

BUDGET REVIEW COMMITTEE

SEPTEMBER 20, 2016

A meeting of the Budget Review Committee was held Tuesday, September 20, 2016, at 7:03 p.m. in the Aldermanic Chamber.

Alderman Richard A. Dowd, Chair, presided.

Members of Committee present: Alderman-at-Large Brian S. McCarthy
Alderman-at-Large Michael B. O'Brien
Alderman Sean M. McGuinness
Alderman Ken Siegel
Alderman David Schoneman – Arrived at 7:15 p.m.

Members not in Attendance: Alderman-at-Large Lori Wilshire, Vice Chair

Also in Attendance: Mayor Jim Donchess
Mr. John L. Griffin, Chief Financial Officer
Mr. George Farrington, Former President of the Board of Education

PUBLIC COMMENT - None

COMMUNICATIONS – None

UNFINISHED BUSINESS – None

NEW BUSINESS – RESOLUTIONS

R-16-062

Endorsers: Alderman Richard A. Dowd
Alderman Ben Clemons
Alderman Mary Ann Melizzi-Golja
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large Lori Wilshire

APPROVING THE COST ITEMS OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE NASHUA BOARD OF EDUCATION AND THE NASHUA TEACHERS' UNION, LOCAL 1044, AFT, AFL-CIO, UNIT C, SECRETARIES FROM JULY 1, 2016, THROUGH JUNE 30, 2018, AND RELATED TRANSFERS

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Chairman Dowd

Can you please give me an overview of the contract?

Mr. George Farrington, Former President of the Board of Education

It's a pretty straight forward contract, it's two years. The money part that you are most interested in, you have a copy of the costing sheet I believe. In the first year it's a 1% increase plus a step and there is a delayed implementation of the step and unlike a lot of the contracts, these folks stay on the step for five years so when the group moves a step everybody doesn't move but only those people who are on the last year that are ready to move onto the next step. That tends to reduce the impact of a step as opposed to some of our other

contracts and the impact on the budget for the first year is 1.4% and the second year 1.25% increase plus a step again delayed implementation and the budget impact in the second year is 1.5%. There were some language changes which was just mostly cleaning it up. There was one other thing which was noted down on the bottom of the sheet. There is a sidebar agreement that has some confusing in the contract that I think has occurred over time and some benefits refer to "hours" and some to "days" and there is no consistency whatsoever in it. It's the kind of thing that you don't want to have to deal with in negotiations so we are going to set up a committee to sit down with some of the folks from the secretarial side and some administrators to try to work through this. In the sidebar it says we are going to work through this at a cost neutral goal and I don't expect that there will be any increase in cost. I just wanted to mention that there is one piece of this that is going to be on-going in discussion but won't impact the cost.

Alderman Siegel

I would like to let Mr. Farrington know that the cost of analysis was included in the legislation. I've looked at this contract and it's fairly straightforward and within reasonable guidelines and I don't see any reason why we would hold up a contract like this. To throw it back for additional negotiations certainly isn't going to make it any better and it's not bad to begin with.

Alderman McGuinness

I just read through and I came to the same conclusion; 77 pages, I think it's a pretty modest request.

Chairman Dowd

From my time on the Board of Education it hasn't changed a lot from previous contracts but I'm glad we cleaned up the language. They are certainly not highly paid and they do provide a service that is required. Years ago they reduced the number of secretaries so the secretaries that are left are doing yeoman's work on a daily basis.

Mr. Farrington

I wanted to comment on the fact that again, in the groups that I have negotiated with since I've been back on the Board, these folks have stepped up and we are talking small percentages, I understand but these folks are where other departments in the city has received twice as much as this in terms of raises and I wanted to acknowledge the fact that they recognize the situation and it was not easy, they would have like to have had a third year but I think the uncertainty on both sides as to what that third year might hold held us off from that third year. They were very reasonable and cooperative in the negotiations.

Alderman McGuinness

Mr. Farrington, that side bar agreement, is that incorporated into the contract now? I thought you said it was subject to discussion.

Mr. Farrington

The agreement to enter into the conversation will be part of the agreement. If we can reach some sort of agreement and sort through this...we have a few schedule 1 fee secretaries who work full year, schedule 2 secretaries work the school year and then half days in the summer and we would like to get it sorted out. It's just the kind of thing that you will get so bogged down in it as a part of negotiations that it's not productive. We will work through that and if we can come to some kind of resolution at that point in time we will incorporate something into the contract. If there was to be any cost of course we would come here but the intent is for it to be cost neutral.

MOTION CARRIED

R-16-063

Endorsers: Mayor Jim Donchess
Alderman Richard A. Dowd
Alderman David Schoneman

ESTABLISHING THE USE OF FUND BALANCE FOR TAX RATE

MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Mayor Donchess

You have a resolution before you that would devote \$3.6 million of the surplus generated this year be assigned to tax reduction. Most of this surplus or virtually all of it will come from revenue exceeding the estimates because as far as the appropriations go, through the escrow process, we assigned or devoted the surplus generated by that to various reserve accounts including pension reserve, CERF and the building reserve. If we proceed in this fashion the unassigned fund balance will end up being slightly higher than it is now; somewhere in the vicinity of 11.8% of the city budget. Our ordinances require that it be least 10%, state law requires 5% but city ordinances require 10%. I guess the unassigned fund balance will be 11.9%. Everything is pretty self-explanatory.

Alderman Siegel

Why would we want to argue about increases the taxes, it's all good.

MOTION CARRIED

R-16-066

Endorsers: Mayor Jim Donchess
Alderman-at-Large David W. Deane
Alderman Richard A. Dowd
Alderman June M. Caron
Alderman Ken Siegel
Alderman Mary Ann Melizzi-Golja
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman-at-Large Lori Wilshire

ESTABLISHING AN EXPENDABLE TRUST FUND FOR DONATIONS FOR PAVING

MOTION BY ALDERMAN SIEGEL TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Chairman Dowd

Mayor Donchess, would you like to give us an overview?

Mayor Donchess

It's pretty simple, Mr. Chair, as the resolution suggests, we want to establish this trust fund in case we receive donations toward the paving. We can roll the donations over from year to year and wouldn't have to try to escrow them and all of that. I think it's a positive measure that will just help us manage the paving more effectively.

Alderman Siegel

Mr. Griffin, do we anticipate that there will be money allocated in the near term for this fund? Was this created with an eye towards containing some money that was available?

Mr. Griffin

I've seen a few e-mails back and forth and the purpose of this is to put money in for this purpose. There may be, in fact, someone willing to donate but I can certainly follow-up.

Alderman O'Brien

When someone says in this resolution the word donations does that come from utility companies, developers, merchants and other people who have worked on our streets?

Mayor Donchess

Correct.

MOTION CARRIED

R-16-067

Endorsers: Alderman David Schoneman
Alderman Ben Clemons
Alderman Ken Siegel
Alderman Mary Ann Melizzi-Golja
Alderman Don LeBrun
Alderman-at-Large Michael B. O'Brien, Sr.

**AUTHORIZING THE EXPENDITURE OF THIRTY-THREE THOUSAND SIX HUNDRED
FOURTEEN DOLLARS (\$33,614) FROM THE CONSERVATION FUND FOR LONG-TERM
MAINTENANCE, REPAIRS AND ADJUSTMENTS TO THE SOUTHWEST TRAILS**

MOTION BY ALDERMAN SIEGEL TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Alderman Schoneman

Michael Gallagher, Chairman of the Conservation Commission wanted to be here tonight but he was unable to make it. I am the liaison to the Conservation Commission and I am happy to provide some information on this. This project was simply undertaken to develop the southwest trail area for recreational use, trails and walking paths. The project total is about \$400,000 a few years ago. The initial budget was to include long-term maintenance but during the course of the project, when the city was going to manage it, it turned out that the person who was going to manage it was no longer with the city and Morin's, an outside contractor was hired to complete the project. That was more expensive and so to make the project fit within the \$400,000 budget long-term maintenance was taken out. The project was completed but now it's time to set-up a maintenance fund. The Conservation Commission established this \$33,614 based on a couple of things. This is a fund that will hopefully last three to five years to cover a number of expenses. The first one is the mowing of the Buck Meadow Field; this will be done every two years so there are one or two instances of that depending on how the funds play out. This work will be done by Morin's Landscaping. Weeding the main garden is once per year. Spring clean-up of the parking lot and the paved section of Old Ridge Road is once per year and also for the additional \$3,614 there is a safety issues fund set-up for safety issues including bollards at the parking lot along Main Dunstable Road by the main garden to prevent people from driving on the walking trail and any

emergency tree removal like if a tree falls on a trail or any hazards like a tree hanging over the trail. The \$33,614 comes out of the overall conservation fund which currently stands at \$1.7 million. These are funds that are not taxpayer funds but funds that are contributed based on mitigation for projects that occur that take away wetlands; if a company or developer takes away wetlands then some money is put into this conservation fund to be spent on things like this. The Conservation Commission is looking forward to these monies. Roger Houston of the Planning Board will administer the outflow of the payment of these funds as needed.

MOTION CARRIED

NEW BUSINESS – ORDINANCES - None

TABLED IN COMMITTEE--

R-16-029

Endorser: Mayor Jim Donchess

ESTABLISHING AN EXPENDABLE TRUST FUND FOR RIVERWALK WALKWAYS, BRIDGES AND RELATED IMPROVEMENTS AND APPROPRIATING AT LEAST \$500,000 INTO THE EXPENDABLE TRUST FUND

- Tabled 5/23/16

GENERAL DISCUSSION - None

PUBLIC COMMENT - None

REMARKS BY THE ALDERMEN - None

POSSIBLE NON-PUBLIC SESSION

ADJOURNMENT

**MOTION BY ALDERMAN SIEGEL TO ADJOURN
MOTION CARRIED**

The meeting was declared closed at 7:23 p.m.

Alderman Sean M. McGuinness
Committee Clerk