

A special meeting of the Board of Aldermen was held Tuesday, June 20, 2023, at 7:00 p.m. in the Nashua High School North auditorium.

President Lori Wilshire presided; City Clerk Daniel Healey recorded.

Prayer was offered by City Clerk Dan Healey; Alderwoman-at-Large Gloria Timmons led in the Pledge to the Flag.

Let's start the meeting by taking a roll call attendance.

The roll call was taken with 12 members of the Board of Aldermen present: Alderman O'Brien, Alderman Sullivan, Alderman Klee, Alderman Lopez, Alderman Jette, Alderwoman Kelly, Alderman Dowd, Alderman Gouveia, Alderman Caron, Alderman Thibeault, Alderwoman Timmons, Alderman Wilshire.

Alderman Moran, Alderman Clemons, and Alderman Comeau were absent.

Mayor James W. Donchess, Corporation Counsel Steve Bolton, and CFO/Tax Collector/Treasurer John Griffin were also in attendance.

Alderman Wilshire to turn the Budget Public Hearing over to Alderman Dowd.

Chairman of the Budget Committee.

#### Alderman Dowd

All right. This evening we're having the public hearing on the FY2024 budget R-23-125. There are slightly changed procedures from last year. This evening's budget public hearing will follow the following procedures and order of accounts discussion.

First, the Mayor will provide an overview of the FY2024 budget providing his thoughts and various aspects of the proposed FY24 budget. When the Mayor concludes his remarks, the Chairman will open the microphone for those who wish to provide their overall opinion on the budget. You'll be asked to keep your remarks to three to five minutes or less and there'll be no questions and answers during this portion of the agenda as that we'll follow each portion of the budget.

The Chairman will then open the discussion for each succeeding division and questions may be asked on that portion of the budget only. Members of the public may approach the microphone and clearly provide their name and address in Nashua followed by any questions they may have on that portion of the budget.

When they have concluded, they will be asked to return to their seat and may not ask any more questions about that portion of the budget. When everyone has had their opportunity to ask questions about that particular portion of the budget, we will move on to the next division for questions. If you discover you have any additional questions about a portion of budget that has passed, you may ask them at the end of all divisions being addressed. At each division is covered, the City employee's division may have the opportunity to leave as they must work tomorrow.

So the Mayor is going to open us up with an overview of the FY24 budget. Mayor?

#### Mayor James Donchess

Thank you, Mr. President. I want to thank everybody for coming to the public hearing and to those who are watching for your interest in our community and our City. So first I wanted to just talk about some of the things that have occurred in Nashua. You see on the front page, this is the Fiscal '24 proposed budget. We have received a number of recognitions over the past year or so. We were recognized by WalletHub as being the fourth best run City in the United States. The analysis was to compare the quality of services we offer in Nashua to the City's total budget. Therefore, the bottom line is that this is a comment on the efficiency of Nashua city government but you can see on the slide there were a number of areas where we ranked very well – safety, quality of roads, street crime, quality of city services, total budget per capita, infrastructure, and pollution.

The next slide recognizes that Nashua we're recognized as being the second safest City in the United States based on 42 different metrics. 182 cities were evaluated. We were, again, you see where we were high on the left side of the page. We owe this recognition to many people and thank you to everyone. Of course, our Police and Fire Departments for all of your efforts but also our Public Health Department for their anti-COVID efforts and their general public health initiatives. Actually, the citizens of Nashua received some recognition because of all these 182 cities, Nashua citizens had the second lowest rate of person-on-person assault out of 182 locations.

On the slide, you see that some of the additions that we are seeking to add to improve safety and security. Two patrol officers are being added to the Police Department. Also one Sergeant. We have returned to the position of

Emergency Management Director based upon recommendations of our safety services. We have not budgeted that in an effort to save funds for a period of time but it seemed that that was a short-sighted decision and we have increased cybersecurity funding in an effort to harden the City's defenses with respect to threat actors they're called who might try to penetrate the City's IT systems. We have three different systems - one in the City, one in the School Department, and one in the Police Department.

We also got out of 2,000 cities in a certain population range among the top 100 and best places to live. We were recognized for safety, health, and for our school system, teachers. That is our education.

One thing we have continued and it's a portion of the budget but it's a long-standing issue is the effort to improve our infrastructure. Specifically, this is the paving plan of action which the Board of Aldermen has endorsed at various times. We over the last few years have paved 127 miles of streets and have crack seal. That's a preservative for about five years another 119 miles. We have a total of approximately 300 miles of streets in the City. So you see we're making a lot of progress in terms of improving the overall condition. We call that paving condition index of our streets. This year in progress, we are going to have 17 miles of paving, 13 miles of crack sealing. All this is overseen by the Board of Public Works, by our Department of Public Works, our engineers who inspect the work. The quality of the asphalt is also inspected at the production plant as well as once it's laid down on the street to make sure we're getting the quality that we are paying for.

Now in terms of the budget, the proposed general fund is about \$317 million. The increase over Fiscal '23 is 4.4%. Now this is far less than the rate of inflation in 2022 which was 7% but some of the issues that of course the budget deals with and which we need to consider you see on the slide are contracts. Those are collective bargaining agreements. We do have certain State and County mandates that we need to comply with. Our economic conditions especially inflation is a big factor for us. In terms of revenues, you see that we continue to budget revenues conservatively. We do see stable revenue for motor vehicle registrations and interest earnings on City investments. Those are CDs that have increased considerably with the increase in the interest rates. We are, I think, at \$2.3 million of revenue so far this year from this source and there's a little bit of the year to go but that's certainly up from a few years ago.

Just in terms of the totals here, again, you see that the general fund budget is \$317 million. We have enterprise funds. Those are the wastewater and the solid waste funds which are handled separately. Those total \$37 million and a little bit more.

Now I wanted to mention some of the budget challenges that we're facing this year. But before I do, I would like to say that oftentimes during this session I have complained about the State raising our pension obligations by a huge amount of money or other things. This year I have to say the pension obligation is still high. Still the State is not complying with what was the statutory requirement, the legal requirement of a 35% contribution but the State Legislature passed a budget which is going to increase education funding to Nashua. No question about it. That is very good news. We don't know the exact number yet so we couldn't give it to you on a slide but that is definitely going to help us in terms of maintaining the high quality of the education in of the schools that we have.

A challenge this year is the County tax. Now the County many people don't really understand it because it's very arcane and obscure. The County budget is paid for by the cities and towns in Hillsborough County and it comes out of property taxes. So each year the City writes a big check to Hillsborough County. The County establishes the County Tax. The total County Tax to be collected from all cities and towns and then each city and town pays their proportion. Nashua's proportion in 2022 was approximately 22% of the entire County tax. About the same as Manchester. It may go up in '23. So the issue here is that the County tax in 2022 the total for the County was \$53 million. The Commissioners this year, the County Commissioners proposed increasing the County tax from \$53 million to \$70 million plus the cost of collective bargaining agreements that are being approved right now. So that's probably another \$3 million. So it appears that based upon what was proposed by the Commissioners, the total County tax, the check that the City would have to write to the County will go from \$13 million to almost \$16,000,000 (15.9) and the 15.9 does not include the cost of the collective bargaining agreements so it's actually probably 16.2.

Now fortunately for us that the County budget of course is proposed and the County tax are proposed by the County Commissioners but the Legislative Delegation, the people who have to vote to approve the budget, are the State Legislators from Hillsborough County which are called the "County Delegation". Now the County Delegation, the Legislators, fortunately for us and for our taxpayers are considering a reduction of the County tax using surplus funds that they have. There are two proposals being considered. One would use \$5 million of surplus to help reduce the County tax from that proposed by the Commissioners and another would use \$10 million. The Commissioners had only wanted to use \$1.7 million. So if the \$5 million approach is adopted, our budget would go to \$14.8 million not including the collective bargaining agreements so it'd be a little more. If the \$10 million approach were adopted, we would go to \$13.7 million. There was a public hearing on this whole issue and the County budget in general today

and I think I made the point that, you know, a 22.9% increase in the County tax was something that our taxpayers could not afford.

Another challenge of the budget a little easier to explain and understand is that the cost of benefits that is healthcare is going up fairly significantly about 9%. The City did institute a revised HMO plan and all employee groups have now agreed or are agreeing to that new plan. That did help us save \$3.9 million per year. Those savings of course are still being realized every year and it flattened out the rate of increase for a couple of years but now of course that's in the base and we see health care costs going up significantly. Although, our consultant tells us that 9% is really less than the average for municipalities.

This slide just shows you generally where the money goes where our taxpayer money goes. You see that obviously our biggest expense is education, the many schools that we run. Police and Fire come next. Debt service meaning the principle and interest on all the City's debt, the general fund debt is 6% of the budget. The Department of Public Works is 4.4 and then all the other departments together are about 13. So this just shows people generally where the money is spent.

This shows you in terms of across the budget how money really is allocated. You see that since the City is a service organization - schools, fire, police, everything it's the service delivery is done by of course our hard working personnel. Therefore the main expense of the City is our salaries, wages, and benefits for City employees. Then you see here that the total of salaries, wages, and fringe benefits totals about 76% of the budget. Again, debt service principle and interest is about 6 and then there are some other categories that constitute the remainder.

So back to the changes in the budget. Again, there are two new patrol officers. There's a Sergeant being added also in the Police Department. The Emergency Manager has been brought back. That is Emily Martuscello who's done a really tremendous job. The fourth line here shows that the benefits those are the cost of health care is going up 2.8 or nearly \$3 million - 9%. We did add \$300,000 for cybersecurity issues. The smaller item Park Rec has been running lawn mowers without replacement for many, many years and if we're going to keep cutting the lawn and doing some other maintenance of parks and fields, they need to have decent equipment. So there's \$100,000 in the budget which was not in there previously and in previous years to catch them up on all of their smaller equipment. This is equipment that is too small for CERF. This is Capital Equipment Reserve Fund not part of the normal plan that pays for large equipment. These are smaller items that don't make it into the so-called CERF list.

We have some capital improvement projects. I have to say we're probably not spending enough but we're trying to keep the budget down. There's an airport project that's going on. It's a match. There's the Arlington Street Community Center. Again, a match. That's \$150,000 as part of a I think it's nearly a million dollar grant to fix-up the, I think, it's actually late 19th century fire station on Arlington Street, the Community Center, so we're getting a big grant on that. We are allocating money to playground improvements. You see work going on in Atherton Park. We previously did an upgrade of St. Andrews Park as well as the lights at Labine Field. We did allocate \$50,000 to deferred maintenance in the Fire Department. This is for Fire Department buildings. There's deferred maintenance for School Department buildings of \$100,000 and city-wide infrastructure improvements. This goes to Public Works for sidewalks, things like that and those are repairs. There's a lot of sidewalks that need fixing. That's \$200,000.

There are some planned CERF replacements this year. Again CERF it stands for Capital Equipment Reserve Fund but it means the purchase of larger pieces of equipment. What we will be undertaking this year will be \$800,000 worth of police cruisers, DPW (Department of Public Works) trucks for \$3.7 million. School equipment you see 465, city-wide communications has an allocation, Woodlawn Cemetery as well for a piece of equipment, and parking for a vehicle. So those are some of the major equipment purchases that will be undertaken.

Thank you for listening and thank you for your interest. We will of course go on to conduct a public hearing under Chairman Dowd.

#### Chairman Dowd

So if anyone has any general comments about this year's budget, they can come up and spend three to five minutes giving an overview. But there are no questions during this period. Any questions that come up relevant to the budget can be covered under the specific division that they fall under or the Mayor's office at the end. So if there's anyone that has any comments relative to the budget if they would come up now and identify themselves name and address.

#### Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. I appreciate the overview. It would be helpful in the overview if there was

information that covered new positions. You know as we look at the budget, I think the big thing is that costs us a lot are positions, and benefits, health care and when we do an overview, I don't have a sense of how many new positions have been added to the budget. I did my own math and it's about 28 but I think we should be talking about those positions and covering that information. That's my one comment. I'd like to see more specifics go into the surface - the information that's most relevant. Thank you.

Chairman Dowd

Anyone else like to give comments? Name and address for the record.

Jerry Hendrickson

Jerry Hendrickson. I live at Ward 8 on Wagon Trail. I have an academic question. The budget this year is about page-wise is smaller than the old one but on the internet, it's two and a half times the size. I'm just wondering what's the difference.

Chairman Dowd

There is no questions during this period. If you want to ask the Mayor a question, his division will be covered later.

Jerry Hendrickson

Just an academic question.

Chairman Dowd

Okay.

Laura Colquhoun

Laura Colquhoun, 30 Greenwood Drive. I don't know who put this budget book together but whoever did should be fired. There's absolutely no audit trail in it whatsoever. To drop departments so that you had no way of checking to the next year. There's a section a community TV I don't even know what department it's in. I found like 16 things wrong with this report because we dropped all the funded reports. There's no school's special revenue fund, there's no split funded position by division or anything else. I'm really, really upset that you decided to change the debt service to show what we have to pay. Anybody last year could take the beginning balance, subtracted the ending balance, and come up with a payment but you've completely dropped the \$150 million that we owe on interest and I think that's very deceitful that the City did that and I'd like them to put it back next year. I shouldn't have to ask Mr. Griffin for special pages to find out how much we owe besides on the bonds themselves how much interest we have to pay. Thank you.

Chairman Dowd

Anyone else like to give a general view of the budget? Name and address for the record.

Fred Teeboom

Good evening. My name is Fred Teeboom. I reside at 24 Cheyenne Drive. The budget resolution R-23-125 claims that the Fiscal 2024 proposed budget is \$43.7 million below the cap. This claim is supportive of the calculation titled combined budget analysis that's attached to the budget resolution. This calculation has several errors. The most serious is the inclusion of \$23.3 million in supplemental appropriations. Most of the \$23.3 million is made up of the face value of six bond resolutions which will be paid off in typically 20 years beginning with Fiscal 2025 budgets. Not the current budget, proposed budget or later, after 2025. The annual payments for every one of these bonds show up in the annual budget for that year not in supplemental appropriations. Using supplemental appropriations are justified and the authorizing bond resolutions other than included analysis this City's justification as a specific non-budget supplemental appropriations that's signed off by the attorney – that one of the attorney's in the Legal Department. They call this specific non-budget supplemental appropriations and they reference Charter Chapter 53. There is no such reference in Charter 53.

In fact in past years, bond authorizations enacted after the annual budget was adopted, after was adopted, have never been included as non-budget supplemental appropriations in the spending cap calculations. Supplemental appropriations are not part of the annual budget when adopted and do not enter the spending cap calculation. The

spending cap Nashua Charter 56 simply considers two budgets. The proposed annual budget cannot go up higher than the rate of inflation above the current adopted budget. Very simple. Unless exempted with 10 votes of the Board of Aldermen. That's back up 56-d. With the current rate of inflation, very high rate of inflation of 5.9%, 5.9% for State and local government by any calculation of the budget. I've done them all with or without supplemental appropriations with or without grants.

Chairman Dowd

Three minutes but you may continue.

Fred Teeboom

With or without special revenue funds. The proposed budget is under the cap on all those calculations. Why? Because the inflation rate is 5.9% not .98%. So why does a City do this phony calculation? I presume it's to set the precedent. The spending cap was enacted into law in 1994 - 29 years ago and adhered to by Mayor Wagner, Mayor Davidson, Mayor Streeter, and Mayor Lozeau. In particular, Mayor Lozeau your predecessor Mayor Donchess who in eight years never, never exceeded the cap even as the annual inflation was very low. As low as just a little over 1%.

But when Mayor Donchess took office, he attempted to undermine the cap by various missed calculations and misrepresentations. I don't have time to go into detail with your time limit. The calculation in this proposed budget attached to the budget resolution is no exception to misrepresentation. My Right-to-Know law inquiry as to the written legal opinion why bond authorizations are now included in spending cap calculation as supplemental appropriations was responded with no record exists of any legal opinion in writing. No legal opinion exists.

Chairman Dowd

Five minutes, please wrap up your thoughts.

Fred Teeboom

I accuse...look this is a public hearing. This is our meeting not your meeting. I accuse Mayor Donchess, CFO Griffin, Attorney Bolton, possibly Compliance Manager Rose Evans with abuse of office for as elected and appointed public officials these individuals are knowingly not performing the duty imposed upon them by law namely to enforce the spending cap as prescribed in Chapter 56 of the Nashua Charter and it's traditionally enforced for many years before Mayor Donchess took office.

If the deceptive calculations attached to the budget is not changed to exclude the supplemental appropriations, I will petition the New Hampshire Attorney General to file a misdemeanor criminal complaint under RSA 643:1 against the aforementioned individuals and officials. If the Board of Aldermen passes the resolution, I will include in my complaint every Alderman who votes for the resolution that includes the final paragraph that the adopted budget is \$43.7 million over the cap adjusted for any adjustments that are voted. If a similar supplemental appropriation calculation appears in next year's proposed budget, I will again file a writ of mandamus complaint in New Hampshire Superior Court.

Finally, I would like to remind everyone here, everyone here, that the court mentions in this order issued in February of this year and I quote, "that I as a complainant had raised legitimate concerns about the City's spending cap calculation". I'll repeat that. The Court stated in a February decision on my complaint on my writ of mandamus that I had raised legitimate concerns about the City spending cap calculation. Should I need to re-file my writ of mandamus complaint on next year's budget on the same grounds, I will not make the mistake again of being outwitted and not only represent myself as a witness. Thank you.

Chairman Dowd

Is there anyone else like to give an overview of the budget?

Matthew Gouthro

Matthew Gouthro, 104 Fawn Lane. I wanted to talk about something that I saw in the budget that I was concerned about but I don't think it fell within the categories that you have listed here today. So I wanted to bring it up. Closely looking at the budget tucked away in the City's special revenue funds, specially funded by grants, the Mayor has proposed to budget for the following: a million dollars for unanticipated health fund grants, a million dollars for unanticipated transportation fund grants, a million dollars for unanticipated grant funds. That's \$3 million. The

assumption is that we hope the City has a wonderful grant writer who will be able to pen our way through to increase State or federal grant funds. My concern is shouldn't these grant funds be a surplus to the overall city budget and not put us in a multi-million-dollar deficit if these funds are unattainable? I know we're trying to work within the spending cap but I think we've used our pen too much in this part of the budget and I think it's something we need to look at. Because as a resident, you know, just the wording alone creates a paradox. Unanticipated funds and we're budgeting for that. Thank you.

Chairman Dowd

The special revenue account is covered in one of the sections and I'll point it out when we get there.

Matthew Gouthro

Perfect. Thank you.

Chairman Dowd

Anyone else general comment about the budget?

Paula Johnson

Good evening. My name is Paula Johnson. For the record, I'm a member of the Board of Education but I'm speaking as myself as a resident of the City that I have the right to speak tonight too.

First of all, I'm a little bit confused here. We got two rates of inflation. The Mayor said 7%. Mr. Teeboom said 5.9%. So I'm kind of confused here. Which one are we going to use? I guess I'm probably going to use the Mayor's because he's the Mayor.

Last year, we got a tax increase plus a new assessment on our property which put a lot of seniors like myself who cannot apply for the tax exemption because we don't qualify for whatever reason. What makes me so upset is that as far as I see, and I brought it up last year on February, 22, 2022 isn't that wonderful, about our veterans to be able to get an additional credit on our taxes that would raise us up to \$750 a year which is a lot easier to get than an elderly exemption because a lot of us don't qualify for it because you got a five year look back on that. For whatever reason, a lot of us seniors out here still have to work so we can pay up taxes that are so high. Isn't that amazing here.

So I had asked and Alderman Klee said and I sent all this information to Mr. Griffin and it's in the minutes, somebody's got to pay for that basically and she rambled on about something with the State. I put the whole thing here and its here for view. You can look at it, you know, pull it off the website but somebody has to pay for the elderly tax exempt also which I'm thankful that many of the senior citizens in the City got it but it's a blatant, blatant disregard for our veterans who served this country and protected other country's borders. Not our borders other country borders that came home with PTSD. They came home with being injured but we can't get that other \$250 a year for the veterans.

Now I just don't understand so I called the Assessor's office yesterday just to make sure that nothing happened here and that's the problem here. Nothing happened for our veterans. So I think it's a shame on the Board of Aldermen that you can even push through another \$250 a year for our veterans who served this country, protected this country, and everybody else's country, went to war, and you can't even respect them enough to give them another \$250 a year. Shame on all of you.

Chairman Dowd

Is there anyone else that would like to speak?

Gary Hoffman

Gary Hoffman, 38 Perham Street, Unit D. I just want to talk about the first couple of slides that Mayor Donchess put out there. You know I mean if you look at that WalletHub data, there's 150 cities that they looked at and we were ranked number 4 out of 150. I looked at previous surveys comparatively to other cities. We always seem to be in the top 10. So I just want to, you know, commend Mayor Donchess and his team at City Hall. I think you guys are doing a pretty good job.

Chairman Dowd

Thank you. Anyone else that would like to give an overview?

Christina McKinley

Christina McKinley, 6 Southgate Drive. I look at the largest portion, the educational budget, and there are things that I would like very much to see that I don't. I don't understand why we don't have any information that tells us how much our employees themselves contributing to health care. I didn't find that. If it's in there, please tell me I don't know where that is so that citizens who are funding all of this can get a sense of whether or not they're comparable to what private industry provides. I think that's important. I think all the way around our City government employees, State employees, federal employees, they shouldn't, in my opinion, be more protected and taken care of than the citizens who are providing the tax money to take care of them. So we should have more information basically. I see salaries. I see health insurance. I see pensions and there's also fringe benefits. I don't know that all seems like fringe benefits to me. I'd just like to understand better what the contributions of actual staff is. It's my impression that pretty near every single employee has a pension. I'd like to know more about that and is that a fixed pension? Is it something that's like private industry? How does that work for them? Again, it should be comparable to what anyone in the private sector that's paying the salaries receives.

I did notice and you know the sort of format changes every year and I actually sort of liked being able to browse online to look at the budget. But I did notice right away on page nine where it had the City organizational chart. I think it's a great marketing piece and I think Mayor Donchess does a great job of marketing Nashua but I simply don't think that's real. I think the evidence of that is in this room because we have something around 90,000 people in this City, I believe, and we have this many people who feel supported enough to be interested in attending these budget meetings. I've been coming to them every year for at least a decade and this hasn't changed. We have a few people who are City employees that show up, Aldermen that show up, and have maybe a dozen citizens, and I think that's on you. I think the fact that we are set up with this few people, I've said this every year, we should be sitting in a circle. The whole system that is set up with you there and us here does not suggest the organizational chart with the citizen at the top of that chart. I don't think that's real. Marketing good, not real.

Chairman Dowd

Thank you. Anyone else? Seeing no one we'll move right into the first Division and that's Education. Does anyone have any questions on the education portion of the FY24 budget and please remember you have to ask all your questions when you come up.

Yes, I'm sorry. He just pointed out a minute ago. Before we go, I'd like a Motion to take the FY24 budget off the table.

**R-23-125**

Endorsers: Mayor Jim Donchess  
Alderman-at-Large Michael B. O'Brien, Sr.  
Alderman Richard A. Dowd  
Alderman-at-Large Lori Wilshire

**RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2024 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, SPECIAL REVENUE AND GRANT FUNDS**

**MOTION BY ALDERMAN O'BRIEN TAKE FROM THE TABLE R-23-125 WHICH IS THE PENDING 2024 PROPOSED BUDGET  
MOTION CARRIES**

**PUBLIC HEARING**

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EDUCATION

Chairman Dowd

Thank you. Okay, so please ask all your education questions because you only get one time for Division.

Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. First of all, I'm concerned that the education budget continues to grow every year despite the fact that enrollments have gone down. I'm particularly concerned about our buildings and our infrastructure maintenance in education and our needs. I think there is a pattern to ignore data to not look closely at what the numbers tell us and numbers don't tell the whole picture but they give you information and work with that data.

I think the consultant that was hired to come in and look at the school usage and the needs of the school for redistricting dropped a report that surprised a lot of people. Not just at the Board of Education table but at the Board of Aldermen table.

Chairman Dowd

Okay. I'll let you go. You're okay about it so far but I don't want to address any redistricting questions to the Board because that's not part of the FY24 budget. It's part of what the Board of Education is doing and it has nothing to do with our budget.

Laurie Ortolano

I'm not going to ask questions on redistricting. I'm just saying that out of that...

Chairman Dowd

That's fine, you're alright.

Laurie Ortolano

...plan came a result that said we have far too many schools. We have too many buildings. I think there needs to be a consolidation on that and part of the reason is because you can deliver services better if they are consolidated, particularly in the special education area. You have specialists that run from school to school to perform services where the kids are very spread out. They're hard to find. They're tough positions to fill. It's not very efficient and you would definitely pick up better efficiency in delivering those services and those services are very expensive.

I'm concerned that construction - you have a \$90 - \$100 million middle school might not have been fully necessary at the capacity that it was built. I really feel that we kind of missed the mark and we're carrying a lot of bond debt associated with education. To put that together with performance, student performance in this district, I think, is too low. When an administrator says that district wide 20% of our students are reading proficient, I think that's very low and that's not to blame a party or make it a partisan issue. I think if we're going to address the needs of education in the City, it has to be a non-partisan discussion where we're all vested in improving what needs to be improved because I really think parents don't care about your party affiliation. They want their children well educated. They want them to know certainly basic skills and I feel we've missed the mark on that. Because of that, I am resistant and not willing as a taxpayer to continue to fund increases in this system. A lot of it has to do with a lack of transparency



that exists right here at this, you know, Board of Aldermen table and how these meetings are run. You know the budget book changed a lot, the format changed a lot. It's hard to come in here and ask questions. Then you learn that you can only say one thing, and you're cut out after that, and you got to wait till the end to come up. It's a hearing on a \$300 almost \$20 million budget and to be prepared - I'm not even certain if your rules apply when Administrative Service Division is done and it covers 13 departments. Can we ask on each department or are you allowed one question and then you go to the back of the line and wait till the end? I don't even know what the format really is.

Chairman Dowd

Just a couple of things. You can ask more than one question but you can only come up once but you can ask multiple questions. But do you have any specific questions for education?

Laurie Ortolano

What is the cost per pupil this year?

Chairman Dowd

Somebody from the Board of Ed want to cover that or from the School Department? Please identify yourself.

Dan Donovan, Chief Operating Officer

The cost per pupil on the DOE 25 that we did last year is about \$16,000 total.

Laurie Ortolano

What is the cost including debt service to the school per pupil?

Dan Donovan, Chief Operating Officer

That cost includes debt. It includes everything but transportation. That's a cost based on a formula designed by the State so that all districts put the same components into the cost structure.

Laurie Ortolano

So does it include the bonding of our new middle school that's \$16 million?

Dan Donovan, Chief Operating Officer

If incurred, yes. It wouldn't be the full amount.

Laurie Ortolano

Okay. So I come up with a different number but that's a discussion for another day and I can share that with you separately because there's no need in debating that.

The other thing I'm concerned about is enrollment projections which look like they're rolling down which is another issue to really look at facility consolidation. I heard some members of the Board of Aldermen say that, you know, we don't have the single-family homes for young people to get into it. It's definitely an issue and that they're going to go to these vertical buildings, apartments and that's where families will be raised. I'm not certain I really believe that in Nashua. But also I'm a little bit concerned on how that works with all of these Tax Incremental Financing Districts being done because a large part of the vertical construction is being done under TIFs. If you do have a bunch of school children that are coming into those living arrangements, they don't belong in TIFs.

But overall, I'm really disappointed with our performance and it just seems like administrators and leaders in this City just want to say a lot of fluffy words about how excellent it is, how successful their child or grandchild might have been but we're not looking at the big picture of all the kids. I think that this City could do great things. We have a lot of upward potential and we could do great things if we really work together in a non-partisan way. Thank you.

Chairman Dowd

Is there anyone else that has questions for the School Department on their Budget for FY24?

Fred Teeboom

Yes. Fred Teeboom. I asked the question of Chairman Dowd about the real cost, the true cost of the new middle school that you're building south Nashua. That true total cost with the amended bond resolution, and tax credits, and God knows what else you're throwing in there.

Chairman Dowd

It's \$93 million.

Fred Teeboom

\$93 million.

Chairman Dowd

Yes. That includes soft costs and hardware costs.

Fred Teeboom

Not \$132 million that I've heard?

Chairman Dowd

What?

Fred Teeboom

I've heard \$136 million. No? \$93 million?

Chairman Dowd

\$93 million is total.

Fred Teeboom

And I have one other question. I don't have many questions. I just didn't have time to go through the budget this year but the Superintendent of Schools is Mr. Donovan. He makes \$178,537 which is probably the highest salary in the City. Am I correct? I believe that's the highest salary in the City. Why does the Superintendent of Schools consistently make the highest salary in the City? In this case \$178,537.

Dan Donovan, Chief Operating Officer

Well thank you for the promotion. I'm not the Superintendent. Dr. Andrade is the Superintendent. That is his salary. He has a contract when we hired him and that's what was agreed upon by the Board of Education. So that is the salary but.

Fred Teeboom

Why is it always the highest in the City? I know you negotiated a contract.

Dan Donovan, Chief Operating Officer

It's kind of the going rate for a Superintendent at a district this size.

Fred Teeboom

It is?

Dan Donovan, Chief Operating Officer

Yes.

Fred Teeboom

Okay, thank you.

Chairman Dowd

You're welcome. Anyone else with questions on this for the School Department on the budget?

Sonia Prince

Sonia Prince, 49 Tufts Drive. Not so much of a question just a justification. I heard a previous commenter talk about a report that was made to the School Board about who we should cut, what schools we should cut, and why, and the numbers, and blah, blah, blah. I'm looking at the credibility of the guys the January 6 insurrectionists.

Chairman Dowd

Just so you know, that's not FY24 budget question because...

Sonia Prince

No, it's not. I'm just commenting on the comments and I don't like conspiracies so it is what it is. But to take that report seriously, in my opinion, is wrong. We don't know the credibility of this guy. The party in general wants to defund public schools and that's who we hired so we wasted money on that.

And yes families do live in apartments. So I don't know why the previous speaker thinks that's not the case. I know a lot of families that live in apartments, and raise kids in apartments, and we need more housing, and it's great that we're building more housing, and those kids are going to need a place to go to school. So yay more apartments are great. I wish there were more homes available but our City is growing really fast. So thank you.

Chairman Dowd

Thank you. Any other questions for the Board of Education?

Matthew Gouthro

Matthew Gouthro, 104 Fawn Lane. Some interesting numbers when you're looking at this budget submitted by the Nashua School District. This year the budget increased by over \$6 million year-over-year. When you dig deeper into this increase, 84% of that total budget is earmarked for salary and benefits. As a stakeholder in the Nashua School District, I'll tell you any respectable statement for financial performance carves out no more than 80% for salary and benefits. The odd number here is the total increase in the education budget for 2024 is 3.5% when the decrease in the number of students year-over-year is almost at 4%. Historically, you all have seen data presented by an independent party brought to you by the Superintendent that over the past five years we continue to see a reduction in our public school enrollment. So historically, we continue to see an increase of the education budget, and that's not sustainable, and that's why we're hearing a lot of these redistricting, and school closures have been brought up.

Some other concerns are how top heavy the school district has become and what's the benefit of having an abundance of administrators when you know this year was the first time in five years where many teachers received their required evaluations? So my question is at 16 - was it \$16,000 per pupil when can we get to a sustainable number for our Education Department? I wish people were more excited about this as they were about an asphalt plant but like what can we do to get our education system here in Nashua to be more of a sustainable budget item? That may be a question for Dr. Andrade.

Dan Donovan, Chief Operating Officer

Yes, I think I'll let him take that one.

Dr. Mario Andrade, Superintendent of Schools

That's a great question. I think that's a million-dollar question.

Chairman Dowd

Name?

Dr. Mario Andrade, Superintendent of Schools

School systems have changed over the years. I wish it was an easy formula of what's the right percentage of adults to students in that aspect. So we all know over the last couple of years the needs of students have changed. So therefore when we once thought it was a reasonable class size of 24, 27 to 1 has changed. We know that the social emotional needs of students are a big demand on our educators, our para-educators, our administrators so it's really difficult. While we have a declining enrollment, the needs of the students are actually more intense. So just I wish we could say all we're doing is providing services around academics but we're doing so much more around the whole child. So I wish it was a clear formula but every year we need to look at the needs of the students and do the appropriate staffing.

To previous comments, we need to move the system 20% proficient or even 40% proficient in some of our high performance schools is not enough. We have to fix the system and that starts with a tier one instruction, and that's the right amount of professional development, and right amount of curriculum, and resources to go along with that. So \$16,000 sometimes doesn't cover the true costs of what we need and the infrastructure of intellectual support students has changed over the years. I think it's much more adult heavy. That's just around the wraparound services. There's much more coaches, there's much more counselors, and many more guidance counselors, school counselors, or school psychologists that are needed in school that may have not been needed 20 years ago.

Chairman Dowd

Thank you. Any more questions on education? Name and address?

Christina McKinley

Christina McKinley, 6 Southgate Drive. I agree with many of the comments that have already been made. I think that our Superintendent's comments that he just shared would make more sense to many citizens if all of these auxiliary services that we have established were actually producing higher achievement levels in our students. Given that that's not the case and enrollment's down, it's very hard to justify why other than you can because your citizenry that pay the taxes to cover this huge city expense our captive audience.

I would sort of go back to the comment that someone else made about people who are retired. Most of us who are responsible have worked hard to diminish ongoing costs in our lives which includes paying off your mortgage which includes, you know, all kinds of things that make it possible for you to at some point retire. Especially because many, many people who are paying these salaries, benefits, fringes, insurance do not have those pensions themselves. So I think that it's long past time where we ought to be looking at exactly which part of our population is funding this ever-growing services to students. I was looking at not sure if it was in our budget or in a New Hampshire vital signs documentation but the largest population age group that has kids in school are 25 to 54 at some point were people eventually able to opt out. I mean you pay a mortgage for a certain amount of time until you've paid it off.

We do not have a system in place that allows someone to ever stop paying and it seems absurd to me that we have 70, 80, 90+ year old people paying the exact same taxes for schools having not had a student in the school in decades. So the combination of asking people to pay the exact same amount throughout their lives within a City seems ridiculous to me. It also seems unfair that there's nothing that says okay well you only get this if your performance levels are here. Most of us in private industry if we aren't meeting certain criteria, we're let go. How many teachers have been let go in Nashua in the past 10 years for poor performance?

Dr. Mario Andrade, Superintendent of Schools

There has been a number of teachers who've been evaluated on their positions. I don't have the exact number but every year we have those difficult conversations.

Christina McKinley

And if you were guessing, how many difficult conversations annually?

Dr. Mario Andrade, Superintendent of Schools

I can only speak of this year but I know of at least five.

Christina McKinley

Okay. How many people do you suppose in private industry have been let go for poor performance in that same timeframe?

Dr. Mario Andrade, Superintendent of Schools

That's out of my realm.

Chairman Dowd

I think we're getting off track from educational questions. Please ask questions relative to the FY24 budget.

Christina McKinley

Well it is. It is relative because we're being asked to pay for things that have no association to achievement levels, have no association to performance, and that is something that really ought not to happen for any City employee let alone employees that are affecting our children. That's what I wanted to say.

Chairman Dowd

Anyone else has questions relative to the educational budget? Seeing none, we'll move on to Public Works and that entails Solid Waste, Street Department, Parks and Rec, Solid Waste Fund and Wastewater Fund. Are there any questions for the Public Works portion of the budget for the FY24? Please try to ask specific questions for the budget. We're here to get questions answered for the budget.

PUBLIC WORKS

Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. Could somebody - I noticed that there's position increases for Public Works Admin 2023. It was 13 positions and now it's gone to 21. Is that correct and could somebody speak to the Admin position increases in Public Works?

Chairman Dowd

Can someone from Public Works cover that?

Laurie Ortolano

Can somebody tell me if my math is correct and that is correct? Have we gone from 13 to 21?

Chairman Dowd

Do you want to come down to the microphone because.

Lisa Fauteux, Director of Public Works

We have not increased the number of Administrative Assistants in Public Works this year.

Laurie Ortolano

So is there something in the book then that makes that look that way?

Chairman Dowd

John go ahead.

John Griffin, CFO/Treasurer/Tax Collector

In discussions with Chairman Dowd, he wanted us to take a little bit different approach and what we tried to do is indicate in each division/department the number of employees and their salaries. So in this particular budget, we

didn't do what's called "the allocation of split funded positions". We have it but not in the end of the book. So what happens when you do a split funded positions, you might have a point five FTE that's now showing here as a single FTE if their - it gets a little bit complicated - but if their HR 11 record is in DPW, that's where the position stands. So what I would suggest is a follow up to this particular discussion, get you the information.

Laurie Ortolano

Okay, I would appreciate that.

Just a comment when we do present the budget so and we're in this department because now my positions might not be summarized correctly because of how we looked at this. When I see 28 new positions, that might not be correct but there's no apples to apples comparison for us this year going off of last year's book which made it all the more critical when you present it in the beginning to kind of highlight this for us so that we would know. This budget book doesn't have an index in it and so I would recommend next year putting an index back in the budget book because it's hard to, you know, find - it's a big book and all of a sudden you're looking for departments and you don't know where they are. Flipping through the whole thing to find them is difficult and maybe look at the print size on some of these pages too because we're getting older and they're pretty small.

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman if I may?

Chairman Dowd

That comment has been made by some of the Aldermen as well.

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman if I may? This is a book, it's an evolving book. Any concerns that you have, any suggestions they're welcome.

Laurie Ortolano

Okay, perfect. Thank you.

John Griffin, CFO/Treasurer/Tax Collector

So we're going to grow this book as we get more familiar with the technology.

Chairman Dowd

Questions on the Department of Public Works?

Paula Johnson

I live in Nashua yet. For the Street Department, how many old trucks are we getting rid of and how many new trucks are we replacing this year?

Lisa Fauteux, Director of Public Works

I'm not sure we have that information at our fingertips Mrs. Johnson but we'd be happy to look that up and get that for you.

Paula Johnson

Okay. I just want to make a comment. I mean the cost is rising, rising in the city 4.4% you're talking about increasing our taxes. I think last year was pretty crappy job on snow plowing. We were having ice storms that we couldn't get the school buses out at times. The roads were the backs streets were just ice and what are we paying for all this when the snow plowing isn't good? I don't remember some of the roads being treated before the storms came. We pay a lot of money. You're asking for a 4.4% increase in my taxes again. I remember I'm one of these senior citizens here. The aging population in the City that's, you know, my husband kept talking about paying for schools all the time. I said to him that's your civic duty hon I guess to continuously pay for schools and I'm on the Board. I'd like to get that

information on how many new vehicles were asking for. How many years the vehicles last? The big plow trucks, you know, the ones that we plow with.

Also, we're opening up another cell on the landfill I gather. How many more cells can we open up in that landfill? Because I when I was on the Board, I remember something about 2025. I remember (am I correct Alderman Wilshire) something like that. I think Alderman McCarthy was on the Board at that point that the landfill was going to be overstocked I guess with trash?

Lisa Fauteux, Director of Public Works

We actually - I've just completed the permitting of our Phase IV portion of the landfill - the last portion on the landfill. We hope to be under construction within the next year or two and that will give us another 40 years or so of capacity.

Paula Johnson

Another 40 years of capacity and then after that we're done with the landfill?

Lisa Fauteux, Director of Public Works

Yes.

Paula Johnson

We can't do anything else?

Lisa Fauteux, Director of Public Works

There may be other technologies that we may be able to employ but yes that's the last cell.

Paula Johnson

We could burn for green energy I guess. Thank you.

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman if I may?

Chairman Dowd

Yes.

John Griffin, CFO/Treasurer/Tax Collector

I might be able to help out responding to the equipment. As we all know, the Mayor talked about CERF and he indicated \$3.7 million worth of investment in vehicles. So on page 236 would be the listing of replacement vehicles in the DPW Division. In addition, it tells us what the expected life is of those vehicles. So that's a good list of the vehicles they're going to replace. Director Fauteux and her team diligently worked on that list to create what the need is and so forth. So I wanted to share that Director Fauteux that it is available and can be reviewed.

Paula Johnson

Yeah my fault. I didn't turn to that page again. You have one 2015 life expectancy 10 years, International 7400, 2014 year purchase 10 years. Now I don't know what these trucks are. Are these the plow trucks that we plow for the snow?

Paula Johnson

Okay. So these are the plow trucks. Okay they get fixed in maintenance, right? How often are they used? Are they used just for snow plowing or are they used for other things during the year?

Lisa Fauteux, Director of Public Works

They use for other things during the year.

Paula Johnson

Okay.

Lisa Fauteux, Director of Public Works

Hauling materials and other construction activities.

Paula Johnson

And when we're done with them, do we trade them in?

Lisa Fauteux, Director of Public Works

Sometimes. Sometimes we keep them for backline vehicles and utilize them.

Paula Johnson

And where do you keep them?

Lisa Fauteux, Director of Public Works

They're kept some are at the Street Department, some are at the landfill, different places.

Paula Johnson

Okay. Thank you.

Oh by the way when you said that you're going to give information to Ms. Ortolano, she doesn't have to request that again under the Right-to-Know Law does she or are you just going to give that to her as a courtesy?

John Griffin, CFO/Treasurer/Tax Collector

If I may, Mr. Chairman?

Chairman Dowd

Yes, go ahead.

John Griffin, CFO/Treasurer/Tax Collector

What I would do is provide that information to the Board of Aldermen Budget Review Committee which will be sent out to those folks but also make it available to the individuals that are here.

Paula Johnson

Thank you.

Chairman Dowd

Yeah anytime a question comes up on the budget either in the public budget hearings we've had or at this meeting, it'll be put out in public.

Chairman Dowd

Any other questions about DPW?

Laura Colquhoun



Laura Colquhoun, 30 Greenwood Drive. I'm noticing that the Parks and Recreation their budget is going from like 3.8 to 4.1. That's an 8%. The Streets is coming down and Public Works is only going up like 5%. But my question is I've noticed that some of the expenses for the Public Works like getting licenses, the CDL, I think it's called?

Chairman Dowd

Commercial driver's license.

Laura Colquhoun

You're putting that through Property Casualty and I'd like to know why. That is definitely expensive Public Works but to be buried in Property Casualty I just don't understand it.

Lisa Fauteux, Director of Public Works

I don't have the answer for that. I'm not sure why.

Laura Colquhoun

Would you mind getting back?

Lisa Fauteux, Director of Public Works

Sure absolutely.

Laura Colquhoun

You know we can throw so much - I mean this is, you know, what we're going to be at \$6 million for Property Casualty now. So you know a lot of expenses seems to be falling into that category.

Lisa Fauteux, Director of Public Works

I think that the Risk Management Department is paying for some of that so that may be why but I can get or...

Laura Colquhoun

Maybe Risk Management can take a course on accounting on how to separate these things. That is legally the expense of Public Works and should not be written off. Thank you.

Lisa Fauteux, Director of Public Works

Sure.

Chairman Dowd

Any other questions on DPW?

Fred Teeboom

This is going to be a rare compliment. On page 241 on the Expendable Trust Funds since you now cover everything on the Public Works, right, there's a fund number 7579. I'm very partial to that fund. That's a Holocaust Memorial maintenance. Your parks guy does a very nice job. Your new guy, a very nice job. There's only \$681 left in there. It's not the lowest. There's one for \$28 but I did apply for some Nazi Reparation money that I got awarded and I get a small amount of money every three months. So I have money to clean and maintain the monuments. I just cleaned the maintained part of it. If there's any monument problem, call me and I can make your fund the thing and maybe donate a little extra money. Okay?

Lisa Fauteux, Director of Public Works

Thank you.

Chairman Dowd

Thank you. Anyone else for questions on DPW? Seeing none, we'll move on to the Police Department. Any questions relevant the budget for the Police Department?

POLICE DEPARTMENT

Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. Where are we right now when it comes to filled or unfilled positions?

Kevin Rourke, Chief of Police

Right now we're down 11 officers and we're about to hire three within the next three weeks.

Laurie Ortolano

Were we ever fully staffed this year?

Kevin Rourke, Chief of Police

Unfortunately, no. At one point, we were down 17 was our most.

Laurie Ortolano

So I just want to point out with surplus money because - escrow money rather. When we do our escrow deal which I'm hoping we won't do this year because we present a budget that's 4.4% but when you go and vote in June, or July, or August to shift over 3% more out of escrow, your budget increase is really like 7% or more. I think it's very misleading when we're all here in a budget hearing on increases and then we shift escrow money in. I was not a fan of putting positions using escrow money to create positions and put them in the book. I know we asked and approved two officers and I think they were specialty but I'm only going to point out that I think that shift could have happened within the budget and should have. I hope this year we won't use escrow to create new positions. It's not that I don't support new positions in the Police Department but I'm conscientious about how escrow money is used. Thank you.

Chairman Dowd

Any other questions about the Police Department budget?

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman if I may?

Chairman Dowd

Yes.

John Griffin, CFO/Treasurer/Tax Collector

Great question you asked - 11 officers down. I think the Chief would be able to explain the need for using those dollars to have the team on the street with overtime. I think that's important because you're not gonna see a lot of appropriations not spent in the Police Department. They do an excellent job managing that. It's not easy but I think it's germane to this discussion. If you could speak to that, I think Chief would help us out. Thank you.

Kevin Rourke, Chief of Police

Yeah so the unfilled positions, we always have a minimum staffing on the street so that extra money covers the overtime to cover those officers on the street.

Chairman Dowd

Okay. Any other questions about the Police Department?

Christina McKinley

Christina McKinley, 6 Southgate Drive. I'm probably a broken record but I like to make this my consciousness is how would the private industry manage the same problems that our City has? And be it overtime, which at least if I read correctly, we're now \$1,347,344 for the Police Department; \$2,815,150 for Fire. For a private industry person, there is absolutely no way that we would go year, after year, after year - and I've been saying the same thing for 10 years not making decisions that would allow us to solve that problem because overtime, and correct me if I'm wrong, overtime is not at the same rate. It's at a higher rate. So we're spending money at higher rates every single year and that amount is escalating in both of those service departments.

So I think well you know what did I do in private industry? Well I recognized I've got to have coverage for certain things, so we did a lot of cross training. Is there a reason why Police and Fire couldn't perhaps make use of both of those staffs in a cross-training environment and perhaps that would help solve the problem?

Chairman Dowd

Do you want to address that Chief or just let it go?

Kevin Rourke, Chief of Police

Well I don't have a magic ball and I can't predict crime but we need police officers back here. When a homicide, or a fatal crash happens, or for the Chief a fire happens we need more personnel, so we're calling those officers back here and we're providing a service to you that we have minimum staffing on the street every day so when you call the Police, we have someone there at a reasonable time.

Chairman Dowd

Any other questions on the Police Department? Where you up once before or is this the first on the Police?

Fred Teeboom

Hi Chief. I see your salary is gaining on the Superintendent's. He was within \$5,000 of the Superintendent. You didn't know that. It's in the book. Not bad. I should say that I had a few personal problems this year and your police officers were highly professional, outstanding work, I've got to commend you.

Chairman Dowd

Okay. Any other questions on the Police Department budget? Seeing none, we'll move on to the Fire Department. Thank you, Chief. Any questions on the Fire Department budget?

FIRE DEPARTMENT

Matthew Gouthro

Matthew Gouthro, 104 Fawn Lane. This is not the first time I've stood before many of you about the resources that we need to get our Fire Department here in Nashua awarded an ISO 1 class rating. Most recently, I brought this up to the Mayor on tour de wards that he did the beginning of this year. This distinction is only bestowed to the top 1% of fire departments nationwide. It was the passion of our former Fire Chief Brian Rhodes and it's not about the sticker on the truck. It's the designation also contributes to the reduction of residential commercial property insurance rates. Offsetting the property tax burden on the residents should be a priority of everybody for this budget.

In terms of economic development, what's a better hook for attracting new businesses and getting existing businesses to further invest in Nashua than having the lowest commercial property insurance rates in the State? When I look at the 2024 budget, I see a slight increase year-over-year the fire budget mostly in salary and ask while you're looking at this budget, what do we need to do to prioritize the resources necessary to help Chief Buxton and his command staff get this special designation as the only ISO Class 1 rated fire department in the entire State of New Hampshire?

Chairman Dowd

I certainly concur. Are there any other questions on the Fire Department budget?

Fred Teeboom

I've asked this question before. I usually ask it of Commissioner Maryann, I forgot her last name.

Chairman Dowd

Melizzi-Golja.

Fred Teeboom

Yeah, I can never pronounce it. What I'd like to know is why are there no unpaid volunteer firemen on the staff and she can maybe do some costs. There are no volunteer firemen in the Fire Department. Can you answer that question? Is the Chief here?

Chairman Dowd

Chief?

Fred Teeboom

And I knew the Chief's father when he was Chief.

Steve Buxton, Fire Chief

So we run a full-time professional Fire Department. We have very strict standards that all of our members need to maintain and meet. The volunteer force, most of the State of New Hampshire's fire service is volunteer. If you head north, there's quite a bit of volunteerism or what they call "part-time call" paid departments. But their call volume is significantly less than that the Nashua Fire Department. By significant, I mean they're less than 2% of our call volume here. So for a city of our size, we are definitely a paid fire department to maintain the professional services that we offer.

Chairman Dowd

Thank you.

Fred Teeboom

I have a follow up. One time I saw an ambulance come up. It was obviously an emergency situation as I'm driving down the street that stopped. Shortly after, I saw a fire department - an entire truck, a large truck come up and several guys go out and they got one of the defibrillators is that what you call it and then the ambulance showed up. Why do you commit an entire fire truck to an emergency call? Why can't you just buy a small SUV, put the defibrillator in when you get a call, you get a few I'm sure, send the little car out instead of the expensive huge truck that take a lot of mileage a lot of run time. I never got a clear answer on my question.

Steve Buxton, Fire Chief

So we have to meet certain response guidelines for NFPA Standards. Those Standards require us to put a minimum level of staffing at an incident in a certain amount of time. That's the model that we operate under. We also respond to emergency medical calls because a lot of times we can arrive prior to the ambulance. So the model we have is we have a fire truck with four individuals on it. They're all highly trained to be able to provide basic life support and skills. They usually get there first to start applying those skills and most major medical emergencies take seven to eight people to actually run a proficient medical emergency.

Fred Teeboom

That wasn't the question. The question Chief was I understand you train people and all that good stuff but that was not the question. The question is why do you have to put a huge expensive firetruck out there? Why can't you have a little SUV dedicated or maybe two if you need them depending where you are on stations and those little cars go out. Much lower cost. You still can put your two or three (inaudible) mechanic, ET technician on that car.

Steve Buxton, Nashua Fire Chief

Basically our call volume, we would have to have at least four of those units to support the amount of calls that we do within the City. That would be eight people, four additional vehicles within the Fire Department so we still need the fire apparatus that we currently have.

Chairman Dowd

Any other questions for the Fire Department budget? Seeing none, we'll go onto the Public Library. Any questions on the Public Library budget for FY24?

PUBLIC LIBRARY

Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. Can somebody tell me what the endowment is for the Public Library and how that's managed?

Chairman Dowd

Librarian is here?

Jennifer McCormack, Library Director

The library has approximately 20 different trust funds. The total investment amount, I don't have an exact figure at the moment. I think it's in the vicinity of \$4 million.

Laurie Ortolano

And what do you use it for?

Jennifer McCormack, Library Director

It depends. So every fund has different restrictions. The biggest fund we have - the Stern's Fund - we spend that on content, eBook content. We've spent that on digitizing historical newspapers. We spend that on a particular database we use. So for that individual fund, the restriction is it needs to be spent on reading materials not normally purchased by the City of Nashua.

Laurie Ortolano

Okay and then do you regularly use your endowment fund to spend?

Jennifer McCormack, Library Director

We use - so there are some that rarely get used. So for instance, there's one that's solely for the purpose of buying books about the Constitution.

Laurie Ortolano

Okay.

Jennifer McCormack, Library Director

So some years we use that. There's one solely used for the purpose of programs and events dedicated to Lithuanian culture. So we'll spend from that when a particular request comes in. There's another one dedicated to purchasing works of art by living artists and that has been used right now the most current use is we're funding a call for artists to design a special edition library card so that'll be a couple \$1,000 that hopefully will get spent this year. So it's really individualized.

There are a number of funds that are unrestricted. I can't tell you exactly how many but I can tell you the expendable balance in those. The total amount that's available to be spent in those is in the vicinity of \$100,000 to \$150,000. So the amount that's expendable that's unrestricted on an annual basis is fairly small.

Laurie Ortolano

Okay. And just one last quick question. You got rid of your fines didn't you your book fines last year?

Jennifer McCormack, Library Director

That is correct.

Laurie Ortolano

Okay. That was awesome and have you found that that has worked out okay?

Jennifer McCormack, Library Director

That has worked out fine.

Laurie Ortolano

Good.

Jennifer McCormack, Library Director

We've had more positive feedback than negative.

Laurie Ortolano

Good. Great. Thank you.

Jennifer McCormack, Library Director

You're welcome. Thank you.

Chairman Dowd

Any other questions on the library?

Laura Colquhoun

This is gonna be off the wall question.

Chairman Dowd

Can we have your name and address again for the record.

Laura Colquhoun

Laura Colquhoun, 30 Greenwood Drive. We have a budget of \$3.7 million and \$3 million of it is salaries. I was asked to take somebody to the library last Friday at 2:30 and the library was closed. I thought that was absurd. If we're paying this kind of money, I think they should at least be open 9:00 to 5:00.

Chairman Dowd

Do you want to answer this one?

Laura Colquhoun

Yeah, I really would like an answer because I was shocked.

Jennifer McCormack, Library Director

The library's been closed on Fridays now for three years. So because...

Laura Colquhoun

Are we still blaming COVID or can we stop that and finally open it?

Chairman Dowd

Go ahead.

Jennifer McCormack, Library Director

So we are open Monday through Thursday. We're open on Saturday and Sunday. Due to staffing levels at the library, it's really not possible to be fully staffed on Friday and Saturday. We chose to stay closed on Fridays after the COVID reopening so that we could be fully staffed on Saturdays. Fridays are historically a very slow day at the library.

Laura Colquhoun

Well a lot of children want to go to the library on Friday so they have books for Saturday and Sunday. So maybe open it up for half a day.

Jennifer McCormack, Library Director

Well, that thank you for that advice. I would say that data from years previous would definitely contradict your supposition about the need for the library on Fridays.

Laura Colquhoun

Well if I notice correctly, our budget hasn't gone down. It's only gone up so, you know, it doesn't make sense.

Jennifer McCormack, Library Director

Okay. Well, we've been closed for several years on Fridays.

Chairman Dowd

Any other questions on the library budget?

Fred Teeboom

Your predecessor unknown how many before you, a great controversy about a \$20,000 grand piano. Do you still give concerts with that piano?

Jennifer McCormack, Library Director

This is a great question. Thank you, Mr. Teeboom. We do. The library actually has two pianos. We have a grand piano which is in the Chandler Wing and that's used several times a year for performances. That particular instrument we restrict to only professional performers. For instance, this summer one of our box lunch performers is Charlie Albright and you're for your classical music lover that should be impressive to you and he will use our grand piano. The electric piano is in the theater and that's used by community groups and amateur performers.

Chairman Dowd

Any other questions for the library? Seeing none, we'll move on to Other Public Safety, Emergency Management, Street Lighting, Hydrants and Citywide Communications. Any questions on those elements of the budget?

OTHER PUBLIC SAFETY

Laura Colquhoun

Laura Colquhoun, 30 Greenwood Drive. I was really taken aback because the whole department is going up 9%, Building Inspection 12%, Code Enforcement 15%, and Community Development is going up like 26%. I mean - oh

sorry, that's a different line but these are going up a lot and I'd like to know why. I mean I understand the Emergency Management has a new person fine but City Communications 18%. Can somebody explain why? We're getting another communicate - didn't we just get one a few years ago, a year ago?

Chairman Dowd

We're going to answer right now.

Bill Mansfield, Citywide Communications Manager

So in this proposed budget this year we had quite a few increases with maintenance as well as equipment. We also are looking to add an additional person this year and that's pretty much why the budget has increased that much.

Laura Colquhoun

The budget didn't show any additional person.

Bill Mansfield, Citywide Communications Manager

There actually is. There's another person in there that's another part-time employee. Yeah so it's on that line item. It's blended in together. It doesn't show you the two but if you go to the I think it's the FTE section of the budget, we show it in there.

Laura Colquhoun

Thank you.

Bill Mansfield, Citywide Communications Manager

You're welcome.

Chairman Dowd

Any other on public safety, other public safety? Seeing none, we'll go into Community Development Division. This is a number of things. This is Building Inspection, Code Enforcement, Hydroelectric Operations, Community Development, Planning, and Zoning, Sustainability, Civic and Community Transportation.

## COMMUNITY DEVELOPMENT

Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. We were doing a conversion to digital records over in permits and last year I came to this microphone at this meeting to see how we were proceeding and completing that and we weren't done. Where do we stand on making those records available to the public and will they be available from their home, or are they online, and what records are going to be there for us?

Chairman Dowd

Director Sullivan?

Matt Sullivan, Community Development Director

For the record, Matt Sullivan, Community Development Director. Miss Ortolano I do remember this conversation from last year's budget meeting. The effort is ongoing and just to reiterate a few comments that I made last year, there are really two independent components to the record digitization process. One that we have completed successfully is the incoming permit process. When it comes to an applicant coming in for a building permit, all of those permit applications and the routing associated therewith including all of the repository of that information is now exclusively digital. So we've now successfully completed that task of incoming permits.

The task that's not yet complete is if you were to go into the Community Development offices, we have a huge file room that contains all of the history of building permitting for the City of Nashua for all of the property cards across the



City. What hasn't been completed is actually taking those records, digitizing them, and then attaching those records on a permit by permit basis back to the property cards. That will be a substantial effort that we have not yet completed that will take some level of outside consultant or firm simply because records are so voluminous in nature and that tie-in exercise is so time sensitive or so time intensive.

So again, the incoming permitting process is something we've already fully digitized. The one part I should address that you raised is the idea of a permit, a permittee, or a homeowner actually submitting an application through the online permit portal. That's something we're still working actively with IT to roll out. We have not released it as of this date and time and I think my update may have been somewhat similar last year but we we're really working on finalizing that sort of internal review process digitally and we've done that.

Laurie Ortolano

Okay. So none of these records or the permits that are now digitized and that part is done are really available to the public are they? Are those are just internal or are they available?

Matt Sullivan, Community Development Director

Great question. So the digitization I'm referring to you're correct is available only from an internal review perspective. So right now in order to pull a full building permit record, you still need to contact the Building Safety Office and either we can send it to you - we are doing a lot of our work that way these days - or certainly you could come in to review the record. What I can say though is because we've recognized this delay in that process, we've been trying to be proactive and accommodating when it comes to sending digital records out by email or some other method because we know that online portals not available just yet.

Laurie Ortolano

Okay. And is it actually in your budget to do this digitizing of existing permits and records that are in storage? Is that a budget line item or how was that budgeted because part of me thinks that it's not a realistic task?

Matt Sullivan, Community Development Director

I would say it is a realistic task assuming that in the future we budget some monies to it. We have not included that specific task within the Fiscal '24 budget as it exists now. To your question and your line of questioning, our first priority was the internal process. Our second priority was actually rolling out that public facing portal for applying for permits online. The third task is taking those historic records and digitizing them. We're very aware of the labor intensity associated with that. It's something that will have to be done at some point in time but we simply are not there yet. So you're correct, it's not in the budget but I would disagree that I do think it's realistic to provide that we dedicate some resources to it albeit not within this budget.

Laurie Ortolano

Okay. It turned out to be such an expensive undertaking in Assessing. You know it started off as like \$60,000 and all in, it ended up being maybe \$300,000 or \$400,000 when you look at the staff time needed to do it. It was an expensive project and I don't even know where that stands so I just see it as pretty significant. Thank you.

Chairman Dowd

Any other questions for the Community Development Division?

Fred Teeboom

Urban programs are part of your Division, correct? Page 179, all operating. Note: All operating costs for this department are funded by federal grants. So is those appropriations part of this budget?

Matt Sullivan, Community Development Director

First of all to confirm, that is accurate. Our Urban Programs Department is funded really through three primary funding sources: Community Development Block Grant Funds, a Lead Grant that the City receives, and a set of what we call "Home Partnership Funds". So there are three primary federal grant funding sources. I'll maybe ask CFO Griffin to confirm but to my understanding, those specific funding sources in the budget is not documented within the budget book for the exact reason that the funding source is exclusively federal in nature.

Fred Teeboom

So they do not make a part of this budget book?

Matt Sullivan, Community Development Director

That is correct.

Fred Teeboom

Okay. That's a direct question to Mr. Griffin if not Mayor Donchess.

John Griffin, CFO/Treasurer/Tax Collector

We did not include it. As Director Sullivan indicated, one hundred percent federal and it gets a lot of review through the course of the year by the Board of Aldermen. It's not going to affect the taxation of the City as you know.

Fred Teeboom

So that's the tax base. You're not sure whether you're going to get certain grants. You're only guessing at other grants. That's why they're not part of the budget. I understand that. Going back to my original comments at the opening of this meeting, I registered my complaint about the calculations of the spending cap. Grants were never part of the calculation of the spending cap. A couple of years ago, Attorney Bolton walked in the aldermanic chamber and said we've got to budget for grants or we're gonna not get funded which Alderman Klee was only too happy to repeat many times. The fact is grants are not part of this budget for the good reasons just mentioned. Grants should not be part of the spending calculation. That's a second major flaw in the calculation. Thank you.

Chairman Dowd

Any other comments on Community Development Division?

Laura Colquhoun

Matt can you explain to me why Community Development is going up 26%? I realized this - also within your department, you've got community services is adding nine and community health is adding five employees or at least that's what the book said. Compared it one to the other.

Matt Sullivan, Community Development Director

Miss Colquhoun you're referring partially to the Public Health budget and Director Bagley I think can speak to that but you did ask your question about the increase in Community Development?

Laura Colquhoun

Yes.

Matt Sullivan, Community Development Director

Is that correct?

Laura Colquhoun

Yes.

Matt Sullivan, Community Development Director

So there's an increase in the Community Development budget because working collaboratively with the budget team, we identified an operational expense that we were starting to include within the escrow process. Working with CFO Griffin and the Mayor, we started to recognize that as an operational expense and that is the Your Voice/Your Choice participatory budgeting process. After that recognition, we actually moved that \$60,000 expense into the Community Development operating budget because it is a recurring year-after-year program that we're running and so it was

really a transition away from that being an escrow request into that being a part of the operational budget.

Laura Colquhoun

Okay. Thank you.

Chairman Dowd

Any other questions for Community Development Division?

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman, if I may?

Chairman Dowd

Yes.

John Griffin, CFO/Treasurer/Tax Collector

I'd like to call the attention of Director Sullivan to page 23 where the Urban Program grant amount is duly noted. So we decided in the creation of the budget book that the Urban Programs was not a - there was no funding coming from the City. We put it in here with the other grants that we can talk about when it's my turn. Thank you.

Matt Sullivan, Community Development Director

And I would just if I could point out quickly, some of these are referred to as grants but because the City is an entitlement community, there's a level of guarantee associated with some of those funds that come in to fund to the Urban Programs Department. So it's really I would argue it's not fully appropriate to refer to those funds as grant funds in the traditional sense. As an entitlement community, we have an elevated level of I guess, right to funds that come through the federal government and that's why they're not accounted for in that way. Thank you.

Chairman Dowd

Any other questions on Community Development?

Fred Teeboom

Follow up to a question.

Chairman Dowd

Follow up to a question you already asked?

Fred Teeboom

Yes.

Chairman Dowd

You've got to come to the mic if you're going to speak.

Fred Teeboom

Look at page 23 and 22 which lists grants. As an example, there's an item called "Unanticipated Transportation Grant Funds \$1 million". What is that? How did you come up with that number?

Matt Sullivan, Community Development Director

That is an estimate arrived at working with the finance team based on our understanding of past trends when it comes to applying for and receiving transportation grants. There are a variety of different transportation grants that we receive Mr. Teeboom. Some that come directly through the Federal Transit Administration, some that come through

federal highways, some that actually worked to fund the bus system and the transit system here in the City of Nashua. Some can be related to transportation infrastructure and so there are a variety of different transportation grants that the City applies for some of which we receive some of which we don't. That million dollars is an estimate of what that funding might be moving into the next fiscal year.

Fred Teeboom

It's an estimate. You could get zero.

Matt Sullivan, Community Development Director

I think my answer speaks for itself.

Fred Teeboom

Why is this part of the budget then? If it says this is all federally funded, Aldermen have nothing to do with it, they don't control it, you get what you get, anticipated or unanticipated. Why is that grants part of this budget?

John Griffin, CFO/Treasurer/Tax Collector

Maybe I can take a shot Mr. Chairman. As Mr. Teeboom indicated, this went to court to provide a couple of things. One is guidance on how to construct a broad-based budget. We didn't do that probably my first seven or eight years here because we had a significant amount of local ordinances that guided me in creating the spending cap. So the inclusion of the grants, it's that budgeting methodology that's promulgated by the State that I personally professionally don't have a choice but including that in this particular calculation of the spending cap.

Fred Teeboom

You have no choice?

John Griffin, CFO/Treasurer/Tax Collector

No choice, yeah no choice. As you recall last year in May, we had an entire session on the proper calculation of the spending cap. Attorney Bolton did a great job explaining it. The Mayor had his ideas and we're not allowed. We are not allowed to exclude grants. Now some of the Board of Aldermen were worried that if we didn't maybe project some unanticipated grants that fall in our lap, we might not be able to get those grants. That was part of the discussion – a very lengthy discussion but Director Sullivan he's just reporting what his area hopes to get for grants. It goes back historically. Thank you.

Fred Teeboom

Then can he explain why for dozens and dozens of years grants were never part of this budget. Like I said, the details are provided on the department because of federal grants. So why suddenly two years ago, you started to include them?

Mayor Donchess

Because the Legislature changed that situation through an Act they passed.

Fred Teeboom

The legislature?

Mayor Donchess

Yes.

Fred Teeboom

Can you give me the quotation on that?

Mayor Donchess

Yes. You went to the Legislature and sought legislation. It passed and what it says is that what it means is that all interpretive language - the cap in the Charter is the cap. Any interpretations of that through ordinance or custom are not valid. The only thing that the cap says is that expenditures should be included. That's it. That's all it says. No guidance.

Now back when the cap was first enacted, you - I'm going to say wisely – passed - you and your colleagues passed various interpretive ordinances. This is in, that's not, you know that type. Grants are out, that type of stuff. It didn't directly address grants but the custom was don't put grants in. Then at some point, a suit was brought to challenge the inclusion of the entire Wastewater Fund in the cap. The result of that litigation was to invalidate. The court not at the City's request invalidated the entire cap. That went to the Supreme Court and they upheld that so the cap was out the window. We didn't bring that case. We didn't ask for that. I thought bringing that case was unwise but that happened because the cap was fine until the litigation and I think you were a plaintiff in that. So they invalidated the cap. It went all the way to the Supreme Court. There's no cap anymore.

So then the Legislature passed legislation basically saying that all interpretations are invalid. That only the cap language applies and the only language in the cap says expenditures. So if you look up the definition of expenditures, it is a very broad term. When the City gets a grant and writes a check that is an expenditure. That's why grants are there. That's the result of all these actions - these lawsuits none of which the City brought, the legislation which the City did not seek. In fact, our delegation voted against it but they did it anyway. Well they shouldn't be meddling. There shouldn't have been lawsuits but there were. Everything was fine until all these lawsuits none of which the City initiated and the legislation which the City opposed but all this stuff happened and so all we've got left are those couple of words that say the expenditures made by the City are under the cap. So that includes grants, includes when the wastewater fund writes a check, it includes when we write a debt payment, it includes when we make an appropriation. I mean that's a broad word and that's where the confusion comes.

Fred Teeboom

Mayor Donchess are you saying that the change in the State law...

Mayor Donchess

We could get Attorney Bolton up here but the legislation did not help.

Fred Teeboom

Let me get Attorney Bolton up here and explain why he put the grants in.

Mayor Donchess

If I didn't explain that correctly, you should come up and...

Fred Teeboom

You said the word expenditures and the law.

Mayor Donchess

No, it's in the cap. It's in the...

Fred Teeboom

State law.

Mayor Donchess

No, no. It's in the Charter but that's all that's left. They said use the language of the cap period. All the Charter says expenditures are under the cap. That's it. It doesn't say what's in and what's out. The legislation used to and that made sense but that was challenged in a lawsuit and the whole cap got thrown out. So we've been really at sea ever since that happened. Again, the City didn't do that. The City didn't want that. The City didn't seek that. The City didn't bring the case and the result was unfortunate but it happened and there's been more than one case over this. One case went to the Supreme Court. Then there was legislative action. We didn't seek any of that.

Fred Teeboom

Let me understand what you're saying. I'll make it very short before the Board. The language in the Charter didn't change.

Mayor Donchess

Correct.

Fred Teeboom

The State law was amendment to clarify and eliminate the loophole - what I call the loophole - which revalidated caps throughout the State of New Hampshire. Are you saying that when the State law was revised to close the loophole that added grants to the budget because the language in the Charter?

Mayor Donchess

I'm saying that the State, you know, there was a dispute over this interpretive language. The interpretive language made sense because when you initiated the cap and it passed, you immediately - and that's the simple language in the Charter. You immediately passed interpreted language in ordinances. That made sense because the simple language of the cap itself in the Charter is very difficult to administrate and you understood that. That's why you passed the ordinances which says this is in, and that's out, and there was a rather comprehensive system of determining what's in and out. Now the trouble - but you can see the reasoning behind it. The Charter is the Charter and ordinances can't change the Charter.

So basically what the Legislature says and the courts is, I guess, you know the courts also is that look you can't use custom. You can't say we used to do this and therefore it should be in or out. The Charter doesn't say anything about that. The Charter just says expenditures are under the cap period. That's the only language that there exists now legally and that's what they're trying to interpret. What is an expenditure? When the City gets a grant and writes a check, it's an expenditure. That's why it's being included under the cap calculation.

Fred Teeboom

Isn't authorization of the bond an expenditure?

Mayor Donchess

Arguably yes. The answer is yes.

Fred Teeboom

I'll guarantee you...

Mayor Donchess

All of these things have created much ambiguity and a lot of confusion. Again, the stuff that was done the interpretive ordinances which were passed way back made sense. The trouble is when a suit was brought, the whole cap got wiped out. The City did not bring that case nor did it seek that result and the case should not have been brought but it was and you see the chaos that's resulted.

Chairman Dowd

So I think we get to differing opinions. I don't think we're going to settle it here.

Fred Teeboom

No. We're not going to settle it here but I appreciate Attorney Bolton's pretty quiet in this whole thing.

Chairman Dowd

Anything else? Attorney Bolton?

Steve Bolton, Corporation Counsel

I think the Mayor did a very good job of explaining. Had I thought he needed any help, I would have gotten up sooner.

Chairman Dowd

Alright. Anything else Community Development Division?

Matthew Gouthro

Matthew Gouthro, 104 Fawn Lane. I'll take a swing at this horse. In the language, it describes these funds as unanticipated funds, unanticipated health fund grants, unanticipated transportation fund grants, unanticipated grant funds but you're adding a hard dollar cost for these funds. I hear a lot of words here used about estimated, and hopeful, and optimized but you're putting a hard dollar cost on these funds. How can you justify putting a hard dollar fund on these costs in a budget that you don't know if you're going to get those funds? And to use the same analogy as the Mayor just did in terms of you had to include this language in here in order to use these funds, we receive millions of dollars in ARPA funds over the past few years. Did we receive those illegally because those were unanticipated funds?

Mayor Donchess

I was talking about the application of the cap not the question you're asking about. I'm just saying that the cap says expenditures and it gives no guidance beyond that.

Matthew Gouthro

I'm sure this language is put in here to benefit the cap. What I'm saying you can't put a hard dollar cost on funds that you don't know you're going to get or not.

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman, if I may?

Chairman Dowd

Yes.

John Griffin, CFO/Treasurer/Tax Collector

A couple of items. Great questions. The ARPA funds were received by the City on the City side. Slightly over \$16 million accepted and appropriated by the Board of Aldermen. So there was no illegality in accepting those funds.

On the school side as Mr. Donovan - he's no longer here - but he and his team received a significant amount of what's called "ESSER" funds specifically for school districts. Again, accepted Mr. Donovan very diligent accepted by the Board of Education and accounted for appropriately on the City side.

With regard to what we're trying to do here. We're trying to recognize that we may get more grants than what's listed in the hard coded and we estimated the number.

Matthew Gouthro

But shouldn't that be a surplus to those specific departments if approved by the Board of Aldermen and not be a line item because you realize that once you approve this budget and you have \$3 million in anticipated funds if you don't get those funds next year, this budget is at a deficit as a result.

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman, if I may? These funds, the grant funds have been included in what we call "special revenue funds". So you're gonna see revenue and an appropriation that equal. So if by chance we got some of this, more of this, it comes in. If it's budgeted, the Board of Aldermen through their action have already appropriated the funds but there's going to be no - if we don't get the million dollars, there is no surplus in both appropriations not spent or revenue. They offset. So these are special revenue funds where the revenues equal the expenses.

Matthew Gouthro

Yeah I just don't think that the ambiguity of the verbiage that you're putting in there puts us in a good position in terms of these funds so that the public can understand what's happening with them. I think that you guys really need to change the language of this and leave these funds as a surplus coming into the City rather than a line item in which there could be a deficit in the budget as a result.

Mayor Donchess

All right so that's something to think about but you understand that there's no city money here. These are not city tax dollars. So if...

Matthew Gouthro

Absolutely but it's listed as revenue. So you're listing this as revenue that you are bringing in and there's no way to gauge that you're going to get those funds.

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman, if I may?

Mayor Donchess

I call it estimated revenue.

John Griffin, CFO/Treasurer/Tax Collector

Yes, it's estimated.

Matthew Gouthro

Then put estimated revenue in there and not anticipated.

John Griffin, CFO/Treasurer/Tax Collector

What's interesting, there's a notion unanticipated revenue that the Board of Aldermen is familiar with when we get something we didn't expect. That's what the State calls it "anticipated revenue". You'll see in certain legislative actions we will say City received a million dollars of something. It wasn't budgeted so they refer to as unanticipated. We can certainly change the language to estimated if that's the preference. We'll give us some good thought. If estimated is better than on a budgetary basis, is better than the typical language in legislation...

Matthew Gouthro

I'm just saying if you're gonna put it as a line item in your budget, you might want to look at how the language is going to be reading on that because if we don't get that revenue, it looks like we're at a deficit. Thank you.

John Griffin, CFO/Treasurer/Tax Collector

Thank you.

Chairman Dowd

Alright. We're going to move onto Public Health and Community Service. This is Community Services, Community Health, Environmental Health, Welfare Administration, and Welfare Assistance.

PUBLIC HEALTH AND COMMUNITY SERVICE

Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. So does this include Health and Human Services? I think it does. Am I correct? Okay good. Couple of questions for you. Is there revenue in there for the new position that was just voted by the Board for the Chief of Health - Nashua's new Chief of Health? Is that part of this budget or has that not been put in?



Chairman Dowd

Mayor?

Mayor Donchess

I could answer. That's not a new position. So the Ordinances had previously designated the Environmental Health Officer as the Chief Health Officer of the City but that was done when the Director of Public Health and Community Services did not have a medical background or scientific background. We encountered problems when Director Bagley applies for grants and stuff and they expect - hey, outside parties, expect that the Director of Public Health and Community Services would be the Chief Public Health Officer.

In addition, Director Bagley I think has earned the designation. So the ordinance what it did is simply said instead of the Environmental Health Officer being labeled the "Chief Public Health Officer of the City", it's now going to be the Director of Public Health and Community Services.

Laurie Ortolano

Okay. So it's not really a new position, is that correct?

Mayor Donchess

Correct.

Laurie Ortolano

Okay and she'll still serve as the Director of Nashua Health and Human Services. We're not creating a new position.

Mayor Donchess

Correct.

Laurie Ortolano

Okay. And then do we have additional new grant funded positions in that department coming in this year or have we grown that at all? I can't tell with the numbers because...

Mayor Donchess

Well Director Begley is going to have to answer that but we hope so. We hope so and I think we expect that or the grants are in progress but not yet expended. Director Bagley can answer that.

Bobbie Bagley, Director of Division of Public Health and Community Services

Yeah so we do have a number of grants that we have received from the Center of Disease Control and the Bureau of Drug and Alcohol as a pass-through to the State Health Department. Those grants will fund and do fund existing positions as well as several new positions starting in Fiscal Year '24.

Laurie Ortolano

Okay. Is it your anticipation that those positions will continue to be funded - I mean I'm always concerned when we start with grant funding that we end up growing with permanent positions but would these be temporary positions that are just based on grant funding or do you anticipate them becoming permanent positions?

Bobbie Bagley, Director of Division of Public Health and Community Services

So there's two parts to that question. There are several grants that we receive that we receive for decades that fund our emergency preparedness, one of our public health nurses, our staff that do the behavioral health. That's continual funding that comes in. Some of the new funding that has come in as a result of the COVID Response Funds or ARPA funds from the CDC, those funds will end at the end of Fiscal Year '24 and so those positions that will be brought on in July will be temporary positions.

Laurie Ortolano

Okay. All right. Thank you.

Chairman Dowd

Any other questions on Public Health and Community Services?

Jerry Hendrickson

I'd like to talk about the Senior Center.

Chairman Dowd

Name and address?

Jerry Hendrickson

Jerry Hendrickson, 10 Wagon Trail. To go back a number of years the way Nashua handles their seniors. It started a long time ago and they own the building. They provide the maintenance to the building. It's a non-profit organization that runs the building. They have a parking lot out there and the parking lot contains 96 spaces. When they started up, they said well you're only allowed 4% handicapped spots but this is a senior center. People are coming in with walkers, with wheelchairs, and that kind of thing. I was part of that long time. This goes back almost 20 years. They finally got up to eight spots. They never ever provided spaces for vans or that kind of thing so anybody coming in with a wheelchair had to park out where they found a double parking space.

The activities they have, there's a lot of activities back in those days. The thing is you have to be a member and they charge you to play let's say bridge or something like that. It was \$3 a week plus the membership so it costs almost \$200 for every activity you had. So slowly but surely that's going away. COVID knocked it out completely and down to the point now so I'm looking at it and right now there is no activity scheduled at that senior center. If you want to go for an activity, you go down to Chelmsford. There are 45 weekly activities in Chelmsford. Guess what, they're all free. I wonder why Nashua didn't pick up on that kind of thing from the Mayor's Office and something like that and there was plenty of contact with him and that kind of thing. So it's just a comment. They should be looking at giving the seniors more. Most of the people in here fit in that category and they get nothing.

Chairman Dowd

Thank you. Anything else on Public Health and Community Services? Moving on to Financial Services Division, Revenue and CERF. I think we've covered CERF a little bit, but...

#### FINANCIAL SERVICES DIVISION, REVENUE AND CERF

Fred Teeboom

Another simple question. Page 248. Now we had a Treasurer and Collector of Taxes called David Fredette and he retired. CFO Griffin took on the title of Treasurer and Tax Collector. I don't think CFO Griffin took on additional salary. Right? He kept the same salary even though you got another title. However, this book shows a Deputy Treasurer/Tax Collector. First question, did the Aldermen ever approved that position?

John Griffin, CFO/Treasurer/Tax Collector

That position was approved by the Board of Aldermen.

Fred Teeboom

It was?

John Griffin, CFO/Treasurer/Tax Collector

Correct.

Fred Teeboom

So it was an appointment that got approved. If you took the title of Treasurer/Tax Collector why do you need the Deputy Treasurer/Tax Collector? Why did you take the title?

John Griffin, CFO/Treasurer/Tax Collector

The Deputy is called out in the Administrative Code.

Fred Teeboom

The Deputy is not a Treasurer is called out.

John Griffin, CFO/Treasurer/Tax Collector

Treasurer and the Deputy are called out. What's interesting admittedly when Treasurer/Tax Collector Fredette retired, I thought long and hard about it and suggested to the Mayor that for an interim period, I would be a good choice because I knew we had an outstanding Deputy Treasurer/Tax Collector who was an expert on collecting taxes and all of the ramifications of things related to tax collecting.

Fred Teeboom

That was not David Fredette.

John Griffin, CFO/Treasurer/Tax Collector

David Fredette - Treasurer/Tax Collector Fredette was a long-tenured Treasurer/Tax Collector but Deputy Treasurer/Deputy Tax Collector Ruth Razwyk a 45 year employee for the City did an outstanding job. When she left, we had a solicitation and Miss Barry came over from Hudson. She did an outstanding job there. She was not only a Tax Collector, she was the Town Clerk. Just to be honest after the last election really didn't want to do another election. So she graciously came over and helped us out immensely. So she is the Deputy Treasurer/Deputy Tax Collector.

Fred Teeboom

So you've always had a Deputy Treasurer/Tax Collector.

John Griffin, CFO/Treasurer/Tax Collector

Correct.

Fred Teeboom

Okay. I didn't know that. Thank you.

John Griffin, CFO/Treasurer/Tax Collector

Thank you.

Chairman Dowd

Any other questions on Financial Services Division?

Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. Within your organization, what departments report to you? What other departments report to Financial Services? It used to be Purchasing, Payroll, Risk Management. Do you still have those? You don't have purchasing anymore, correct?

John Griffin, CFO/Treasurer/Tax Collector

That's correct. The individuals that report to me are Financial Reporting, Accounts Payable, Treasury Tax, Treasury Management, Motor Vehicle. Those are consolidated. With the reconstitution of the Administrative Services Division

several years ago, there was a replication of those departments that you just mentioned back in under the Administrative Services Director.

Laurie Ortolano

Were they under it before?

John Griffin, CFO/Treasurer/Tax Collector

They were back in Mayor's Streeter's tenure and prior to that.

Laurie Ortolano

Okay. I really think they belong in Financial Services - Purchasing and Risk Management. Have we addressed all of the various escrow accounts that have grown over the last four or five years under this administration to consolidate those and clean them out or are we still holding all of the different escrow accounts for various departments?

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman, if I may. As Director Sullivan indicated and the other Directors, we made a concerted effort in this budget to put in the budgets ongoing operational costs. So the hope, the objective is to not have operational escrows unless absolutely needed and certainly not payroll escrows.

So what will happen is we, you know, hopefully we're fortunate enough to have appropriations not spent which is surplus. Hopefully, we will be moving those dollars into either capital projects, CERF, other items that need some help from a funding perspective.

Laurie Ortolano

Plus I think if there is a lot of escrow money, it ought to be returned to the taxpayer if it's not budgeted. That's part of the game and instead of just as escrowing it and keeping it to move around, it ought to come back and not be carried year to year. So I'm glad to hear that that is underway and that effort is being made. Thank you.

Chairman Dowd

Any other questions on Financial Services Division?

Laura Colquhoun

Laura Colquhoun, 30 Greenwood Drive. Mr. Griffin I see a software subscription services where we went from like \$3,000. Can you tell me what the software is for? Is it going to help us in collection of our property taxes?

John Griffin, CFO/Treasurer/Tax Collector

So if I may? So most of the attractive software solutions that financial services has in the areas of budget book creation, we're heavily investigating a payment solution that helps mitigate fraud. There's companies out there that basically you outsource the management of the onboarding of the different vendors. There's other financial services software solutions that we've actually escrowed over the last several years. So the objective with this putting these dollars in here as its ongoing operational costs.

Laura Colquhoun

Okay.

John Griffin, CFO/Treasurer/Tax Collector

Those are the amounts. The budget book is something we're committed to and as I mentioned, we're going to try to put additional features and functions in and this is great feedback and input from you folks. Thank you.

Laura Colquhoun

I'll give you a list.

One other question. I saw you put \$50,000 for deeded property. Are we making a concerted effort to take some of these properties to pay off the property taxes that is owed to the residents?

John Griffin, CFO/Treasurer/Tax Collector

So for the purposes of discussion, the tax deeded amounts are in the Risk Management area but that's certainly for once we take the property, we're going to take several properties on around August 23<sup>rd</sup>. We're gonna have to take care of those properties. We're going to have to maybe board them up. We're gonna have to mow the lawns. We're gonna have to change locks. We're gonna have to do a number of things so that's the reason for the \$50,000 in Risk Management to pay for that. The short answer is we're making a concerted effort to collect the back taxes from individuals that haven't paid us and it's going to be can't get it all back at once. Let's say there's 400 properties. There has to be proper notice as you know. We've actually - a few of the tax deeded properties that we've gone to the Registry of Deeds, they actually want to buy the property back. There's relatives that manifest. They say geez I really liked the live there. Let me buy it back and we're in the process of that. So there's gonna be a lot of give and take with the taxpayers but more importantly, we're collecting money that that we need to collect.

Laura Colquhoun

Okay. Can you tell me the date again you said August 23<sup>rd</sup>?

John Griffin, CFO/Treasurer/Tax Collector

I think its August 23<sup>rd</sup> but I'll confirm that. There's a night - believe it or not, there's all kinds - and this is where Deputy Treasurer/Deputy Tax Collector Barry is an expert on the timeliness of these. A lot of noticing and a lot of ability for the taxpayer to buy the property back. Furthermore, there's recent court cases where the cities really can't make a profit anymore. We can't sell it and see so we have to give that back to the taxpayer who didn't pay us for years. So it's an interesting process and one we're committed to.

Laura Colquhoun

Okay, thank you.

Chairman Dowd

Any other questions on Financial Services Division? Seeing none, we'll move on to Debt Service Contingency and Interfund Transfers, which actually fall under Financial Services. None?  
Capital Improvements?

DEBT SERVICE CONTINGENCY AND INTERFUND TRANSFERS

CAPITAL IMPROVEMENTS

Laura Colquhoun

Sorry, I'm not as fast as you. I just want to go on the record to tell people that currently with our debt service, we have - Laura Colquhoun, 30 Greenwood - \$418,426, 693 in outstanding bonds with the interest of \$150,117,587 which is a total of \$568 million that we owe as taxpayers on the bonds which is not listed in the books. It's just shows you the principle. So next year, let's make sure we have the full amount. Thank you.

Chairman Dowd

Capital Improvements? Seeing none. Administrative Services which includes Arlington Street Community Center, Human Resources, Payroll, Employee Benefits, Risk Management, Purchasing, Information Technology, Telecommunications, CTAB, Assessing, and GIS.

ADMINISTRATIVE SERVICES

Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. I'm not a fan of this position and I've watched it operate for three years. I think it's been a really destructive position for the City when it comes to citizens and access to City Hall and information.

The prior Director was pretty restrictive and now we have a new Director who has taken City Hall in closed most of the doors down. They're closed. They have phone numbers you have to call. They're by appointment only. It's swept through almost every door. I received an email through a Right-to-Know where Director Cummings tried to get the keypads and the scanners on every door but it was like \$8,000 a door and Risk Management said hey we didn't budget for that so we can't do it. He wanted 15 doors done. That's not a public building anymore. Our City Hall is not a public building and it's different from Hudson, and Manchester, and Keene, or Salem. Go into those city buildings because I've been in them. They're all open.

Getting people to answer the phone if you're standing there and you knock and no one answers and you call and you can hear the phone ringing in there, no one picks up. I don't believe it's because no one's there. Okay. I think what has happened is a travesty and I think Director Cummings has been really destructive to how a public operation and a municipal government should operate.

Now I also don't understand his job title change. What is his job title? Is he the Administrative Services Director or the Chief Operating Officer because both are listed in the book? What is he?

Mayor Donchess

His job title was expanded and changed.

Laurie Ortolano

Okay. I have a big issue with a Chief Operating Officer being added to a job description of an Administrative Services Director. A Director is very different from a COO and if you operated within the guidelines of the Charter that would be a new position you brought forward for vetting and I think that should have been brought forward. You know we talked about this Chief Public Health Officer which is a separate position that's assigned to somebody and it just got assigned to Director Bagley but she's still a Director. It was a separate, defined position. It was discussed in the Board meeting. It was voted on as an ordinance by the Board.

Now we look at COO tacked on to a Director's label and we throw it there and it looks to me like he got a pretty good pay raise increase which I don't think is justified. I think you really subverted the intent of the law when you created a Chief Operating Officer which really in truth a COO would, you know, the Chief Financial Officer would work for the COO. This would take on everything and what you're really doing with that COO is creating a City Manager position and I think that needed to be vetted as well.

Mayor Donchess

He did not get a pay raise because of that.

Laurie Ortolano

Okay. Well okay maybe because of that but he is still overpaid in my book for what's going on in City Hall. He's creating an awful lot of liability.

Now let's look at his department and let's look at the Right-to-Know Administrator. I think that position should be eliminated. That has created more lawsuits in the last three months because of what's going on with that position than I could have ever imagined. This individual is not skilled, does not understand the law, writes letters with the wrong dates, puts the wrong names on them, attaches the wrong documents, tells you when you write general correspondence that they're not required to answer questions when there isn't a question in the letter. It's frustrating. So if your intent was to frustrate us and create more lawsuits, bravo you've done a great job but I'll tell you, you have not made this any easier and that position should be cut. It is not helpful. Using him as the middleman to departments that have the knowledge where the workers are very knowledgeable. They know their stuff but they can't impart it because it's got to go to the guy who isn't knowledgeable, who isn't writing very well, and isn't doing a very good job. So I'm totally opposed to what we've done with money there because it created a liability.

Now let's look at Purchasing. I think we're not following our purchasing policies and I addressed this a little bit two weeks ago or 10 days ago at a board meeting but I also feel that our contracts when we sign contracts, my observation is when I read contracts that have parts in it, that involve citizen awareness, or doing something for public promotion, or PR, we fall short on that a lot and nobody in contracts management or departments are pushing to make certain that that part of the contract is complied with. What I think of is in our first assessing contracts when we said, oh we're going to hold meetings, and you're going to get a mini analysis on your property, and you're going to

have all the comparable data so you can see all your property change that never happened. That was part of the contract. It did not happen.

Now I look at when we hired Neil Cannon and we have his contract and proposal. The very first thing front and center was a public relations campaign to educate the public, and the stakeholders, and the shareholders on what a New Market Tax Credit is and how it works because it's so complicated. His whole push was public awareness and he would attend public hearings. Did he attend any public hearings where the public could ask questions because I actually think the answer is no. He did come to a hearing that was set up a year after we did the closing deal in December of 2021 to take questions from the public twelve months after it was done.

When I look at how that Art Center was done, we had a performing - we had a PAC - a Performing Arts Center Steering Committee that allowed no public input. We had special meetings of the Aldermen when Brian McCarthy was alive and there were special meetings of the Aldermen, public comment was on the agenda. Special meetings of the Aldermen after he died, no public comment. If it had to do with the art center, public comment was shut down.

Downtown Improvement Committee did a lot of discussion and input for the art center. Go to a Downtown Improvement Committee meeting, no public comment allowed. Now you have a Trust Committee for the Performing Arts Center that meets and does oversight. No public input allowed. Okay. Then you formed and used this New Market Tax Credit funding that created very unique entities that were very confusing one of them being a private corporation where all the records were locked down essentially and the project even though it was funded with bond money became a private project. So I will tell you, I'm very concerned when that kind of funding is being done to grow this City and those kinds of contracts that are running through Purchasing that involve public education are not being paid attention to and a lot more work has to be done.

Switching to Assessing. Where do we stand on bringing the records online for the property files? We still had years to go. Where do we stand on completing that task and did we budget for it this year?

Chairman Dowd

Who's gonna address that question?

Tim Cummings, Administrative Services Director

We have budgeted for it in the past. I believe we've continued to budget for it. It's an ongoing project to get the files up. It's my understanding that we have completed a major tranche of it and we're going through a vetting exercise to make sure that the records are redacted appropriately.

Laurie Ortolano

Okay. That really doesn't tell me what percentage is done and where we really stand on. Are they up and running on the computer for us to access? They were in very limited form. I mean you had like three pages in your property record file. As they're being redacted, are they being loaded live so that are coming right in so that you can look at files that are complete and when will we know if the file is complete? You know you'd never know if you're looking at a complete file.

Tim Cummings, Administrative Services Director

It's my understanding that all the prior property cards have been uploaded. However, they've been locked down and secured until the redacting process has taken place.

Laurie Ortolano

I'm unaware that a property record card gets redacted. It doesn't. I mean I've never seen that.

Tim Cummings, Administrative Services Director

Sorry, just to clarify. I said property record card because I meant all the additional paperwork that would be included in that file. As I understand it, there's additional miscellaneous assessing paperwork that would go along with that property card or that file and those individual documents need to be reviewed and redacted.

Laurie Ortolano

Let's talk about redacting. We've complained a lot as a City about redacting. It's expensive. It's difficult to do. It's costly.

Chairman Dowd

If it's not in the '24 budget, I'd rather the questions be specific to FY24 budget.

Laurie Ortolano

It's in this budget. I want to know if anyone looked into purchasing redacting software that is widely available to minimize the staff time used for redacting. Did we investigate that, or budget for that, or attempted to get it? We complain a lot.

Chairman Dowd

Do we have redacting software?

Tim Cummings, Administrative Services Director

I'm not aware of any redacting software. We certainly haven't looked into it but I would happy to do so.

Laurie Ortolano

I think it's something you should look into.

Also Risk Management. I'm really concerned about what's over there under Risk Management. We are putting all of the legal office stuff, the consultants, additional services, fixing elevators in a parking garage \$100,000-\$125,000, all of that is falling under Risk Management. I think that has become a massive slush fund. It is not just litigation stuff. It's grown. It's \$6 million and it's not just Risk Management. I think the Board should be looking closely at that Risk Management account and looking at what's sliding in there. Because when we do get to Legal, we're going to see Legal hasn't grown at all. That's ridiculous given what's going on in this City because it's all in Risk Management.

I also have a really big concern when we're paying for the attorneys that are being, you know, that a citizen, an elected Board member who gets sued not in his capacity as a Board member is now being paid for by City funds to be represented to the tune of \$20,000 or \$25,000 so far. I'm sorry, we should not be – taxpayers...

Mayor Donchess

Which Board member are we talking about?

Laurie Ortolano

Mr. Moran.

Mayor Donchess

Oh and who brought that lawsuit?

Laurie Ortolano

I did. But so what? So if he wasn't acting, he went on a radio show and decided to make defaming statements outside his capacity as an Alderman. Why should the taxpayers pay his legal bill? You know what it shows me, birds of a dark feather flock together. You take care of your people and the taxpayers are going to pay for it when their conduct is poor. I think that is not appropriate. That's actually shocking to me that we cover the cost of those types of lawsuits. I think that's just wrong.

Back to Purchasing. What do we do? Where are the safeguards in purchasing to address when contracts are or we don't comply with the rules because the NRO's the purchasing manual's state it's unlawful, it's unethical. They don't cite the RSA although there is an RSA for purchasing that does give you some language but what happens when we don't comply? When somebody turns around and just cuts a PO, or pays for something with no instructions like I saw happen with Neil Cannon coming back to the City. What do you do with that? When I addressed the Board, it was rather shocking to me that no one on the Board said this is very concerning. You know how did this happen? We



didn't have a requisition. We didn't have three bids for something between, you know, \$10,000 and \$25,000. We didn't have a proposal. We didn't have a contract. We had a non-PO signed invoice which it didn't fall under the qualifications to be a non-PO service. Here I've been talking about transparency. I've had litigation in the courts that stands there on this art center New Market Tax Credit funding program because I don't want to see it used again because all the records were locked up. If you're gonna build downtown out using those types of special financing mechanisms, you're denying citizens the right to have any construction records, any costs, all of that stuff is gone and so I think it's wrong. I think it's just wrong and I think the City should have defined that originally when you took that on but, you know...

Mayor Donchess

My understanding was that 6,000 pages virtually every piece of paper generated by the Performing Arts Center has been produced - checks, bank records, change orders, 6,000 pages isn't it?

Laurie Ortolano

No. You're thinking of the closing binder. That's 6,000 pages. You know what, that was a public document that was never made public. I got that within...

Chairman Dowd

Again, I think we're going astray from the FY24 budget because that's certainly not part of the FY24 budget. Do you have specific questions for this area of the FY24 budget?

Laurie Ortolano

I'm expressing, you know, a lack of performance in our Purchasing Department, a lack of performance with our COO, a lack of performance with our Right-to-Know Coordinator, a lack of performance in our Risk Management Department. I'm concerned with all of those and I think the lockdown of City Hall is exactly where we shouldn't be. That is not a public building anymore.

Chairman Dowd

All right, so you've expressed your opinions. Thank you.

Laurie Ortolano

Thank you.

Chairman Dowd

Anyone else that wants to discuss anything Administrative Services.

Laura Colquhoun

Laura Colquhoun, 30 Greenwood Drive. First of all, Administrative Services, Human Resources, Payroll, Risk Management, Purchasing, Assessing, and GIS all have very nice increases. Okay. I am with Laurie 100%. The Right-to-Know Coordinator should be fired. He answered an email I sent to Mr. Griffin and God bless Mr. Griffin, I have never, ever had a problem when I asked him something he gets the information back to me. But this one, I don't know whether he was at a town or whether it went to Mr. Perrin and I gotta tell you, it was on April 1<sup>st</sup> and my reply to him was is this an April Fool's joke. I asked him about a general ledger. He said oh I can give it to you in maybe 60 days but it's got to be redacted. Well, number one it's a push button report. Number two, it doesn't get redacted but the man doesn't know what he's doing so that's what you get.

As far as all this other stuff, I personally feel that Purchasing should be under Mr. Griffin. They're putting a lot of things into Risk Management to write them off. Right now you're looking at it that we have \$6 million in the 6500 account which is the Property Casualty. So \$6 million is going to come out of taxpayers' pockets to pay all these things for legal services. Mr. Mayor if you approved Mr. Moran's personal and business bills, I gotta be honest you're a disgrace. Okay. If you looked at the court order, it said it had nothing to do with the City. Are you going to sit there and tell me that when he loses, this taxpayer is gonna have to pay Laurie because that's ridiculous. Okay. I'm also noticing that all these legal expenses which really infuriated me when I opened this budget book, the Legal

Department claimed \$1 for outside professional services - \$1 but meantime, they threw \$181,000 over in Risk Management and said just write it off. Money's no object. There's taxpayers are gonna get stuck with it.

I think (inaudible) up doing it and somebody's got to come in and look at the Property Casualty and even the medical. You've been boasting for two years, oh we're going to do this, that, and the other thing. If you take your debits and your credits on your medical, \$6 million is coming out of our pockets, the taxpayers, to cover medical for people that work for the City. I'll tell you, I think that's also BS. Make them pay more because I know I'm paying a fortune and I'm retired but a lot of other people don't work for the City so they've got to pay their medical which may be \$1,000 a month. We're doing something really wrong where we got to pay an extra \$6 million so that you guys will have great coverage. Well, I can say a lot but I'm not. Thank you.

Mayor Donchess

Well, I think there's a little bit of a misunderstanding. The employees pay 20%.

Laura Colquhoun

There's no misunderstanding. I took the revenue. I took the Risk and from General Fund we're going to take \$6 million. There's no misunderstanding here. That's coming out of my pocket. That's why might my property taxes went up 58%.

Mayor Donchess

You said that the employees I think you were suggesting didn't pay anything. The employees pay 20% of the basic premium cost to the - we'd have to get into that a little more depth as to exactly what that is - but 20% plus healthy deductibles which is similar to many private plans. So the idea that they don't pay anything is not correct.

Also, the Board of Aldermen did appropriate \$300,000 for the legal fees. It wasn't \$1 and we do have a single case in which someone is claiming \$2 million of damages from the City. So you'd prefer that we pay that out?

Laura Colquhoun

I would prefer you not but I would you prefer you not pay his legal fees because he says stupid and he says bad things.

Number two, obviously you didn't look at your budget book. If you look under legal, it has \$1. Okay.

Also when you look at your medical, you're getting all this stuff that we give out to the employees. I mean we have employee system program, wellness bonus, benefits. We've got what else, oh employee training. They've got stop loss things claims. Your claims last year, your health claims were \$41 million. That was in the budget. They got back \$37 million, okay. How many people had dental? Not me, okay. Smart Shopper Rewards. Give me a break. Maybe we got to cut back from all the bennies they get and actually have them work.

Chairman Dowd

Anything else on Administrative Services?

Christina McKinley

Christina McKinley, 6 Southgate Drive. Thank you, Mayor Donchess. I was waiting for that answer so employees contribute 20% to their health care costs.

Mayor Donchess

Yes. The way it works, we are self-insured and have been for a long time. You do save money that way. So there is an estimate called the working rate done at the beginning of the year which is kind of the same concept as the premium you would pay to an insurance company. So the working rate estimates on average the total amount of claims that will have to be paid on average for a city employee or the city employee and dependents who are on the plan. Once the working rate is established, let's just say for the purposes of hypothetical that that's \$5,000 which is not the figure but let's just say it is. All right so at that point, the City establishes a payroll withdrawal which would have the employee pay \$1,000 on that hypothetical 20% of the \$5,000. Plus there are deductibles for various

services that are significant in some cases for drugs, for different types of treatment, for inpatient hospital care. Its several thousand dollars.

Christina McKinley

What is the maximum deductible on a City policy?

Mayor Donchess

We'd need, we'd need to get the benefits. I mean the biggest deductible is for inpatient hospitalization and I think its \$3,000 or \$4,000, I think. We'd have to get back to. I don't think the benefits person is here but that is one of the ways that when we say we save money, the basic HMO plan was revised, deductibles went up but principally the deductible for inpatient hospital treatment.

There is another plan that actually saves money. Although it may not sound like it. So there is a so called high deductible plan and the objective is to incentivize the employee to shop for, do cost shopping for health care. So again if I'm wrong here, someone can correct me but the deductible on the high deductible plan is \$4,000 for the year. You have to pay \$4,000 before you get any benefits. Now the incentive to take that is that the City pays that employee \$3,000 into their account which they can carry forward but because there is an incentive to carry that forward and not use the deductible, it causes we believe employees to search for at this lab it's \$200, this lab it's \$75. I think I'll go over there because the first \$4,000 is basically coming out of my pocket. Even though the City gives a couple of different payments but over a year gives \$3,000. So in the end, we save money on the high deductible plan. The employee makes out pretty well because if you don't use a lot of health care, you can actually accumulate some significant amount of money which you can use to pay the next year's deductible. So that's an alternative. That's an alternative at the employee's option that is in all of the contracts.

Christina McKinley

Are they encouraged to or do you offer HSA savings plans?

Mayor Donchess

Yes.

Christina McKinley

Do you have very many employees that are taking advantage of that?

Mayor Donchess

I'm not sure. I assume some of course.

Christina McKinley

And what's included because there's, you know, lines for salary, health insurance, pension, and fringe benefits. What are fringe benefits different than these other benefits? What is that?

Mayor Donchess

One thing that - we'll let's let Mr. Griffin answer that first.

Chairman Dowd

Mr. Griffin?

John Griffin, CFO/Treasurer/Tax Collector

Yes, Mr. Mayor. Mr. Chairman, if I may? John Griffin, CFO/Treasurer/Tax Collector. Within the benefit self-insurance fund, the intent there is to capture all costs related to the benefits. So when you look at lines like wages full time, overtime, FICA, MEDI, pension expense, that's for the employees that manage that particular fund. Very similar to the property and casualty fund where the staff, there's lines for the staff within that internal service fund.

When you go down the list - actuarial services, consulting, billing, and mailing, then you get out of the heavy hitting lines like claims administration as the Mayor said, we self-insure but we hire a third-party administrator - Anthem. They have the links to all of the way healthcare gets paid for and it's accounted for. They also have contracts with the providers. So if you do have an HSA and you do get a bill, it's a very scary thing because you finally found out what the cost of the procedure was but there's just like in a dental business, there's agreed upon pricing that's negotiated.

What's happening in the benefits world is there was, as we all know during COVID, a lot of the hospitals and providers you couldn't get elective surgeries because they didn't have the staffing and the bed. Now what's happening is there's more claims because people are getting work done. They're getting things that they couldn't get done during COVID. So that's an additional cost. So as Director Cummings, the Mayor and I we contemplated the working rates 9%. It was a conscious effort to make sure that we don't run a deficit in this particular fund. But he's absolutely right in that when the team crafted an HMO, high deductible HMO, that's where he mentions the \$4,000 deductible for the family, \$2,000 deductible for the single. It's complicated but we needed to get the HMO on a level playing field with the HSA. As the Mayor mentioned, virtually all of the collective bargaining agreements have come forward.

If I didn't really want to have savings and I didn't want to look at medical bills, I would opt for the high deductible HMO and a lot of the team members have done that. We do have a fairly large population of the high deductible plan with the companion HSA. The beauty of that is it's portable. You can take it with you. So a lot of those concepts. So a lot of work has been done with medical and I've been kind of working with the team on this for 13 years but medical there's like 10 reasons why medical costs are going up and one of them is the provider costs, prescription drugs, advertising. You watch TV any kind of show, you're gonna get all these new, great drugs that are being led out into the market but complicated but the employees pay through the collective bargaining process.

#### Christina McKinley

Just two comments that I found because I was putting together health benefit plans for my husband's company and for another company. I believe that one of the things that is critical to making the best use of the money that is available is educating people on City staffs. Because I've found and I was working with engineers and engineers know math and it still didn't matter. Without doing a lot of work, it was very difficult for them to understand that these programs that you can pay with a lower deductible, those sorts of things. If you're a healthy person, you are paying a very high cost to be able to walk into a doctor for \$20 bucks. If you net out what that's actually costing you, it is way more expensive than deciding on a high deductible but it took a lot of work in two different engineering companies for them to finally get that they were throwing money away doing that.

The flip side or not a flip side, the second comment is if 20% is what the contribution is and the City thinks that is representative of what private industry pays, I think you're wrong. I have hardly ever worked with anyone on these benefit plans or for myself where it wasn't 50% for staff members and 100% for your family.

The company's goal, I mean, like a lot of things I mean we're watching a lot of companies now step into areas that have nothing to do with what they're producing. Small businesses have to focus on what is their mission? What is their role? So they are not inclined to be spending money on people who don't work there but they provide an opportunity for the person who does work there to get a better health care program by participation but they pay 100% for their family members and they pay 50% for themselves. So I think City employees are perhaps being very misled as to what their contributions ought to be in matching what the people who are covering and paying the taxes that support these benefits what those people are paying in their own personal lives. I think an education of our City employees would be an order.

#### Chairman Dowd

Any other questions on Administrative Services? If not, we'll move into General Government. This is many small items, but it's the Mayor's Office, Board of Aldermen, Legal Department, City Clerk's Office, Hunt Building, Parking Enforcement, Parking Operations, Economic Development, Nashua Riverwalk TIF, School Street TIF, Hunt Building Facility Rental, and Civic Senior GAD and Senior Center.

### GENERAL GOVERNMENT

#### Laurie Ortolano

Laurie Ortolano, 41 Berkeley Street. With regard to the Legal office, I think we're not carrying the accounting the way it should be carried. First of all, the overlay account for abatements contains all the consulting fees that are used by legal to help settle the appeals and work on the cases. In Manchester and other cities, those are part of the legal budget. I think it should be part of the legal budget so we see what we're paying consultants to assist us on appeals.

I also think that the Board should push much more to try and get these appeals settled quickly. Other communities tried to settle those appeal issues or abatements that go to appeal out within 12 months because we have to pay interest on those. If you lose, there's a penalty. It was 6%. It went down to four. We are letting our appeals run out three and four years and we're paying the penalty on that and we pay the consultants in a budget we never see.

Secondly, I think all of the various consultants that are being or additional legal services that are being hired to assist the Legal Department ought to be within the legal budget. It shouldn't show that there's no increase at all. I generally feel that that legal office is a mess. I think there's been a total lack of policy and procedure in the codifying on how things should be done with those records are available to the public and they help safeguard the City. I feel that not enough has been done in that area to address that. The legal office has been a major part of the problem in creating a lot of this litigation because they like litigation. I guess they're not so into mediating or trying to address situations and resolve them in a more peaceable manner. That was never more true to me than my property appeal. It's still a stunning thing to me to look at a property assessment that was as off as far as mine was and we couldn't come to a resolution that had to go all the way to the BTLA. Could not mediate that.

So I am not happy with your legal office. I think your Corporation Counsel needs to be replaced. I think you need to do a much better job in creating policy and procedure up there. I think you got to get your accounting in order and put your consultants where they belong in that office.

Moving on. Let's go to Economic Development. When did the Economic Development Office move to the Hunt Building?

Mayor Donchess

It didn't.

Laurie Ortolano

So I was told by your office that Economic Development was no longer next door. That I had to go to the Hunt Building. That's not the case?

Mayor Donchess

I mean I'd have to check that but I mean I don't know what you were actually told but no they did not move.

Laurie Ortolano

So okay. I think your Economic Development office should be an open public office. I know in other cities it is. I've talked to the Economic Development Directors, I've been able to go into an Economic Development office. Your Economic Development office here at City Hall, I've never seen the door open. I've been in City Hall numerous times where people have come up to me saying gee I'm trying to get into the Economic Development office. I knock. No one answers. How do I get to them? I say you gotta go through the Mayor's office. Nobody answers. I don't understand that. I really don't. I've been to City Hall a good bit. I've never seen the door open. I personally have never knocked on the door where anyone has ever answered and they're not a phone call kind of group either. They don't answer. So I think that's a real problem when it comes to customer service and public business. If you want to run your office that way, go work someplace else because that's not an open public government.

I do not support Economic Development taking on the role that it does in this City. It's quite different from other cities in that there are a lot of big projects going through Economic Development and I don't think it's right. I think there's too many irons in the fire. I think there is not a lot of transparency. The records are not available to the public and it's done under a lot of secrecy. I don't think that's been to the benefit of the public. That department passes a lot of money through it and they may say they're advisory but based on minutes I was looking at of the art center construction meetings, your Economic Development Director was a lot more than advisory taking on tasks.

Also City Clerk's Office. I want to say that I've been really happy with the change in your City Clerk's Office and I feel like the records are becoming more available. Customer service is very good over there. The shades are up most of the time. They have quite a few people at the window. I think it's been a real shift, and I think it's been really positive, and I hope they continue to work in that direction. I do think you need to get your Municipal Records Committee reformed and meeting again because I think a lot of the problems with the litigation on Right-to-Know has come from the fact that we don't have a Municipal Records Committee within the City. I don't know and a lot of people don't know what records are public. The City has always taken a position we're not going to tell you. Well your Municipal Records Committee would be the perfect place to go to which Sue Lovering held one meeting. It was great. It was a

good meeting. They were going to meet again within after the election in 2021 and they never met again. I kept going over to the Clerk's Office trying to meet with her on that Municipal Records Committee and she would not speak to me. The reason I wanted to meet with her was to try and find out what art center records are public. Help me figure out what's public over there. Instead of trying to work with me, I received an email that I'd be under arrest if I came back into the office again. They'd call the police and have me arrested. Now I've never had a letter like that come from our new Clerk and I'm really appreciative of that and I hope that continues but I think if you got your Municipal Records Committee together, we'd start to understand what's available to us.

TIFs. Do we still have the same number of TIFs? We have the School Street TIF, the Riverfront TIF. Have we added any more TIFs?

Mayor Donchess

No.

Laurie Ortolano

Okay. Were we able to pay out the bond? The bond costs, the principle and interest on the \$5.5 million out of the School Street TIF account? Do we have enough money in it?

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman, we have the School Street. Principle and interest is in the School Street TIF accounting.

Laurie Ortolano

And so we just paying that fully out of there?

John Griffin, CFO/Treasurer/Tax Collector

Correct.

Laurie Ortolano

Awesome. Thank you.

Chairman Dowd

Any other questions on general government?

Fred Teeboom

Quick question. I'm not all that familiar with his budget book because I had too many other things but pensions. Where are pensions in this book?

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman, the pension costs are in as you know the different departments.

Fred Teeboom

So they're not listed as a single item?

John Griffin, CFO/Treasurer/Tax Collector

They're not listed as a single item. We decided not to do that this year but if you would like to know the Number, I can get you that. I total everything up and provide it to you.

Fred Teeboom

That's kind of a problem because that used to be a big issue. It still is a big issue with what \$23 million at one point or more last year.

John Griffin, CFO/Treasurer/Tax Collector

It's more.

Fred Teeboom

It's more and it gives me more so that's a very big number. What is the number now?

John Griffin, CFO/Treasurer/Tax Collector

It's in the 30's. \$30 million plus.

Fred Teeboom

\$30 million for pensions?

John Griffin, CFO/Treasurer/Tax Collector

Correct. As the Mayor indicated, the working rates across the board were reduced because of the performance of the fund which hasn't really happened since I've been here.

Fred Teeboom

You mean they lost money?

John Griffin, CFO/Treasurer/Tax Collector

They fund over - there's a five-year smoothing process they go through and fortunately this fiscal year, the rate is lower than it was last year.

Fred Teeboom

What does that mean? You mean they lost money? I don't know what that means.

John Griffin, CFO/Treasurer/Tax Collector

What it means is that the amount of pensionable wages that the City pays is less as a percentage than last year.

Fred Teeboom

So they're paying less money in pensions?

John Griffin, CFO/Treasurer/Tax Collector

So let me make sure everybody understands. The wages have gone up as everybody's noted. So the pensionable wages have gone up. The rate that's applied to each dollar of pensionable wage is less than it was last year. In total, there's about a \$700,000 savings in the pension budget than last year.

Fred Teeboom

There's a savings?

John Griffin, CFO/Treasurer/Tax Collector

A savings from last year's appropriation of about \$732,000.

Fred Teeboom

So it's \$7,000 less than last year?

John Griffin, CFO/Treasurer/Tax Collector

Correct.

Fred Teeboom

Okay. That's what I tried to figure out. It's still very large. It's a very high number. We have no control over that number whatsoever?

John Griffin, CFO/Treasurer/Tax Collector

And while you asked that talking about pensions for some of the citizens that wanted to know from a Group 1 perspective, I'm a run of the mill employee. I pay 7% to the fund. Police and Fire a little bit more in excess of 10%. Teachers same thing but Group 1 is employees and teachers. Group 2 is police and fire.

Fred Teeboom

When Chief Soucy retired, I kept track of this, he made \$136,000 a year for the rest of his life. When Alderman O'Brien retired, he made over \$120,000 a year. Good money. This is why we're paying \$30 million.

Mayor Donchess

But you know this is a State law determines what the pensions are. I mean these are non-negotiated so. We follow State law.

Fred Teeboom

I know. It's outrageous. But I do recommend that you keep that number right on top like it's always been in his book up and front and center so we know what it is.

Chairman Dowd

Any other General Government questions? And please ask questions.

Christina McKinley

Christina McKinley, 6 Southgate Drive. Mr. Griffin maybe you can answer this and thank you for the percentages because I was interested in that. I still don't think I understand what are fringe benefits? What is that special category? What does that include?

John Griffin, CFO/Treasurer/Tax Collector

Mr. Chairman if I may? Fringe benefits include pension, FICA/Medi (which is the federal taxes) and benefits.

Christina McKinley

Pension has its own line.

John Griffin, CFO/Treasurer/Tax Collector

Right but I guess in some instances as part of our appropriation summaries, we group that as appropriation summary as the fringe benefits line. But if you look at the appropriation detail, it's got the pension, benefits and FICA/Medi. Those are generally the three areas of fringe benefits.

Christina McKinley

Okay. Thank you.

John Griffin, CFO/Treasurer/Tax Collector

You're welcome.

Chairman Dowd



Any other questions on General Government? Any last minute questions? If not, I'll call on Alderman O'Brien to make a motion.

**MOTION BY ALDERMAN O'BRIEN TO TABLE R-23-125  
MOTION CARRIED**

ADJOURNMENT

**MOTION BY ALDERMAN O'BRIEN TO ADJOURN  
MOTION CARRIED**

The meeting was declared closed at 10:09 p.m.

Alderman Michael B. O'Brien, Sr.  
Clerk