

## BUDGET REVIEW COMMITTEE

APRIL 26, 2021

A meeting of the Budget Review Committee was held Monday, April 26, 2021, at 7:34 p.m. via teleconference.

### Chairman Dowd

As Chairman of the Budget Review Committee, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Please note that there is no physical location to observe and listen contemporaneously to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:

Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means:

To access Zoom, please refer to the agenda or the City's website for the meeting link.

*To join by phone dial: 1-929-205-6099 Meeting ID: 842 8545 0609 and Passcode: 999999*

*The public may also view the meeting via Channel 16.*

We previously gave notice to the public of the necessary information for accessing the meeting, through public postings. Instructions have also been provided on the City of Nashua's website at [www.nashuanh.gov](http://www.nashuanh.gov) and publicly noticed at City Hall and Nashua Public Library.

If anyone has a problem accessing the meeting via phone or Channel 16, please call 603-821-2049 and they will help you connect.

In the event the public is unable to access the meeting via the methods mentioned above, the meeting will be adjourned and rescheduled. Please note that all votes that are taken during this meeting shall be done by roll call vote.

Let's start the meeting by taking a roll call attendance. When each member states their presence, please also state whether there is anyone in the room with you during this meeting, which is required under the Right-To-Know Law.

Alderman O'Brien called the roll and asked them to state the reason he or she could not attend, confirmed that they could hear the proceedings, and stated who was present with him or her.

The roll call was taken with 6 members of the Budget Review Committee present:

Alderman Richard A. Dowd, Chairman  
Alderman-at-Large Ben Clemons, Vice Chair  
Alderman Jan Schmidt  
Alderman Ernest Jette  
Alderman-at-Large Lori Wilshire  
Alderman-at-Large Michael B. O'Brien, Sr.

Members not in Attendance: Alderwoman-at-Large Shoshanna Kelly

Also in Attendance: Alderman June M. Caron  
Alderwoman Elizabeth Lu  
Alderman Patricia Klee

Alderman Linda Harriott-Gathright  
David G. Fredette, Treasurer/Tax Collector  
Dan Hudson, City Engineer  
NPD Captain Daniel Mederos  
Camille Pattison, Transit Administrator  
John Griffin, CFO  
Steve Buxton, Assistant Fire Chief

ROLL CALL

PUBLIC COMMENT

Chairman Dowd

Is there anyone from the public that wishes to address the committee on anything on the agenda? Seeing and hearing none.

COMMUNICATIONS

From: David G. Fredette, Treasurer/Tax Collector  
Re: Bond Sale Plan and Debt Service Analysis for General Fund

*There being no objection, Chairman Dowd accept the communication and placed it on file.*

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS

**R-21-123**

Endorsers: Mayor Jim Donchess  
Alderman June M. Caron  
Alderman Jan Schmidt  
Alderman Richard A. Dowd  
Alderman-at-Large Ben Clemons  
Alderman Linda Harriott-Gathright  
Alderman-at-Large Michael B. O'Brien, Sr.  
Alderman-at-Large Shoshanna Kelly  
Alderman Patricia Klee  
Alderman Skip Cleaver  
Alderman Thomas Lopez  
Alderman-at-Large Lori Wilshire

**RELATIVE TO THE TRANSFER OF \$25,000 FROM DEPARTMENT 194 "CONTINGENCY", ACCOUNT 70100 "GENERAL CONTINGENCY" TO DEPARTMENT 109 "CIVIC & COMMUNITY ACTIVITIES", ACCOUNTING CLASSIFICATION 56 "OUTSIDE AGENCIES" FOR THE PURPOSE OF PROVIDING FUNDING TO THE NASHUA ASSOCIATION FOR THE ELDERLY**

**MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE, BY ROLL CALL**

ON THE QUESTION

Chairman Dowd

I believe Alderman Caron wanted to speak to it.

Alderman Caron

Yes thank you Mr. Chairman. As you know for the last ten years the city has been kind enough to put a resolution in to give the senior center \$25,000 to use towards maintenance for the facility. As you know, they are a nonprofit and are funded by the activities, trips, and things like that that they provide. As in the past, we would request out of the \$25,000 that \$5,000 be put into their reserve account. At this point, I think we have about \$50,000 there which is great considering the pandemic that’s been going on. We haven’t had to take anything from there but its there as a safety net.

The other \$20,000 this year, we are looking since the store has been closed for over a year that in order to open it up and to make people feel safer going into the thrift shop that we felt that the money should be used to redo the floors. Right now we have this old carpeting that’s been in there for over ten years, and to do the walls, and windows, or anything else that needs to be refurbished within that facility. They are taking bids especially for the floor and because of the changing prices, they feel that they will come close to almost the \$20,000 that we are going to provide for them.

I do want to thank the Board of Aldermen for providing this money for the senior center for all these years because without it they would have a hard time to kind of do the “spring cleaning” if you want to call it that to the facility. That’s all I have. If there’s any questions, please feel free to ask.

Chairman Dowd

Thank you Alderman Caron. Are there any questions from any of the aldermen on this resolution?

Alderman Wilshire

I don’t have any questions. I’d just like to thank Alderman Caron for being the liaison and bringing this forward to us. They do great work there and it’s just one of those things that isn’t in their budget and probably never would be that kind of money. Thank you Alderman Caron.

Alderman Caron

Thank you.

Chairman Dowd

Anyone else? I think this is something some small thing we can do that gives a lot of satisfaction and good feelings to some of our senior citizens here in Nashua. I think it’s the least we can do for them. If there are no other questions would the clerk please call the roll?

A viva voce roll call was taken which resulted as follows:

Yea:	Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire Alderman O’Brien, Alderman Dowd	6
Nay:		0

**MOTION CARRIED**

Chairman Dowd

Resolution R-21-123 is fully adopted and will be on tomorrow night’s Board of Aldermen meeting for an oral reading and second reading and final passage.

**R-21-127**

Endorsers: Mayor Jim Donchess  
Alderman-at-Large Michael B. O'Brien, Sr.  
Alderman Jan Schmidt  
Alderman Richard A. Dowd  
Alderman Patricia Klee  
Alderman Thomas Lopez  
Alderman Linda Harriott-Gathright

**AUTHORIZING THE MAYOR AND CITY TREASURER TO ISSUE BONDS NOT TO EXCEED THE AMOUNT OF FIVE MILLION FOUR HUNDRED EIGHT THOUSAND DOLLARS (\$5,408,000) FOR THE FISCAL YEAR 2021 CITY'S SEWER INFRASTRUCTURE PROGRAM**

**MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE, BY ROLL CALL**

ON THE QUESTION

Chairman Dowd

Are there any questions by any of the Aldermen?

Alderwoman Lu

Yes I have a question that I meant to ask earlier.

Since we had Mr. Hudson on the line – I think we still do.

Chairman Dowd

Yes we do.

Alderwoman Lu

Okay. I had just wondered did the work on the sewer begin ten years ago. We looked at a graph or a list of expenditures over the last ten years. I couldn't understand whether that was the first rehab or renewal that we've done.

Dan Hudson, City Engineer

Mr. Chair I'd be happy to address that. Dan Hudson, City Engineer. No we just picked a ten-year window just for reference. I assume that the city has been doing sewer repair work since the original pipe went in. No that was just the most recent period for reference purposes.

Alderwoman Lu

Okay thank you.

Just a follow up I think if I could.

Chairman Dowd

Sure.

Alderwoman Lu

I probably should have asked more directly. When you say that our streets were put in – rather this pipework

was put in the 1800s, how old are most of the streets now?

Dan Hudson City Engineer

They vary right? The history of Nashua goes way, way back. When I say the first sewers were installed in the 1860s, prior to that there was other sewer provisions. That was the first time that the city tried to start building pipe networks and treating it in a more community wide basis. The original pipes they put in, they discharged directly into the river. So we've come a long way since then. Now we have an excellent treatment facility and wastewater goes there instead. That's kind of the history of the system.

Alderwoman Lu

Will we ever get to the point where we won't have to be doing this for a period of time?

Chairman Dowd

Mr. Hudson.

Dan Hudson City Engineer

Thank you Mr. Chair. No I mean we have over 400 miles of pipe network as I noted so there will always be a need for some improvement. I will say we're playing a bit of catchup. We're looking in pipes that we probably haven't looked in in almost 100 years. We need to do that because we need to clean and repair things so that the system can function as it should. Eventually we will have looked through all of the system and then we're more in a maintenance activity. This program funding addresses emergency repairs and that sort of thing in addition to the plan work we're doing. There will always be a need for that type for work.

Alderwoman Lu

Thank you. I'm all set.

Chairman Dowd

All set Alderman Lu?

Alderwoman Lu

Yes.

Chairman Dowd

Just one other thing Mr. Hudson. There's two things. One we tend to try and do this work just before we repave the streets so that we're not digging them up after we've spent money paving them. And also isn't some of this requirement force by the EPA because of the requirements for storm water and sewerage drainage and treatment.

Dan Hudson City Engineer

Yes I can confirm both points Alderman Dowd.

Chairman Dowd

Any other questions on this Resolution? Seeing none.

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire  
Alderman O'Brien, Alderman Dowd 6

Nay: 0

**MOTION CARRIED****R-21-128**

Endorsers: Mayor Jim Donchess  
Alderman-at-Large Lori Wilshire  
Alderman Richard A. Dowd  
Alderman-at-Large Michael B. O'Brien, Sr.  
Alderman Jan Schmidt  
Alderman-at-Large David C. Tencza  
Alderman Thomas Lopez  
Alderman Patricia Klee  
Alderman Linda Harriott-Gathright  
Alderman June M. Caron

**AUTHORIZING THE MAYOR AND CITY TREASURER TO ISSUE BONDS NOT TO EXCEED THE AMOUNT OF ONE MILLION FIVE HUNDRED FIFTY THOUSAND DOLLARS (\$1,550,000) TO PAY ADDITIONAL COSTS OF THE POLICE DEPARTMENT'S HEATING, VENTILATION, AND AIR CONDITIONING SYSTEM, WINDOW IMPROVEMENTS AND LOCKER AREA IMPROVEMENT PROJECT**

**MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE, BY ROLL CALL**ON THE QUESTIONAlderman O'Brien

Thank you Mr. Chairman. As many of the people in Nashua know and particularly members of the Board, I did come from the Fire Department. I do remember working as Captain at what we called the "Crown Hill Station or the Arlington Street Station". Under many past administrations, that building should have been replaced but there was always not the right time. I remember on rainy days in particularly when snow melted to watch water running down the walls. It wasn't properly vented. Every time the fire truck started up, the diesel engines left a soot on the walls. I personally attempted to clean my own bedroom just to make sure that the others would be doing it correctly. All I was doing was moving soot around.

Basically what I'm trying to say is our employees are key to our infrastructure as much as any building is. We should be able as a city to provide adequate work environment for our employees. Fortunately in the case of the Fire Department, that station was replaced but we have a good standing police station right now. It would be a shame to let it get into future disrepair. So I offer my complete support in putting in an air conditioner. I know somebody did say that well there's places that don't have air conditioning and I understand that. Also people are staying at the police station under custody. They do have the right for all the perfect to be treated humanely and everything while they're in our custody and that includes air conditioning. So therefore it would be a shame to let one of our true edifice of infrastructure go down without being properly repaired. I think now it's timely to do so. Thank you Mr. Chairman.

Alderman Schmidt

Thank you very much Mr. Chairman. As to the question about air conditioning, we certainly have to say this department isn't a home. You can't open the windows. This is absolutely essential to condition the air, to keep it clean, and to keep it healthy. As Alderman O'Brien said, this is essential. These are our people. They're working for us and they deserve a good, safe place to work. Thank you.

Alderman Harriott-Gathright

Take it as you will but I agree with both my colleagues on their comments about the air conditioning. I look at it as a person of color that since we tend in New Hampshire and of course the United States to hold many people of color hostage in jail for whatever the reasons may be good, bad, or indifference, I would say also that yes they need air. So many of us have asthma and all the other illnesses that others don't have. End of story. Just thought I would comment.

Chairman Dowd

Ok thank you.

Alderman Harriott-Gathright

You're welcome.

Chairman Dowd

Anyone else? Alderman Wilshire

Alderman Wilshire

Thank you Mr. Chairman. This is a long, overdue project. I will support this 100 percent and I agree with all the previous comments. These are our employees. They deserve a decent work environment and that's what this will help provide. So I ask for everyone's support. Thank you.

Chairman Dowd

Anyone else? I can say that I have physically witnesses the HVAC system. It's basically at this point in time an antique. There are parts of it if they fail they can't get repair parts for and the system will be down and the station being sealed up as it is because you can't leave doors open in a police station. It could be a real issue. We started this project in 2019. We approved it back then. Unfortunately due to the delays caused by COVID and other things and price increases, they've had to ask for some additional money. I fully support this and hope that everyone will pass it.

Is there anyone else that has any comments? Alderman Jette.

Alderman Jette

I think you've answered this but I just want to ask the question to make sure I get the answer. So the original project for \$2.8 million what is the status of that? Have we partially completed that already at this point?

Chairman Dowd

I can get it verified by Captain Mederos but I can tell you that the window work was completed. The windows even completely fail and in some places there was as much as a quarter to a half inch gap between the window and the wall where snow was coming in when it was snowing. Obviously hot air was going out. Those have all been fixed. The original legislation that was past included in the estimated price by an engineering firm for what they thought it would come out in a final bid. When it finally got to the point for the reasons already stated to do the final bid, the cost had gone up. That's happening in everything we're touching these days and not just us. Everybody that's in construction. They have a bid locked in and this is the number that will get the work started and completed.

Captain Mederos did you want to add anything?

Captain Dan Mederos, Nashua Police

Thank you Mr. Chair. I just wanted to add Alderman Jette's point. We have started it. The project what's left – we have spent a little over \$400,000 so far on the windows, the design, and the studies to get this project going. So we do have over \$2.3 million left. It's just unfortunately we're looking for those additional funds to catch us up to what our bid is at this point.

Chairman Dowd

All set Alderman Jette?

Alderman Jette

If I could follow up please Mr. Chairman.

Chairman Dowd

Sure.

Alderman Jette

You told us during the public hearing that the price was locked in by this company Turnstone I think you said the name of the company was but whatever it is, for how long is that locked in? I guess my question is I heard the Chairman say that he was anticipating that there would be a motion to suspend the rules to allow a second reading so that this could be passed at tomorrow night's Board of Aldermen meeting. I'm wondering why that would be necessary. I'm not saying it isn't. I just wondered is it really necessary. The next meeting after that would be May 11<sup>th</sup>. Is the price not locked in beyond May 11<sup>th</sup>? Do you have to act before May 11<sup>th</sup> to get this price?

Captain Dan Mederos, Nashua Police

Alderman Jette the bids come in and we did receive it at the beginning of February. Most of the bids are usually good for 180 days. We're coming up on that mark. Even though we have been working with Turnstone and getting a contract to us, we wanted to make sure we could go forward and have that funding before we could accept that contract. We are coming up on that 180 days. We are trying to work with Turnstone to keep those figures the same while we provide that contract pushing forward but we do not want to wait any longer to see where it might end up especially with the rising costs of mechanical, sheet metal, and what not.

Chairman Dowd

I can also say I was at the Police Commissioners meeting tonight. They approved this action, this amount and we've already had the first reading of this. The one mentioned before was the elderly one not this one. This is going to come up tomorrow night but it's already had its first reading and was referred to Budget which is tonight. I'm going to give an oral review of the meeting from tonight and tomorrow night's meeting so it can have final action by the Board of Aldermen.

Karen who is the finance person for the Police Department asked specifically if we can get this done because also after it gets passed hopefully by the Board of Aldermen tomorrow night, it has to go to Finance Committee for approval of the contract.

Alderman Jette

Okay if I could follow up. Evidently I misunderstood. So this is in the normal course of things. It has the first reading and tomorrow night will be its normal second reading.



Chairman Dowd

Yes.

Alderman Jette

And there won't be any suspension of rules required?

Chairman Dowd

No.

Alderman Jette

Okay thank you.

Chairman Dowd

Anyone else? Seeing no one, will the clerk please call the roll?

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire Alderman O'Brien, Alderman Dowd	6
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Nay:	0
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**MOTION CARRIED**

Chairman Dowd

Resolution R-21-128 will be on tomorrow night's Board of Aldermen meeting for its second reading and final passage. Also under suspension will be a communication from the Police Commissioners' meeting of this evening that recommends final passage.

**R-21-131**

Endorsers: Mayor Jim Donchess  
Alderman-at-Large Michael B. O'Brien, Sr.  
Alderman Richard A. Dowd  
Alderman Thomas Lopez  
Alderman-at-Large Shoshanna Kelly  
Alderman Linda Harriott-Gathright  
Alderman-at-Large Lori Wilshire

**AUTHORIZING THE CITY OF NASHUA TO ENTER INTO CONTRACTS WITH NASHUA COMMUNITY COLLEGE, RIVIER UNIVERSITY, TOWN OF HUDSON, THE PLUS COMPANY AND THE SOUHEGAN VALLEY TRANSPORTATION COLLABORATIVE FOR TRANSIT SERVICES**

**MOTION BY ALDERMAN O'BRIEN TO RECOMMEND FINAL PASSAGE, BY ROLL CALL**

ON THE QUESTION

Chairman Dowd

I believe that Camille Pattison is here to speak to this.

Camille Pattison, Transit Administrator

Yes thank you for your time.

These are the revenue contracts that we do annually for the transit services that we provide within the City of Nashua to Rivier University, Nashua Community College, and the Plus Company. Then we also provide service to the Souhegan Valley Transportation Collaborative which is the six communities in the greater Milford area as well as the Town of Hudson. These really haven't changed from what we've done in the past. It's the same base contract. The amounts have changed somewhat just to reflect the reduced ridership that we're seeing across the system.

Chairman Dowd

Does anyone have any questions for Ms. Pattison? Seeing and hearing no one, would the clerk please call the roll?

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire Alderman O'Brien, Alderman Dowd	6
Nay:	0

**MOTION CARRIED**

NEW BUSINESS – ORDINANCES - None

TABLED IN COMMITTEE

**R-20-016**

Endorsers: Mayor Jim Donchess  
 Alderwoman Linda Harriott-Gathright  
 Alderman Thomas Lopez  
 Alderman-at-Large Michael B. O'Brien, Sr.

**AMENDING THE PURPOSE OF A FISCAL YEAR 2020 UNLIKE ESCROW FOR THE COMMUNITY DEVELOPMENT DIVISION**  
 (tabled at 4-20-20 mtg)

GENERAL DISCUSSION

Chairman Dowd

Any Generals in our mist? Anything anyone wants to bring up?

Alderman Jette

We received a communication from Treasurer Fredette. I don't know if he's still with us. I was kind of anticipating that he would be making a presentation to give us the status of the bonds and where we stand in that regard. I don't know if he wanted to say anything or if he just wanted to let us read his memo.

Chairman Dowd

Treasurer Fredette and I had conversations earlier. He sent the memo so anytime we're resolving bonds and things, he sends that so we can have a feel of what the current plan is. He is available if anybody has any specific questions. I don't believe he has a presentation. I think he send out his information. Treasurer

Fredette did you want to add anything?

Treasurer Dave Fredette

Well the presentation would be the handout that everybody did get. I don't normally send this out for every bond resolution but twice a year I try to update this for the Board. I could review it if that's what people want. It sounds like Alderman Jette would like that.

Chairman Dowd

Would you like him to go through it Alderman Jette?

Alderman Jette

Yes. I don't want to bore everyone else if they're not interested. Yeah I think for my benefit and for the public's benefit it would be good to hear Treasurer Fredette go through the presentation.

Treasurer Fredette

Okay well quickly I'll bring up a few points and I can go over the two spreadsheets that are really the key to the whole thing. As the letter stated, we had two bond sales. One in the fall of 2020 and a more current one in January. As you can see, the one in the fall was the lowest rates I've ever seen in over 20 years. It was 1.63 percent. That was nontaxable bonds. In January was basically the performing arts center and the hydro dam. So they were both taxable at 1.86. Since then, the rates have slowly gone up a little. So I'm not sure we'll ever see that kind of low rate again. It was very good news.

The rest of the memo kind of tries to explain as simply as I could and I know it's sometimes not that simple is page one and page two. Page one shows a multi-year plan on what we would sell for general fund bonds. General fund bonds are bonds that relate right to the tax rate. The local property tax pays for the bonded debt from general funds bonds. As you can see, Fiscal Year 2022 the top part of the spreadsheet are bonds that have already been approved by the Board. The bottom part of this spreadsheet is bonds that I anticipate to come in. When you see Fiscal Years 2025, 2026, 2027, it seems very light but that's because I don't know exactly what's going to happen then but I know there's going to be a lot more bonds showing up here.

That is the plan that is used to produce the spreadsheet on page two. This has all the different columns on the top. Column B is important because that shows you what the bond payments would be today with all the bonds we have sold through January of 2021. This is the bond payments for general fund. Column C just shows the increase and the decrease. Column D is a target debt service something I created years ago with discussions with the Mayor. This is given to our financial advisors in Boston when we work out our bond schedule. In Column E represents what the bond debt service is going to be each year after all these bonds on page one are sold. Of course there's a lot of estimating going on here. We estimate the rates at 3 and 4 percent. That's extremely high right now and it probably will be high for a few years. Again that just creates a buffer in the budget that we know that it's a conservative budget. It also projects when we'll sell the bonds and that sometimes can be delayed a little or brought in more closer to the fiscal year needs.

The big bond that we're selling over the next few years is of course the new middle school bond. I had Fiscal Year 2022 at \$40 million. We could sell 30; we could sell 40. It really depends on the rates and exactly when we sell. I really don't know exactly when that would happen but sometime between maybe June and October of this year. That's the biggest bond. The others are quite small compared to that of course. What helps us again is the current bonds on the two high schools are basically being paid off a lot in 2023, 2024, 2025, and 2026 so that helps with the new middle school bond.

Also on page two of the letter because this question has come up before so now I put more information in here for you. The city's limits on bonded debt is a little stricter than the State laws. The limits for the city side is 2 percent of assessed value and 6 percent for the school. Currently our limits are at 1.24 for the city and

1.36 for the school. Over the next few years, of course the school is going to grow because we're going to be selling the middle school bond there. We're well below the limits on both sides.

Chairman Dowd

Which is probably why we have such a high bond rating.

Treasurer Dave Fredette

Well there's many reasons for that but that's one of them yes.

Chairman Dowd

I was going to credit you.

Treasurer Dave Fredette

No. Anyways that's just a brief overview. I'm not sure if I really covered everything you wanted Alderman Jette. Glad to answer questions now or anytime that you have questions.

Alderman Jette

If I could follow up Mr. Chairman.

Chairman Dowd

Sure.

Alderman Jette

Thank you Treasurer Fredette and I know you're always available to answer questions. I appreciate you and CFO Griffin. I've always found you to be very forthright in your answers. I do have a question. I noticed that in the – I don't know what page it is, it's entitled "General Fund Debt Service Analysis", under Column E the projected total general fund debt service budget currently looks to be a little over \$16 million. It keeps climbing and kind of peaks in the 2026 and 2027 a little over \$19 million and then it starts going down again. The going down part anticipates no new bonds.

I know you said that it's a good thing we're paying off the current high school bonds so if that's the case why does it peak in 2026 and 2027? Why does it keep going up until then? Why isn't it going down if we're paying off the high school bonds?

Treasurer Dave Fredette

Because we're selling in Fiscal Year 2022 \$40 million of middle school bonds; \$28 million in 2023. It's the middle school that's causing that. That project is \$118 million. The two high schools back in 2000 was \$143 million.

Chairman Dowd

So the middle school project involves three schools, one of which is a complete new build.

Treasurer Dave Fredette

Right. Yes that's true. That's the reason why it's going up those few years. Honestly I would have loved to have sold the entire amount this year at 1.63 you're never going to see that again – never. I doubt it very

much. Just couldn't do that. It would put a huge burden on the budget next year and the year after. That's why we have to try to plan it out over a period of years. Of course they don't spend all the money in one year either. It's a multi-year project. We try to line that up too. That's the reason why it goes up those years. Again all these budgets are projected at 3 and 4 percent. I doubt very much it will get that high over the next four years. I would say in the fall or the summer of this year we'll probably be closer to a 2 percent rate.

Anyways I'm not sure if I answered you but that's the reason why that's happening.

Chairman Dowd

All set Alderman Jette?

Alderman Jette

Yes. You did answer me. I also get from you that the projections in Column E are the worst case. Sounds like what you anticipate the worst case can be. You expect that it will probably be because of the interest rates it will probably be less than that.

Treasurer Dave Fredette

Yes. I learned a long time ago that I don't want to every go over budget. I want to be under budget. Anyways I do budget very conservatively. Some say too conservatively but that's how I do it anyways.

Alderman Jette

Thank you very much.

Chairman Dowd

Anyone else for general discussion?

Alderwoman Lu

I had something.

Chairman Dowd

Alderwoman Lu.

Alderwoman Lu

Thank you. I thought the Budget Committee would be the appropriate place to just mention something that I've been concerned with is learning how a lot of our city departments are doing overtime funded by the CARES Act or other agency funds that come through. I'm wondering if we're looking at what that will do to our retirement figures as people begin retiring after COVID. I know that there's a lot of call for – we're using lots of the departments to help with the COVID vaccination and so certain departments are doing huge amounts of overtime. Will that figure into their retirement calculation basically? That's a concern I have.

Chairman Dowd

I could be wrong but I don't think we have the people on the meeting this evening to answer those questions. Part of that would probably be by the finance people for the Fire Department, the Police Department but I don't think there's anyone here that can answer that question with enough detail to discuss it this evening.

Alderman Wilshire what's your thoughts on that?

Alderman Wilshire

I don't know. I'd have to get more information either from Karen Smith or someone – John Griffin.

Chairman Dowd

I do know that at tonight's Police Commissioners meeting that a lot of the overtime payments for the Fire Department and the Police Department for the federal vaccination sites are the money for the covering the overtime has arrived. That's going through the system as we speak to cover those costs.

Alderman O'Brien did you have a question?

Alderman O'Brien

Well thank you Mr. Chairman. With your indulgence, I will attempt but basically everybody that is employed within the NHRS system basically puts in – police officers basically put I think 12.3 percent of their pay in and firefighters put 12.5 percent of their pay in weekly into it. That includes any type of overtime or enhancement to the regular hours of their particular shift. That's why I think the State Reps. that are on this Board kind of giggle when people came up at the State House and said that they wanted to take some of the overtime out of the funding of the State Retirement System. Well if you took a day one on the Police Department working overtime and after 20 years of funding into the retirement system, how much money? It would be thousands, upon thousands, upon thousands of dollars. In the wisdom of the wizards of the legislature, they took that away to which cause maybe some of the unfunded liability that currently does exist. Basically it's a law of percentages. You put in and when you do retire basically it goes by what your pay is at that particular time and any type of benefits to close out your particular account. That's basically it. There's no gifting. There's no anything. One only gets what he or she is entitled to on the books. It's basically compensation for the time owed and that's basically it in a nutshell.

Chairman Dowd

Alderman Lu you all set?

Alderwoman Lu

No I just had a follow up to that if I could. I'm not quite clear whether Alderman O'Brien is saying that it's a defined benefit that has been paid up by the retiring employee? I don't believe that's the type of system that we have. However my concern is that we have people in the employ of the City of Nashua that are working more overtime than we would ever be able to pay a retirement based on that number of hours. I'm sorry. It's hard to – I'm having a hard to articulating. If they're working let's see instead of 2,080 hours a year, they're working 4,000 this year.

Chairman Dowd

Maybe Mr. Griffin can answer that.

Alderwoman Lu

Well it would be hard since I didn't finish the sentence but why don't you try Mr. Griffin.

John Griffin, CFO

The NHRS as Alderman O'Brien indicated the monies are generated from what's called "pensionable wages". So to the extend an officer or a firefighter works in a grant, most of the grants cover not only the salary of the officer, overtime of the officer, but also a contribution towards pension. So in the instant case if they're working on the grants that the Board of Aldermen have approved, accepted, and appropriated, that's going to

cover their efforts the item that they work. What you might be getting at is just circumstances where there's more overtime available, more funding available because of the pandemic that we're experiencing. So you might say all things being equal that there might be a little bit more burden down the road but there's so many things that go on in a city like ours that over time spikes with crime, overtime spikes with minimum manning, overtime spikes with other instances such as flooding or things of that nature. I guess I wouldn't worry too much about it. The burden is probably going to be unidentifiable but there's certainly to the extent there's overtime that's called "pensionable wages". There's a contribution made and it counts toward the officer, or the employee, or the firefighter's pension should they retire literally in the next three years. So hopefully that answers your question.

Alderwoman Lu

Thank you.

Chairman Dowd

All set?

Alderwoman Lu

Yes thank you.

Chairman Dowd

Anyone else for general discussion?

Next item is public comment. Is there any member of the public that wishes to be heard on items associated with budget?

PUBLIC COMMENT

Laurie Ortolano

Laurie Ortolano – 41 Berkeley Street. A couple of items here. What's the time for your nonpublic? I just want to make certain I don't blow it.

Chairman Dowd

Three minutes.

Laure Ortolano

Okay. Hang on a second. Let me start my time clock. Okay. Perfect.

All right. A couple of things regarding the budget as you go into budget development. In the Assessing Department, they produce and exposure report and I would like to have somebody explain to me how the exposure report fits into the budget at some point and how you look at the years of return that you have to pay back on those and how it fits in.

I'm also concerned when you do do the assessing budget that you recognize that next year is an update year and I think you could potentially have a lot more abatements than you had when KRT came through. I expect that that might be the case because I think you're going to have back to back years of significant increases and that usually fires people up to come in and abate. It would be unexpected to see 500 or 600 abatements come in instead of the 385 that came when KRT came through.

Also I wanted to speak a little bit about the IT Department. I think we have some serious issues in our IT Department and our budget should be looked at very carefully. The termination of our IT Supervisor or Director is a big issue and I know Alderman O'Brien spoke to the newspapers about this little issue we had with money being scooped out. That calls to question some IT security issues. I'm old and I'm not IT knowledgeable but I can tell you I would not have said what he said to the papers. This is an IT issue. We've had some serious IT issues going on with the assessing software. It's been a big problem in getting it running. We have IT issues going on with getting property sales searches up. We have IT issues going on with reporting in assessing. My Right-to-Know court case just returned information after the city failed to comply with discovery.

Chairman Dowd

One minute.

Laurie Ortolano

They pulled something out and decided to tell us nine months into the process that the e-mails were corrupted on the city website and the backup was destroyed. Now that happened months again and they never disclosed it to us. We're going into court ex-parte on that to address that issue.

Also the Legal Department I'm a big proponent of firing out Jesse Newman's position. That did not work out the way we had anticipated. When you read the job description, the city never wrote it up to be anything cooperative at all. I expect a Right-to-Know attorney to be willing to work with the public and that job description absolutely says he is not. He is there for the city only and its screw the public. We just don't need that. I filed another lawsuit today with Attorney Gagliuso who is representing me from Bernstein Shur on a Right-to-Know suit and they're more that are going to come in. That's as a result of this new Right-to-Know Coordinator. So fire his buns out of there. We don't need this in our city budget.

Chairman Dowd

Okay. Thank you. Is there anyone else that would like to be heard in public comment? Seeing and hearing no one.

REMARKS BY THE ALDERMEN - None

POSSIBLE NON-PUBLIC SESSION - None

ADJOURNMENT

**MOTION BY ALDERMAN O'BRIEN TO ADJOURN BY ROLL CALL**

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire Alderman O'Brien, Alderman Dowd	6
Nay:	0

**MOTION CARRIED**

The meeting was declared closed at 8:27 p.m.

Michael B. O'Brien, Sr.  
Committee Clerk