable amount of money as a result of this renegotiated pharmacy deal. The city must extend the current contract with IngenioRX for two additional years. So FY23 and two beyond that. The good news there is that it really simply boils down to the fact that it will run concurrent with the contract that you have with Anthem right now through 2025. USI has done the legwork behind the scenes to see if we would advise the city to extend the contract and is there a better deal out there. To take advantage of this renegotiated deal with Anthem and IngenioRX, the contract has to be extended for two years. We have done the due diligence and done the footwork and done the marketing and we would recommend that the city take advantage of this opportunity. When I talk about this renegotiated contract, what is important for everyone to understand is it doesn't affect members in accessing prescription drugs. It is not narrowing the network or tiering the network or doing anything with the formulary list outside of what normally happens annually. This is strictly the contractual terms and a lot of the stuff that happens behind-the-scenes in the pharmacy business. It is being tightened up by USI negotiating with Anthem and IngenioRX. We do have that to put on the table. We just have to get the I's dotted and the T's crossed.

Mayor Craig asked when can we expect that.

Ms. DellaTorre answered this week.

Mr. Farrelly stated again we appreciate that there is a sense of urgency here. We have to get this set so we can start communicating to members for open enrollment.

Mr. Varagic stated absolutely and Anthem's perspective has always been that the city will always be our number one priority and we will do whatever we can and leave no stone unturned to pass any savings onto the city that we can to help out. We have stood behind that. We were one of the first in 2020 to give you a credit for Corona to help you out. Just to answer your question, Alderman Long, what keeps me up at night is inflation. 7.9% is this month's released CPI. That really keeps me from sleeping at night because some of the contracts that Anthem has negotiated with providers are contracts that were negotiated prior to inflation. These are contracts that are two or three years long and some of those will be coming up for negotiation next year. If you

are a hospital CFO sitting across from me looking at 7.9% inflation, it is going to be pretty hard to negotiate some of the contracts that if they came up six months ago might have been kept at low increases. Now we might need to have some real difficult discussions because inflation is going to drive a lot of this and it will spill into health care including the drugs. That is another thing where there will be some inflation globally because the supply of the ingredients for some of the medications might be disrupted by what is happening around the world.

Alderman Long stated my final question is on the possibility of negotiating with binders but it seems like they are in the driver's seat.

Mr. Varagic responded I wouldn't say they are in the driver's seat. I would just say that we are going to have some tough conversations.

Alderman Long stated I am happy to hear about the prescription plan. At least that is something that we can look forward to.

Alderman Cavanaugh stated I think it is good that we look at that. I know that a couple of years ago we had a bill in the Senate for pharmaceutical benefit managers about reverse auction. It has been successful in New Jersey and I think it will be successful here. I think at the city level we can still do that especially when you see a 21% increase. It is going to make them compete for our business because they are going to want it. I think it is pretty clear with your presentation that we were in a pandemic so we are going through this and these injuries or illnesses are getting worse and people are waiting and I think this is a snapshot. It is a snapshot of what we have gone through. It was a one in a hundred years' pandemic. It was a big number that we saw but I think it was a snapshot.

Mr. Varagic responded absolutely. It is very difficult and it is difficult personally. I worked from home and I have two kids that are six years old so they were home. My wife was home teaching from home. All of us were in the same house. Folks are ready to get out there and seek care. We are seeing behavioral health across the book of business increasing drastically. That tells you that these folks had a hard time.

Alderman Levasseur stated you showed us the increase in the usage and the increase in certain conditions like cancer and other illnesses but what percentage of this is actually an increase in cost being charged by hospitals. I look at 1% and I don't consider that a massive amount of people that are running to the hospital for care. What I really think it is that hospitals have probably gone up 20-25% in their billing and that is what we are seeing. I don't know if that is something that you are able to look at as far as what the cost of say a colonoscopy was in 2019 compared to now. I know the costs have gone up substantially. The question I have is what percentage of the increases that we are seeing more monetary based than condition based?

Mr. Varagic replied that is a great question and that kind of goes back to what I was saying to Alderman Long. That hasn't played into this yet but that is what scares me. Some of the contracts that we have with local hospital were negotiated in 2018 and 2019 so they cannot increase the prices that were negotiated. They can bill more for services but the cost of the colonoscopy under the contract is fixed over the years. We didn't see a lot of that in the claims. What I saw was just the pure volume.

Alderman Levasseur asked so it really is more volume.

Mr. Varagic answered yes.

Alderman Levasseur stated so if you add another three people on there it is not because of the cost but because there are three more apples that you have to pay for. For the last two years, have we come in lower and that extra money has gone into our health surplus? We budgeted a certain number the last two years and I don't know if we hit that number or were below and what happened to the money.

Sharon Wickens, Finance Officer, stated the budget that we had going into this year was left flat from the prior year based on recommendations of the prior consultant.

Alderman Levasseur asked was there a surplus last year.

Ms. Wickens answered no. The last months of that fiscal year were actually a little high. We ended the fiscal year with a \$700,000 deficit but we were able to make it up in other areas. I knew going into this year that the budget had already been set and if it stayed flat it would be about \$700,000 short but we are looking at about \$1.9 million right now.

Alderman Fajardo stated you noted that all new employees are enrolling in the high deductible health plan by default and I am just curious as to why that is the default and what you would recommend as an alternative.

Ms. DellaTorre stated we have had many discussions with HR and we are looking at different scenarios right now if other plans were offered. I think that was a recommendation that was made prior to us coming on board and it is where we are at right now but we are looking at every alternative possible.

Alderman Levasseur stated as a follow-up to that, that is an interesting point because every employee that comes in must go on it and many of the employees that we negotiated with have gone on it. There is a \$3,000 contribution by the city. Do we know how much that cost the city? Let's say we have 10 employees that go on the HSA. We know that is a \$30,000 contribution that has to be made by the city into their account. Does that money come out of that health line or is that a separate amount? Do we know what that number is and if we don't can we find out what it increased by?

Ms. Wickens responded we do know what that number is. I don't have it with me but I could get that to you.

Alderman Levasseur asked so you could tell us the difference between the amount of people that went on the HSA in 2019 and 2020 and how much the increase was. I only bring that up because we are in negotiations and it may make a difference as to whether there is going to be a need for a higher contribution. It is very generous. It is \$4,000. The employee pays \$1,000 and the city pays \$3,000. Again I will bring that up because we taught so many of our employees to jump into that thinking it was going to save us a ton of money and now we don't know if it did or didn't. If 150, 200 or 500

employees jumped in, you can see how much more that would cost us at \$3,000 per employee.

Ms. Wickens stated it did save money initially but that spread has tightened.

Alderman Levasseur asked so you can get us that number and we can figure out how much of that amount we had budgeted...you really don't know how many people are going to jump into the HSA program and you don't know how many new employees are going to be hired. We know we have 40 retirements a year and I am assuming we get 40 new employees so there is some money there.

Ms. Wickens answered we do have those numbers and we can get that for you.

Mayor Craig stated on the second page you mentioned that the renewal estimate is +/- \$3.2 million. When you came up with that number, what I heard Milan say was that the high cost claimants that you talked about had been on our books already and COVID-19 hit hard in the fourth quarter. Do you take that into consideration when you come up with that number? So we see a spike in Q4 but if we now see it leveling out, I am anticipating that number coming down.

Mr. Farrelly responded here is what I would say. We are starting at a deficit because of the recommendation last year to not increase costs. The question is how did we get to \$3 million?

Mayor Craig replied yes and it is going to go down.

Ms. DellaTorre stated based on what we are hearing from Anthem regarding the prior month, that is going to help our cause when we factor that into our numbers.

Alderman Levasseur stated you said that the cost of the colonoscopy didn't go up because we are contracted for a set price. When does that end and when do the new negotiations begin and how much will they be asking for an increase? A minimum of 20%? I am sure they are going to ask for 50% and you are going to have to negotiate it

down. When does the contract that we have end and when is it going up because if we don't anticipate that now we are going to get hit with another wham because more people may go in but then it is not a fixed cost for service anymore?

Mr. Varagic stated that is a very smart and logical question. It is accounted for in the projections when we do them. What USI and other consultants do is use annual trend and inside that annual trend it encompasses insurance companies paying a little more for hospitals, etc. When you trend that forward, it is already adjusted. When will some of the contracts expire? Thankfully one of the major ones just closed late last year so we are in good shape. There will be some coming up early next year.

Alderman Levasseur stated hopefully they are not all at the same time.

Mr. Varagic replied they are not. That was a great question but it is projected in the trend that they use to trend the claims forward.

Alderman Levasseur asked when you say \$3.2 million, you are taking into account that there are going to be some increases.

Mr. Varagic answered yes they are projecting that there will be inflation and trend.

Alderman Long stated with respect to our stop-loss, are we in a good position at \$250,000 or should we reconsider that.

Ms. DellaTorre replied that is something that we run through every single year with our clients. There is a whole calculation and method behind the madness so to speak. As of right now, we would recommend staying with the \$250,000 stop loss. When we negotiated with Anthem we negotiated something called No New Lasers and this is really getting into the granular here and also a rate cap. So as far as the fixed costs, we are looking at a slight increase. I believe it is +3% on our projection and that comes into the \$3.2 million.

Mayor Craig stated he is talking about stop loss.

Ms. DellaTorre replied right and that would be considered a fixed cost for the plan. It might be a little bit higher. We have projections in place though to make sure it is not astronomically high.

Mr. Farrelly stated we don't have Anthem's stop loss renewal yet so we have to make a projection on what we anticipate it is going to be. That is factored into the work that we have done so we have made an estimate as to what we think that may be. We also have the stop loss out to the market to get competitive quotes. I think Lianna and Celina already addressed the question about the \$250,000. It is a good number. We can certainly show options so you are trading lower fixed costs for additional risk like if we were to go up to \$275,000 or \$300,000 on the individual stop loss.

Alderman Levasseur asked we had a debate amongst ourselves in non-public session concerning negotiations. One of them was whether we should be self-insured or not. Has that ever crossed anybody's mind somewhere or is self-insured better?

Mr. Varagic stated I would say stay self-insured.

Ms. DellaTorre replied I agree.

Alderman Levasseur asked is there a reason for that.

Mr. Farrelly answered for a plan of your size, what you save in premium taxes, margin overhead, and retention it would cost maybe 10% more at least to be fully insured.

Mr. Varagic stated just the taxes alone would be about 5% plus you have to take all the mandates.

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

Mayor Craig called the meeting back to order.

*There being no further business, on motion of **Alderman Cavanaugh**, duly seconded by **Alderman Long**, the meeting was adjourned.*

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