

BUDGET REVIEW COMMITTEE

MAY 5, 2020

A meeting of the Budget Review Committee was held Tuesday, May 5, 2020, at 7:00 p.m. via teleconference.

Chairman Dowd

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

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

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

We are utilizing WebEx through the City's IT Department for this electronic meeting. All members of the Budget Review Committee have the ability to communicate contemporaneously during this meeting through this platform, and the public has access to contemporaneously listen in to this meeting through dialing the following number 1-978-990-5298 and using the password 273974. The Public may also view this meeting on Comcast Channel 16.

b) Providing public notice of the necessary information for accessing the meeting:

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

c) Providing a mechanism for the public to alert the public body during the meeting if there are problems with access:

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

d) Adjourning the meeting if the public is unable to access the meeting:

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

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

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

The roll call was taken with 7 members of the Budget Review Committee present:

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

Also in Attendance:

John Griffin, CFO
Fire Chief Brian Rhodes
George Walker, Assistant Fire Chief
Alderman Patricia Klee
Alderwoman Elizabeth Lu
Alderman Linda Harriott-Gathright (recorded as present after roll call)

Alderman O'Brien

Alderwoman-at-Large Shoshanna Kelly? Alderman-at-Large Michael O'Brien is present and I am alone and I can hear the proceedings. Alderman-at-Large Lori Wilshire?

Alderman Wilshire

I am here, I am alone and I can hear everyone and I am social distancing.

Alderman Schmidt

I'm here, I am the only human in the room and I am social distancing per the order of the Governor.

Chairman Dowd

Yes, I can hear you. I am alone practicing social distancing in accordance with the Governor's instructions and good to go.

Alderman O'Brien

Also in attendance is Alderman Klee. Are there any other Aldermen I did not call?

Chairman Dowd

You missed Clemons.

Alderwoman Kelly

You might have missed me too.

Alderman O'Brien

Who is that?

Alderwoman Kelly

Alderwoman Kelly.

Alderman O'Brien

You were called. OK I got you down now.

Alderman Jette

Alderman Jette.

Chairman Dowd

OK everybody else on mute please.

Alderman O'Brien

Alderman Jette you were called too but I could see you were on. Also in attendance is Fire Chief Brian Rhodes, Assistant Fire Chief Walker, Deputy Chiefs Buxton, Gerhard and there may be another one that I cannot see on camera. Also in attendance is Fire Commissioners Davidson, Garant, Burgess and also CFO Griffin. Is there anybody else in attendance I did not call?

Alderman Klee

Excuse me, I'm sorry, Alderman Lu is saying that she is speaking but we are not seeing her. I don't know if she just can't be heard or ...

Alderman O'Brien

Alderwoman Lu, are you present?

Chairman Dowd

She's not showing up in the meeting list.

Alderman Klee

It keeps coming across my screen as saying, speaker Elizabeth Lu.

Alderwoman Lu

Thank you, thank you, can you hear me?

Chairman Dowd

I can hear you now.

Alderwoman Lu

OK sorry about that, I thought I was logging on to the comcon commission and I guess I used the wrong WebEx. So I am here, thank you very much Alderman Klee.

Alderman O'Brien

Thank you, Alderman Lu. Mr. Chairman, you have six voting members of the Budget Review Committee present.

Alderman Clemons

I don't know if make number 7 or what?

Chairman Dowd

Yeah, Alderman Clemons is on.

Alderman O'Brien

That makes 7.

Chairman Dowd

Thank you, we have a full complement.

COMMUNICATIONS

From: Susan Lovering, City Clerk

Re: Responses to budget questions from Alderman-at-Large Ben Clemons

From: Kim Kleiner, Administrative Services Director

Re: Administrative Services Division – Response to Alderman Clemons Budget Questions

From: Tim Cummings, Economic Development Director

Re: Responses to Alderman Clemons budget questions

From: Bill Mansfield, Radio Systems Manager

Re: Response to Questions from Alderman Clemons

There being no objection, Chairman Dowd accepted the communications from the City Clerk, Administrative Services Director, Economic Development Director, and Radio Systems Manager and placed them on file.

UNFINISHED BUSINESS – None

NEW BUSINESS – RESOLUTIONS

R-20-030

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

RELATIVE TO THE TRANSFER OF \$10,000 WITHIN DEPARTMENT 156 "EMERGENCY MANAGEMENT", FROM ACCOUNT 54407 "SOFTWARE MAINTENANCE" TO ACCOUNT 51300 "PAYROLL - OVERTIME"

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

ON THE QUESTION

Chairman Dowd

OK, Mr. Griffin, did you want to explain that or is there anybody else that is here to explain the Legislation.

John Griffin, CFO

I can explain it Mr. Chairman. As Director Kates indicated when he appeared before you folks, he indicated that he no longer needed that line item "Code Red Services" maintenance. And due to the pandemic breaking out in early March, he needed to (inaudible) over to staff member so this is a situation where there is fortunately money in his budget and because it is moving from non-salary to salary, the Board of Aldermen needs to approve that transfer. So I would recommend the transfer on behalf of Director Kates.

Chairman Dowd

Does anyone have any questions on the Legislation? Seeing none, would you please call the roll?

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

Yea:	Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire Alderman O'Brien, Alderwoman Kelly, Alderman Dowd	7
Nay:		0

MOTION CARRIED

R-20-034

Endorsers: Mayor Jim Donchess
Alderman Richard A. Dowd
Alderman-at-Large Michael B. O'Brien, Sr.
Alderman Linda Harriott-Gathright
Alderman Patricia Klee
Alderman Skip Cleaver
Alderman-at-Large Lori Wilshire

APPROVING THE COST ITEMS OF SIDEBAR AGREEMENTS BETWEEN THE NASHUA BOARD OF POLICE COMMISSIONERS AND THE FIVE NASHUA POLICE DEPARTMENT UNIONS REGARDING A POLICE DEPARTMENT RECRUITING INCENTIVE

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

ON THE QUESTION

Chairman Dowd

OK I don't see anybody from the Police Department but this is a sidebar between the Labor Board and the Unions. It comes to us because it has finance implications, although they are minor, very minor. And we can just vote it up or down, we cannot take any other action on a sidebar. Did you have anything to add Mr. Griffin?

John Griffin, CFO

Mr. Chair I have nothing more to add, thank you.

Chairman Dowd

Ok are there any questions on the Legislation?

Alderman Clemons

Yes, Mr. Chairman.

Chairman Dowd

OK Alderman Clemons and then Alderman Wilshire.

Alderman Clemons

Can someone explain exactly what is in the sidebar and what we are voting on? I understand that we are voting yes or no it's just that I'd like to know what exactly it is.

Alderman Wilshire

Alderman Dowd?

Chairman Dowd

Yes?

Alderman Wilshire

It is a \$500.00 for payment towards recruiting. If an officer in the Department finds another officer that gets hired, they get a \$500.00 incentive. The reason behind that is they are really looking to get up to full complement and it is more likely that someone who is a Police Officer might know somebody who wants to be or is currently a Certified Police Officer. I think it is short money to get our Police Department back up to full staff. So I am going to support this. It is \$500.00 for every time they get someone or recommend someone. I don't think they will be spending that much money on this. But I think any little incentive helps to get them back to where they need to be.

Chairman Dowd

Are you all set Alderman Clemons? I think the total amount that they expect to spend is probably around \$2,000.00.

Alderman Clemons

Yeah that's fine, thank you.

Chairman Dowd

Ok so Alderman Klee?

Alderman Klee

Thank you, I had more of a comment than anything. When I worked for the Department of Veteran's Affairs, at that point it was very difficult to get nursing staff and of that ilk. And this is one of the things that they actually did, it was \$150.00 back then but that was back in the late 90's early 2000's. And they would do this type of thing too. You are absolutely right, that's exactly what we found, is that nurses knew nurses and Police will know Police and Fire will know Fire and it works very well. And once you are up to full complement it tends to just go away. I am not a voting member, but I think it's a good idea.

Chairman Dowd

And I just note Alderman O'Brien, that Alderman Gathright has joined us.

Alderman O'Brien

Thank you Mr. Chairman.

Chairman Dowd

Are there any other questions relative to the sidebar agreement? Seeing none, Alderman O'Brien would you call the roll?

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

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire
Alderman O'Brien, Alderwoman Kelly, Alderman Dowd 7

Nay: 0

MOTION CARRIED

NEW BUSINESS – ORDINANCES – None

TABLED IN COMMITTEE

R-20-016

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

AMENDING THE PURPOSE OF A FISCAL YEAR 2020 UNLIKE ESCROW FOR THE COMMUNITY DEVELOPMENT DIVISION

(Remains Tabled)

R-20-023

Endorser: Mayor Jim Donchess
RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2021 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, AND SPECIAL REVENUE FUNDS

- Public hearing scheduled for 5/20/2020 at 7:00 p.m. via Webex

DEPARTMENTAL REVIEWS OF THE PROPOSED FY21 BUDGET FOR THE CITY OF NASHUA

<u>Dept. #</u>		<u>Appropriations</u>
	<u>FIRE</u>	
152	Fire Department	135

MOTION BY ALDERMAN O'BRIEN TO TAKE FROM THE TABLE R-20-023 BY ROLL CALL

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

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire
Alderman O'Brien, Alderwoman Kelly, Alderman Dowd 7

Nay: 0

MOTION CARRIED

Alderman Dowd

Ok today we, between IT, Legal and Donna and myself, we now have a process for the Public Hearing to be handled via Webex on 5-20. The information will be going out, I believe tomorrow, to everyone so that you will have the information. But it will be by WebEx, the public will be able to ask questions on-line. And we will go through each and everyone of the Departments. We should have at least one person from each Division to answer questions. But more on that later. Ok so tonight we are going to be talking about Department 152, the Fire Department. Appropriations are on Page 135. Who would like to open it up on behalf of the Fire Department?

Brian Rhodes, Fire Chief

I will, Mr. Chairman. Fire Chief Brian Rhodes.

Chairman Dowd

OK.

Brian Rhodes, Fire Chief

Well first and foremost, thank you very much to the Budget Committee for this opportunity to present our FY21 Budget. With the permission of the Chair, I have a few questions, well I have one question for the Board and then I would like to have your permission to give a little background history as to the Fire Department.

Chairman Dowd

Sure.

Brian Rhodes, Fire Chief

So my first question would be for the Aldermen in attendance, did you receive the overview document that I sent out about 2 or 3 months ago which details the Fire Department from top to bottom?

Chairman Dowd

I see heads nodding.

Brian Rhodes, Fire Chief

OK we are nodding, thank you. So the reason I sent that out was the biggest thing that we need to understand here is, we are a labor-intensive organization, that's what we do. We are a people organization and the service we provide takes people. We came before the Board 2 years ago, so now I want to get into a little history, I apologize. We came before the Board 2 years ago, with a need, well actually it was 4 years ago but it took us an additional 2 years to get it. Our Fire Alarm staffing was the same as it had been for the previous 40 years plus. We showed the need. The Board was gracious enough to approve it but at that time and I say this with all due respect, God Rest His Soul, Chairman McCarthy said to the full Board, "understand that you will need to fund these 4 positions fully in the next year's budget".

So we are in the current year where they, the current year would have been FY17 or 18 I believe and we got an approval for 4 new dispatchers which brought our complement up to 3 dispatchers, 24/7. Those dispatchers were funded for one quarter of the year, so the total salary equated to 1 employee per year, but we had 4 employees we hired, in April for the last quarter. So we started in to Budget preparations for FY19 and we soon realized, "Look we have a problem here, you did not fund this properly" because you didn't bring the numbers up.

During that time, we said, "Look we are going to try to do our best". The ambulance contract was up at the time and I had conversed with Fire Chiefs in the 2 comparable cities to our north and south; that would be Manchester and Lowell. They were both charging for dispatch services, which is the same that we did. So we ended up, we were successful in negotiating a new contract with AMR for 5 years with 5 additional 1-year options, with a potential of approximately \$4 million dollars of revenue to the City. Well, we thought that the City was going to fund these 4 positions and we were going to use some of that money to supplement our Budget, primarily our non-payroll budget which had been flat for 14 years. And we said this last year, the same thing, 14 years we were flat. So we were able to successfully negotiate this contract. The first year of the contract was for 9 months so we could line it up. The way the contracts were, the previous contract was, we tried to line it up so we could get aligned with Fiscal Years for the City. So we brought in \$350,000.00 to the City.

Well low and behold, that money was used to supplement our budget, though it really wasn't additional money that we brought in, it was additional money we brought in, but it wasn't used to the way we thought it was going to be used to help us. So that money gets rolled into now our payroll line. So that money is there forever now. It is not coming out. So we come around to last year's budget and we bring in \$350,000.00, we were able to put \$50,000.00 into our non-payroll operating budget which takes care of everything under the sun, other than obviously payroll for 7 buildings, 40 vehicles, all the equipment, all that. But the Mayor gave us \$150,000.00 Mayoral Adjustment. So we did like we always do in the Fire Department, we make do. We go out, and we get FEMA Grants and we try to get equipment. One of these grants we did last year was, we reduced the City's CERF Liability by taking 3 vehicles off the road and replacing it with a Federally Funded \$700,000.00 vehicle that is going to last the City well over 20 years. I'm not sure about the School Department, we probably currently have the highest percentage of employees on the high deductible plan and obviously there is going to be more coming up.

First let me say this, there is one other person in this Fire Department of 180 people that has more seniority than I do. And for my 30 plus years with this organization it has never been a good time for the Fire Department. I mean no disrespect to anyone when I say that. I understand it, trust me, I understand the times we are in. It is just extremely frustrating. Our firefighters do an incredible job for our City every day. The last contract the Firefighters had was a 4-year contract, they had 8 1/2 % over four years and they took a zero for an entire year in the middle of that run. I don't know how many other City Unions took a zero at that time. So we are in the best economy that we've had, we are in a blue-chip economy. So their contract runs out in July of '19. We are in a blue-chip economy. We are the lowest historical rates of unemployment we have ever seen. We are the lowest rate of vacancies in occupancies in the City. The City is starting to grow. We are throwing up hundreds if not thousands of multiple family units in the City. So we say, "OK let's see what we can do for the firefighters this year".

We engaged in a robust negotiation and when I say robust, it went approximately 9 months. So I can assure you that the administration for the City did not roll over. The Firefighters Union, and by all rights they shouldn't have to did not, they stuck firm to their guns like they should and it took us about 9 months to come to a tentative agreement. And we thought, based upon the environment, it was fair, it was a fair agreement, they deserve it. They have been the Safe Station Program for 3 years with no additional compensation and they have done an incredible job with that.

We get to the point where we get a tentative agreement and those of you who know contracts, know that just because you have a tentative agreement, doesn't mean this is going to fly now because you have redline copies, you have all these things that have to take place, so everybody can see it. The Firefighters Union needs to ratify it, it needs to be presented to the Board of Aldermen which is why you haven't seen it yet, but I am going to get to that.

COVID-19 hits, we are in the middle of a world pandemic that none of us have ever lived through. So that's why I saw I totally understand the predicament we are in. But because of the Bylaws of the Firefighter's Union, they cannot get a ratification meeting together because they cannot have gatherings large enough because their vote must be under a secret ballot. So then we get into the budget proceedings. So we have a

tentative agreement, we have to present our budget. So the budget we are presenting to you is representative of the tentative agreement that we have with the Firefighter's Union that you haven't seen yet. So this is, to coin a phrase, this is a perfect storm for us. This is a perfect storm.

Again, we are very empathetic to what is going on, we understand what is happening, but I just wanted you to understand where we are coming from with this budget. We feel, myself, Assistant Chief Walker, the Command Staff, the Board of Fire Commissioners, we feel this is a fair contract that we have a tentative agreement on. But again, I don't know how much we can discuss this tonight because you haven't even been presented it because the Union hasn't had the opportunity to ratify it. So our number, which you are seeing for our budget, you are saying Holy Cow, what is this number from, where is this coming from? So I just wanted to give you some background as to where we were. There is no way we could come in here and present a budget, anything less than the tentative agreement.

So I hope I've given you some understanding, I mean no and I meant no disrespect to anyone on the Board. I fully understand the position you are in. I am just, as a leader of this organization of 179 other incredible individuals who do an incredible job for our citizens every day and have continued to do an incredible job through this COVID-19 event, I am just extremely frustrated. I am going to leave it at that. If you have any questions regarding the numbers, I am going to defer that to Assistant Chief Walker. But if there are any other questions, I'd be glad to answer them for you. Thank you.

Chairman Dowd

OK I just caution all the Aldermen that we cannot ask questions about the specifics of the contract because we have not seen it. If you have general questions that you'd like to ask relative to the Fire Department, please let me know.

Alderman Clemons

Yes, Mr. Chairman, I do.

Chairman Dowd

Alderman Clemons?

Alderman Clemons

Thank you. I have a couple of questions. My first is that, so if I understand you correct Chief, the budget that was before the \$500,000.00 or so cut that the Mayor made was the budget that you were looking for, is that correct?

Brian Rhodes, Fire Chief

That is correct, sir.

Alderman Clemons

Ok so my second question then I think would be to the CFO if he is still here, I don't know if Mr. Fredette is here. I know in CERF we have several things in Public Works that we are paying for cash, lots of big vehicles and things like that. My question is - I am wondering if we might be able to bond \$500,000.00 or so worth of those vehicles and transfer the \$500,000.00 back into this budget either through an escrow or some other way so we can make this budget whole. That is my question.

Chairman Dowd

Mr. Griffin?

John Griffin, CFO

Yes Mr. Chairman, John Griffin, CFO. We did discuss that on April 16th when Treasurer Fredette and I were in attendance. The CERF account is a fund that has appropriations put into it and the Board of Aldermen approves the spend out of it. And that spend out of it as Treasurer Fredette indicated is made up of cash, bonding, and grants. What Alderman Clemons would like to contemplate is to reduce that cash – I believe the number is in the \$2.3 million dollar range, bring that down to \$1.8 and bond some of the large vehicles that are purchased with cash by the Department of Public Works.

What it does, is it spreads the, you know, mathematically it reduces the cash drain and takes vehicles that may have a 7-year life and bonds them, lowering the immediate drain. So mathematically that could happen. What we have done with CERF just to expound on that just a bit. CERF was essentially intended to pay everything with cash but as Treasurer Fredette indicated back in 2010 we re did the plan, we have to bond fire trucks, fire apparatus, with ladder and engine and we have to bond the trucks, the refuse trucks for Solid Waste. There was no other way we could fund on an annual basis the amount of needs that CERF would have. So we could say practically speaking that that could happen. I just want to say that CERF, as the Mayor has indicated in his presentation, CERF is one of the areas that we've had a hard time funding. We usually backfill it with appropriations not spent in the ensuing years.

Bonding more things is certainly (inaudible) we haven't done that. We have limited the bonding to the items that I just mentioned. So hopefully that helps. Thank you.

Chairman Dowd

All set Alderman Clemons?

Alderman Clemons

Thank you. Yeah just a comment. Thank you very much for the explanation. I understand that you know traditionally CERF isn't something that we bond stuff out of, we pay cash and that's what it is for. But I said the other night we are in extraordinary times and sometimes when you are in extraordinary times you need to do extraordinary things. And we need to be able to help the taxpayer keep the, we need to reduce this budget and make sure that we are not putting too much of a burden on the taxpayer. On the flip side of that we have to make sure that we are taking care of the people who take care of us and that is our Police, our Firemen, Teachers, basically any City Employee.

So for me, that is a reasonable way that we can come to an agreement without really affecting the tax rate too much. Obviously, there are costs to bonding, but right now, rates are extremely low. It's actually a really, really, really good time to bond. So you know, if there was going to be a time that we were going to do something like this, now would be the time to do it. That would be my proposal Mr. Chairman. And it is something that I am going to work on and look into a little bit more because I think that this would help address the concerns that the Chief brought up at the beginning of the meeting and it would balance the needs of the City, the taxpayers, the fire department and still obviously give those vehicles to public works as well. So that is my 2 cents and that's where I think we should go. Thank you.

Chairman Dowd

OK when we get to our Budget Wrap Up Sessions, that is when we will make motions to fine tune the budget, one way or the other. And if you want to research that and prepare a motion, you know, you can bring it to the Budget Committee at that time.

Alderman Clemons

Yes, I will do.

Chairman Dowd

And just to reiterate Chief, that it was a bottom line cut by the Mayor of \$500K, let me make sure I have the right number; it is \$500 and something K. And that takes into account the funds to support the tentative contract for what is missing for FY20, because part of that is in contingency now. But the balance would be in that number, plus the amount for the contract for FY2021. And as we discussed there are other things that are small amounts of money that are covered in that \$500K as well for other things. But one thing is we can't make a final determination on that number until we know what the contract looks like. So we are sort of in a Catch 22, with a time frame running out. So we will have to address when we get to the wrap up. We have a Public Hearing on the 20th, and then we will be starting our Wrap Up Sessions after that. Any other questions for the Fire Department? Oh Mr. Griffin do you just want to amplify something?

John Griffin, CFO

Yes thank you Mr. Chairman, John Griffin, CFO. I knew I was missing something so I appreciate it. With respect to Alderman Clemons' proposal, the only drain on the FY21 Budget is what Treasurer and I reviewed was the transfers (no audio) at half a million that would be where you'd reduce that to zero if you were going to reduce the appropriations for Fiscal21. It might make more sense when we all get back together. I know Alderman Clemons will understand that. It is the appropriation that we need to reduce for this year. And that's the only (inaudible) we are making this year into CERF.

Alderman Clemons

Ok I understand that. I will send you an e-mail separately and maybe you can go over that with me and we will just put that in writing so that I can present that at some further time. So I appreciate that.

John Griffin, CFO

Sure.

Chairman Dowd

Also, when we do approve the Final Budget, whatever is in that number for the Fire Department that is relative to a contract that hasn't been approved yet, will go into contingency.

Brian Rhodes, Fire Chief

Mr. Chairman?

Chairman Dowd

Yes?

Brian Rhodes, Fire Chief

May I please have Assistant Chief Walker provide a little bit more clarity to your previous statement?

Chairman Dowd

Sure, Assistant Chief Walker?

George Walker, Assistant Fire Chief

Thank you, Mr. Chairman, just a clarification on the Fiscal 20 Budget, there was a contingency put aside for a

tentative agreement. Under this tentative agreement there is a shortfall from what was put in contingency and what this contract calls for. So I just want to make that clarification; it is not in this number. What is in this number is the compound from that year to this year. So I just wanted to make sure you understood that.

Chairman Dowd

OK, Alderman Jette I think had a question. Mr. Griffin, did you want to amplify anything?

John Griffin, CFO

Yes, Mr. Chairman, thank you. Assistant Chief Walker, what he is doing is he is pointing out on Page 135 of his Budget, the amount that is put in under salary adjustments, the \$438,000.00 – that is the amount that was put into contingency last year. He is indicating that that number pursuant to the tentative agreement would be short. I just wanted to add some optics to the discussion. Thank you.

Chairman Dowd

OK. Alderman Jette, where are you? There you are.

Alderman Jette

My question may be in that area that you are telling us that we can't really ask about. But when I look at the Budget, I see there are some little differences, but it is pretty well level-funded from last year to next year, except for Item 51900 – Salary Adjustments. It goes from \$438,000.00 to \$1,144,000.00. Is that because of this tentative agreement, is that where – is that something we can't ask about or is that something you can answer?

John Griffin, CFO

Assistant Chief Walker can answer that, thank you.

Chairman Dowd

Ok.

George Walker, Assistant Fire Chief

So the \$438 under the 2020 Budget is the continuance for Fiscal Year 20 potential agreement. What you see under the Mayor's proposed, under our '21 request is all of the (inaudible) costs with this new contract. It totals up to that. You will see some other adjustments along the operating side of the budget which is some utility increases based on the rates that we were given. But most of the costs are rolled into that salary adjustment as it is technically contingency.

Chairman Dowd

Ok just the follow up was, they in 2020 when they did the budget, they had a certain amount percentage of increase that they anticipated they would settle a contract for and they put that in contingency and that is contingency at the \$438. And what they are saying is, that the tentative agreement that they have with the Union for 2020, requires more funds for 2020 to be put in, as well as the funds to cover for 2021. Does that make it clearer Alderman Jette?

Alderman Jette

Yes, thank you.

Chairman Dowd

Yes, who?

Don Davidson, Fire Commissioner

Don Davidson.

Chairman Dowd

Oh hey Don. Go ahead.

Don Davidson, Fire Commissioner

I'd just like to make a couple of comments before you folks get into the nuts and bolts that Chief Walker will fill you in on if you need it. From the Commissioner's perspective in order to help you what you have in front of you with this Budget, we can say categorically that the budget monies is totally driven by the contract that they do not officially have yet, because you haven't passed it. But we can't go forward with a budget for next year without having funds to cover a potential contract. Trust me, for all of you Aldermen who have to deal with this all the time, this is not an excessive contract. And there's a couple of you that were around when I was and you know that I always frowned on anything that was excessive. In the case to this Fire Department this is not excessive.

But because we had a gap from last year's contingency to meet the requirements of the tentative contract, you have that little discrepancy in the funds that are in contingency not quite meeting the 2020 piece of it. Remember, the Fire Department hasn't had a new contract since last July. The Chief just talked about the perfect storm that the Fire Department has been through at this time, where everything had come together, we were moving forward to send you the contract and do the budget and the world collapsed. Well you guys have a perfect storm too coming up. And I certainly know from my past experience it is not going to be easy for you to figure it out. I mean I even raise the thought from my point of view that it is going to be so chaotic for you when you try to match revenues, anticipated revenues with the information you are going to get saying you are not going to get that amount of revenue. You are going to have trouble trying to put a budget together that is going to go through next July, I mean numbers-wise. Yeah it has a potential of a heck of an increase in taxes, but is because of the COVID that that's going to be there, because it wiped out y our current revenues, even the revenues that come into the City on a day-by-day basis are way down. And then you top that with the revenues you get from the State which are probably going to be non-existent. You've got a problem; I am very sympathetic to it. I am glad to say I haven't been there as bad as you are going to go through but I certainly understand it. But from my position, I want you to know, the Board also echoes that this contract is not off the wall. And when you see it and compare it with other contracts in the City, you will agree.

The issue is so severe to us about having a budget passed without funds in for this budget, I mean excuse me, funds in for this contract or some other contract if it has to go back to the Board is the potential for having our services affected in this as we go forward. The Fire Department provides this City with top notch services. If you go into the fire arena, you will find that Nashua Fire Department is one of the best in all of New England. And we ought to all be proud of it, I know we are. I just can't urge enough that you take into consideration the impact of having a final budget that does not allow us to move forward with a contract. If this budget went through as it is now, we don't have anything in the budget for a new contract, nothing. Because that cut would be so detrimental to us. So I just want to say, and I'll let Assistant Chief Walker give you all of the specifics of the line items, that this Board is totally in support of the budget as we presented it originally and we are in support of the contract when it gets to you. Thank you.

Chairman Dowd

Any questions on specific line items? Alderman Lu?

Alderwoman Lu

Thank you, Mr. Chairman. What is the shortfall from last, from 2020 Budget?

Chairman Dowd

What do you mean?

Alderwoman Lu

With the Fire Department, my understanding is there was a shortfall?

George Walker, Assistant Fire Chief

The difference between what we put into the Fiscal 20 contingency and what the final number is in the Collective Bargaining Tentative Agreement.

Alderwoman Lu

I'm sorry was there a figure there?

George Walker, Assistant Fire Chief

I would give you about \$150,000.00.

Alderwoman Lu

Thank you and I had just one other question.

Chairman Dowd

OK go ahead.

Alderwoman Lu

Mr. Davidson mentioned that it had been that the Department had not a new contract since last July. That's less than a year ago, is that unusual?

Chairman Dowd

I'm not sure what you are asking but we would love to have contracts solved before the other contract runs out but it is not unusual. The DPW Contract, Alderman O'Brien, has long has that been since, that hasn't been resolved.

Alderman O'Brien

Yeah it has been awhile. I think what Alderman Lu is referring to is the past agreement terminated last July. Now traditionally all Unions within the City as has Alderman Dowd has explained, they start their negotiations with a Letter of Intent and they both agree. So they can meet while that current contract is still legitimate. However, if the meeting is going and the negotiations go on longer, then that contract that they are under terminates and usually there is an evergreen some extension that they agree to until they come up with a new agreement. So what we are at right now is the old contract terminated July 1st, this will take effect basically July 1st. The old contract terminated June 31st of last year. So this one that we are talking about

here would take effect July 1st of 2020.

Alderwoman Lu

Thank you, Alderman O'Brien. May I just follow up with that?

Chairman Dowd

Yes go-ahead Alderman Lu.

Alderwoman Lu

I see. So they've been without a contract for 10 months.

Chairman Dowd

Basically.

Alderwoman Lu

OK.

Chairman Dowd

By the way they still get paid because they get paid under the terms of the old contract.

Alderwoman Lu

Yeah, I understand that, thank you, I'm all set.

Brian Rhodes, Fire Chief

So for transparency, I think it's safe to say it has been one year without a contract, it has been one year since this process has started since the Letter of Intent and since we began the formal negotiation process.

Chairman Dowd

OK. Other questions on any particular line items? Alderman Jette.

Alderman Jette

Yes, if I could. Back to that line item, 51900, the \$438 I understand was put in for contingency to cover a new contract which has never been executed. So you haven't spent any of that money. But when a new contract is executed, the \$438,000.00 is that, you know, would you have to spend that to cover whatever they weren't paid during, whatever the difference is between the new contract and the old contract. So whatever they weren't paid since last July 1st, you are going to have to make that up to them, is that where that \$400,000.00?

Chairman Dowd

Assistant Chief Walker? We can't hear you.

Brian Rhodes, Fire Chief

Basically while he is trying to get it fixed, the answer is correct. That monies that was put aside goes towards

that portion of the new contract, added to their current contract for the past 10 months, 11 months and it is short according to the new contract.

Chairman Dowd

Whatever is finally determined for their pay raise for 2020, they will get paid in retrospect.

Alderman Jette.

OK and could I follow up?

Chairman Dowd

Sure.

Alderman Jette

And so the \$1,144,000.00 for '21 would be new money for the new contract beginning July 1st of 2020.

Chairman Dowd

Yes.

Alderman Jette

OK, thank you.

Chairman Dowd

Any other questions? No? Anything else that Chief Rhodes and Deputy Chief Walker, anything else you want to add? Or the Commissioners? No?

Alderman Klee

Mr. Chairman, I don't see a microphone there so I wonder if they haven't enabled their internet audio.

Chairman Dowd

They were - they are technical experts.

Brian Rhodes, Fire Chief

How's that, you got us?

Chairman Dowd

Yeah, we've got you now.

Brian Rhodes, Fire Chief

So just to finish this up, again, we totally understand the position you are in and we thank you for listening to our presentation tonight. But one thing I'd like to leave you with, as good as we are at Nashua Fire & Rescue we were not prepared for COVID-19 with our current (garbled audio) administration which many of you who are on the Board who have been around know, that is an assistant Chief that was cut in 2006 that we have been unable to get. So very early on in this, I came to the very real realization that we needed to do

something different. So we transitioned Deputy Chief Steve Buxton from a shift command and created an Incident Management Team. We worked very closely with Local 789 leadership and we got a Memorandum of Understanding that was probably one of the most vague and open-ended that will ever be signed in the history of organized labor and management.

But what that allowed us to do is we were able to bring in Captain Jim Kirk from Local 781, Captain Glen Neilson, Captain Mark Wholey, Private Phil McCallen and Private Nick Pantademas. And the work they did with policies procedures, research, I am convinced saved us as an organization from floundering but more importantly it saved the City the potential of tens of thousands of dollars because of all the different procedures and policies they put in place to keep our members safe and our member's families safe both at home and at work. We could have never done without them. So again, this is another example of the professionalism of your firefighters in the City of Nashua because they didn't have to do this. This was a leap of faith; this stuff was totally out of the box. They did all kinds of modeling, to reduce our overtime liability and to keep us in a service-ready state, we created acting lieutenants, we moved people up, so we made all of our openings at the bottom of the pay scale and not the top. And this has gone a long way as to why we are not totally under water at this point, because again, our business takes people. We are very fortunate that you support us as an elected body, as a City, but without people we can't do what we do. So I will leave it at that, I thank you from the bottom of my heart; again I meant no disrespect to anyone this evening. It is just a frustrating time for all of us. But I just want all to know that regardless of what happens tonight, Nashua Fire & Rescue is here for you and we are here for the citizens of Nashua. Thank you.

Chairman Dowd

Ok Chief I don't think we are going to be taking any motions tonight. Alderman Wilshire?

Alderman Wilshire

Thank you, Mr. Chairman. Chief Rhodes, I don't think anyone takes any offense to anything you've brought before us tonight or any other time. You are a good advocate for your Department, you have a great Department and I just want to put that out there. Thank you Chief.

Brian Rhodes, Fire Chief

Thank you, Madam President.

Chairman Dowd

Anyone else would like to add anything? No?

Alderman Clemons

Mr. Chairman, if I could.

Chairman Dowd

Yes Alderman Clemons?

Alderman Clemons

Thank you, I just want to echo what President Wilshire said. You know I totally agree with what she said there. And also what Commissioner Davidson said is we do have one of the best Fire Departments in New England and it my intention to, I especially appreciate Commissioner Davidson's words because if he is saying that basically in order to move forward you need that money, that is something, you know, coming from him, he's been around the block a few times more than I have, then I think that is something we should all heed. So that's why I am going to be working hard to come up with a way that doesn't negatively impact

this budget to get you that money, Chief. And hopefully my colleagues on the Board of Aldermen will support that.

Brian Rhodes, Fire Chief

Thank you, sir.

Chairman Dowd

Yeah so just from my standpoint, obviously our Fire Department is second to none, I work closely with a lot of the guys and I can tell you that they are professional at their job; they know what they are doing. Hopefully, we can get to a reasonable position on the 2021 Budget that everyone can live with. OK. So, that wraps up the Fire Department. Unless there is somebody else? Motion from Alderman O'Brien.

MOTION BY ALDERMAN O'BRIEN TO TABLE R-20-023 RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2021 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, AND SPECIAL REVENUE FUNDS BY ROLL CALL

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

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire
Alderman O'Brien, Alderwoman Kelly, Alderman Dowd 7

Nay: 0

MOTION CARRIED

R-20-028

Endorsers: Mayor Jim Donchess
Alderman-at-large Michael B. O'Brien, Sr.
Alderman-at-large David C. Tencza
Alderman Richard A. Dowd
Alderman Linda Harriott-Gathright
Alderman Patricia Klee

**AUTHORIZING THE CITY OF NASHUA TO ENTER INTO A MASTER DEVELOPMENT AGREEMENT WITH LANSINGMELBOURNE GROUP, LLC.
(Remains Tabled)**

GENERAL DISCUSSION

Chairman Dowd

Our next meeting is Thursday night when we will be taking up the Department of Public Works. After that we have two groups left; we have the Community Development and the School Budget. When we get to the Board of Education Budget, we basically control the bottom-line number to them. You can make suggestions online items that you might feel you want to cut, but the ultimate authority is the Board of Education. Whatever number we give the Board of Education, they have total autonomy on and they can spend it any way they want. Just to let you know. Is there anybody else for general discussion?

Alderwoman Kelly

I would like to make a couple comments please.

Chairman Dowd

Alderwoman Kelly?

Alderwoman Kelly

Thank you. So I didn't get to jump in when the Chief was here but I wanted to echo so many of the things that were said. They do a bang-up job with not a lot of money. I would say my discussion point is if they can come back when we do our wrap up, it sounds like it is a little bit more intricate than just asking line items and hopefully we will have some more information on the contract at that point. So that would be my request to make sure that we have a representative from Fire at the wrap up to help us with anything we have questions with.

And then my other point of discussion on School, I know we've done this in the past, and I just would put it out there that we did put some stuff into contingency last year to make it so that they were allotted the money but it was contingent on making specific hires. So there are kind of ways to help and potentially make sure that we are appropriating it for kind of goes to what we are asking them to do.

Chairman Dowd

Right and if we want to have definite specificity on a particular item, we would need to put it in contingency and then when they spend that item, they come to us for the funds to pay for it, we did that last year.

Alderwoman Kelly

Right and I think that worked pretty slick so maybe if there is an opportunity for that this year. So thank you.

Chairman Dowd

Anyone else?

REMARKS BY THE ALDERMEN

POSSIBLE NON-PUBLIC SESSION - None

ADJOURNMENT

MOTION BY ALDERMAN O'BRIEN TO ADJOURN BY ROLL CALL

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

Yea: Alderman Clemons, Alderman Schmidt, Alderman Jette, Alderman Wilshire
Alderman O'Brien, Alderwoman Kelly, Alderman Dowd 7

Nay: 0

MOTION CARRIED

The meeting was declared closed at 8:08 p.m.

Alderman-at-Large Michael B. O'Brien, Sr.
Committee Clerk