

CITY COUNCIL MEETING

MUNICIPAL COMPLEX
DATE: MONDAY, MAY 2, 2006

PORTSMOUTH, NH
TIME: 7:00PM [or thereafter]

I. CALL TO ORDER

Mayor Marchand called the meeting to order at 7:10 p.m.

II. ROLL CALL

Present: Mayor Marchand, Assistant Mayor Ferrini, Councilors Grasso, Dwyer, Reynolds, Pantelakos, Whitehouse, Smith and Hynes

III. PLEDGE OF ALLEGIANCE

Assistant Mayor Ferrini led in the Pledge of Allegiance to the Flag.

IV. PUBLIC HEARING

A. PROPOSED FY JULY 1, 2006 THROUGH JUNE 30, 2007 BUDGET

Mayor Marchand read the legal notice and requested that City Manager Bohenko and various staff members provide their presentations relative to the budget.

V. PRESENTATIONS

- Budget Summary – City Manager Bohenko

City Manager Bohenko announced that the budget was submitted to the City Council on April 21, 2006. He discussed the progress of the City over the last several years including upgrades to the City's aging infrastructure, replacement of walkways and streets, repairs to buildings, refurbishing playgrounds, water and sewer improvements, the construction of the High School and Library. He reviewed the continuing priorities for the implementation of the Master Plan, redevelopment of the McIntyre Federal Building, the Islington Street Corridor and Northern Tier area, riverwalk pier, water and sewer infrastructure upgrades and public outreach. He spoke to the City's bond rating increase. He also addressed the 37% increase in energy costs and the 14% average increase in health insurance. City Manager Bohenko reported that salaries and benefits equate to 83% of the operating budget. He advised the City Council that he would recommend a 4.32% tax increase, which would require a \$2 million dollar adjustment. He said in order to reach the \$2 million dollar reduction he would recommend reducing Operating Expenses by approximately \$1.2 million, increase the use of Debt Service Reserve by \$500,000 and reduce Capital Improvements by approximately \$300,000. City Manager Bohenko announced that the 4.32% increase would equate to a \$.76 increase in the tax rate.

- School Department – Superintendent of Schools Lister

Dr. Lister spoke to the mission statement for the School Department. He reviewed the 2006-2007 administrative goals. Dr. Lister reported that there are 2,572 students in the Portsmouth School System. School Business Administrator Bartlett reported on the projected consolidated revenues and expenditures. Dr. Lister advised the City Council that the State average cost per pupil is \$9,100.00 and the City of Portsmouth costs are \$12,402.00.

- Police Department – Police Chief Magnant

Police Chief Magnant advised the City Council that the department handled 42,159 calls in 2005. He spoke to the various areas of the department including the Accident Investigation Team, the Seacoast Emergency Response Team, the K-9 Unit, the Animal Control Officer, Special Investigation Unit, Cyber Crimes, Family Services Section, School Resource Officers and the Emergency Communications Center. Chief Magnant reported that in 2005, burglaries were up 60% and narcotics crimes were down 30%. He also reported that the average daily service population increases to 45,000 - 60,000. Chief Magnant said that the department is requesting a 6.75% increase for the FY07 budget and requested the continued support of the City Council.

- Fire Department – Fire Chief LeClaire

Fire Chief LeClaire spoke to the mission statement of the department. He reported that there are 3 Fire Stations in the City of Portsmouth with 13 men during the day and 14 men during the evening. He advised the City Council that the NFPA standard on Firefighter health and safety is 2 in and 2 out and firefighters must work in teams of at least 2. Chief LeClaire said that the department wants to maintain a safe work environment by effective training programs and state-of-the-art equipment. He addressed his request to increase personnel assigned to the Fire Prevention Bureau. He advised the City Council that the department is requesting a 7.526% increase over the FY 06 budget. The increase includes a Fire Inspector/Captain, contractual obligations and energy costs.

- Public Works Department – Public Works Director Parkinson

Public Works Director Parkinson reported that the department is made up of 60 employees and they maintain 120+/- miles of roadway, 49 miles of sidewalks, 16 bridges, 8 municipal buildings, 120 pieces of equipment/vehicles, 4 historic cemeteries and provide 8,100 households with solid waste services. He advised the City Council that the department is requesting a 5.5% increase and without the increase in utilities the FY 07 budget increase would have been 2.6%. He also addressed the continued increase in salt prices. Public Works Director Parkinson reported that 60% of the budget is salaries and benefits.

- Recreation Department – Recreation Director Wilson

Recreation Director Wilson provided a brief overview of the department and the services they provide. He advised the City Council that the Recreation Department is open 7 days, almost 100 hours per week. He discussed the Spinnaker Point Recreation Center and the programs and equipment provided at the facility. He reported that between 1,500 – 1,700 members per year that use the Spinnaker Facility are all Portsmouth residents. Recreation Director Wilson advised the City Council that the increase in utilities is 18.5% and without the increase in utilities, the total budget would increase by 3.2%. He spoke to their request for a summer Park Ranger for Peirce Island. He also reported that 62.6% of the budget is salaries and benefits.

- Library – Library Director List

Library Director List reviewed the mission and role of the Library Department. She addressed the operations of the Library and the various materials available to individuals that utilize the department. She spoke to the large number of materials available at the Portsmouth Library compared to urban libraries in NH. She reported that 71% of the budget for the Library is made up of salaries and benefits.

- Conclusion – City Manager Bohenko

City Manager Bohenko announced that all budget work sessions are being held in the City Council Chambers and televised on Channel 22 and that the budget is available on the City's website. He also announced the dates of the upcoming budget work sessions as follows:

- May 9th – Work Session with Fire Department – 6:30 p.m.
- May 11th – Work Session with Police Department – 6:30 p.m.
- May 16th – Work Session with School Department – 6:30 p.m.
- May 23rd – Work Session with Municipal Departments – 6:30 p.m.
- June 7th – Re-open Public Hearing

VI. PUBLIC COMMENT/INPUT

Mayor Marchand announced that due to the large number of people here this evening to speak on the budget he would be instituting a 3 minute time limit but individuals would be allowed to speak up to 3 times.

David Ecker, Portsmouth resident, expressed his frustration with the school budget and the views of the Chairman of the School Board. He said there needs to be accountability and the City needs to stop throwing money away. He also expressed concern with the increase in development.

Harold Ecker, Portsmouth resident, said that the budget should be a zero increase. He said that there are many people in the City that do not have children in the school system but contribute to the cost of school. He said that the taxes are too high and people are concerned with losing their homes. He told the City Council that they are elected to do the will of all residents in the City not just a select few.

Rick Horowitz, Portsmouth resident, spoke opposed to the increase in the school budget. He said that the student test scores speak for themselves. He advised the City Council that the City of Portsmouth spends 36% more on average per pupil than the rest of the State. He also said that the City Council needs to balance the needs of the taxpayers.

Robert Padian, Portsmouth resident, said that the building of a budget should begin with individual wants and needs. He said it is important for residents to know what services would be taken away if funding is reduced. He also said that all budgets should start at zero and build up from their based on priorities.

Diane Ruger, Portsmouth resident, urged the City Council to vote against the budget as presented. She said that the taxpayers cannot afford the continued increases and the needs of the residents' ability to pay needs to be a consideration in the preparation of the budget.

Deborah Twombly, Dondero School, students from the Dondero School introduced themselves and invited the City Council to visit their school on Friday, May 26th for the Science Fair.

Kristin Logue, Portsmouth resident, spoke opposed to the budget and the recommended increase. She said that residents are experiencing an increase in expenses all around and the City Council needs to consider the taxpayers ability to pay.

Kristina Campbell, Portsmouth resident, spoke in support of the kindergarten program and its value to the community. She said kindergarten makes a profound impact on a child's ability to learn. She suggested if the City cannot afford to fund full day kindergarten, then the option should be made available for parents to pay for the program if they choose to.

Cathy Baker, Portsmouth resident, said that the City is becoming unaffordable. She said the proposed increase is unacceptable and the City Council needs to stop thinking that you will pay for things with other people's money. She said that the middle class is being forced out of the City of Portsmouth due to the increase in taxes.

Andrew Kinaci, Portsmouth High School Senior, said that the School Board has carefully considered the costs in their budget. He spoke in support of the addition of a foreign language teacher. He advised the City Council that the smaller class sizes have allowed him and others to thrive in the High School. He informed the City Council that he has been accepted to Princeton and urged the City Council to support the School Department's request.

Jonathan Grossman, Portsmouth High School student, spoke to the importance of smaller class sizes and how it relates to a student's ability to learn. He also addressed the various needs of the High School and urged the City Council to support the School Department budget as presented.

Nancy Wheaton Muldern, Portsmouth High School teacher, spoke to the importance of foreign language in the School Department. She also addressed the need for an additional Spanish and French teacher. She urged the City Council to adopt the School Department budget as submitted.

Walter Allen, Portsmouth resident, said any departments requesting more than a 5% increase is not being realistic. He spoke in support of holding the budget to a 4.32% increase. He advised the City Council that all future budgets should not go over a 5% increase. He urged the City Council to put a cap on salaries and benefits for employees.

Andrea Ardito, Portsmouth resident, said that she is a struggling taxpayer and supports the School Department's funding request. She spoke to the commitment and dedication of teachers at the Little Harbour School.

Mark Brighton, Portsmouth resident, said that all of his costs are increasing and his family is learning to make do with what they have. He advised the City Council that they need to reduce the budget and the tax rate. He urged the City Council to hold the line.

Jan Anderson, Portsmouth resident, said that the proposed budget is too high and needs to be reduced. She spoke in support of the 4.32% increase. She expressed concern with the rising increase in taxes and urged the City Council to consider all taxpayers when approving the budget.

Elizabeth Bratter, Portsmouth resident, urged people to be more conservative with their utilities and fuel. She said that the City should be purchasing hybrid vehicles. She urged the City Council to lower costs and taxes. She said with all of the increased development the tax base should be increasing. She advised the City Council that the middle class and elderly would not be able to continue to pay their taxes and live in the City of Portsmouth.

Michael Rowe, Portsmouth resident and Portsmouth High School teacher, spoke in support of the School Department budget as presented. He invited the City Council to come to the High School to look at the class sizes. He said if the school budget were reduced they would lose items that they need in order to continue to provide students with a quality education.

Steve Barndollar, Portsmouth resident, spoke in support of City Manager Bohenko's recommended 4.32% increase. He spoke opposed to the continued increase in taxes. He urged the City Council to make hard choices and adopt a budget that is acceptable to all residents.

Elaine Langer, Portsmouth resident, spoke in support of the School Department budget as presented. She said you need to invest in the children's needs and future. She said all children should have a quality education.

Steve Lalime, Portsmouth resident, spoke in support of all Municipal Departments but he cannot support the requested increases as submitted. He advised the City Council that many residents are concerned with their ability to pay their taxes. He urged the City Council to hold the line.

David Kish, Portsmouth resident, said that the budget continues to rise at an alarming rate. He said that the taxpayers are in great need of tax relief. He urged the City Council to eliminate unnecessary jobs and benefit packages. He spoke to the need to eliminate positions in the Police Department and reduce the School Department budget.

Christine Reid, Portsmouth School teacher, said that she is no longer able to afford to live in the City of Portsmouth due to the increase in taxes and had to sell her home. She urged the City Council to consider all taxpayers and their ability to pay when adopting the budget.

Lisa Sweet, Portsmouth resident, said that there is no fluff in the School Department budget and urged the City Council to support the request as submitted. She asked the City Council to listen before action is taken. She said that all students are achieving in the School Department due to the high quality of education and strong management.

Lisa Rakaseder, Portsmouth resident, spoke in support of the School Department and their funding requests. She said that the children are our future and we need to invest in their education.

Eric Anderson, Portsmouth resident, urged the City Council to bring the budget back in control. He said that the City Council needs to take the responsibility of the taxpayers seriously. He also said that the City Council need to make some hard choices and he believes the budget funding could be lower than the 4.32% recommendation of the City Manager.

Janet Littlefield, Portsmouth resident, spoke in support of the School Department budget request. She urged the City Council to visit one of the schools in the City to see the quality of education provided to the children and evaluate their needs.

Nicole Littlefield, Portsmouth student, urged the City Council to visit one of the schools.

Christine Bastianelli, Portsmouth resident, spoke in support of the School Department and all City services. She said we need to enhance and increase what our children are learning and their quality of education.

Leslie Stevens, Portsmouth resident, spoke in support of the School Department budget. She expressed concern with residents having to come back each year and request that the School Department be funded appropriately to provide quality education. She advised the City Council that there is no fluff in the School Department budget. She also advised the City Council that the PTA should not have to fund basic material for the schools. She urged the City Council not to put the needs of the children at the bottom of the list.

Dave Hudlin, Portsmouth resident, said that the budget proposal as presented is unacceptable. He urged the City Council not to approve an increase 3 times over the cost of inflation. He said that the City Council needs to make the hard choices and not raise taxes beyond a reasonable rate.

Anita McCarthy, Portsmouth resident, spoke in support of the School Department budget request and funding for all day kindergarten. She said that the City Council has a great task in front of them and urged them to consider all the needs of residents when adopting the budget. She also advised the City Council that parents would be willing to pay what is needed to fund all day kindergarten.

John Shea, Portsmouth resident, said that the City can save money in many parts of the budget but education is not one of them. He urged the City Council to fund the School Department and their request for funding. He also spoke in favor of all day kindergarten.

Larry Yost, Portsmouth resident, spoke in support of the School Department budget requests and the need to invest in the future of our children. He said that a child's education is very important.

Alexandra Munroe, Portsmouth resident, spoke in support of the School Department funding requests. She spoke to the importance and need for foreign language in the schools. She said that she struggles paying her taxes as many residents do but the children are our future and they need to have a quality education.

Bill St. Laurent, Portsmouth resident & President of the Taxpayers Association, advised the City Council that the membership of the Association has increased due to the proposed budget. He said that the Capital Improvement Plan funding should be reduced. He asked for the Joint Budget Committee to respond to the budget proposal. He advised the City Council that this budget proposal is too much.

Dave Forman, Portsmouth resident, expressed concern with the increase in taxes. He urged the City Council to consider affordability when adopting the budget. He suggested hiring someone to look at comparable wages and benefits for employees. He also suggested looking at efficiency in the City and establishing a program that would pay employees based on their performance. He urged the City Council to reduce the tax rate and consider residents' ability to pay.

Carol McGinty, Portsmouth resident, spoke in support of the School Department and their funding requests. She spoke to the fund raising efforts of the PTA to establish programs and provide basic materials to the schools.

Helen Steele, Portsmouth resident, spoke opposed to the budget. She said that departments have an obligation to prepare a responsible budget. She advised the City Council that her taxes doubled one year from \$6,000.00 to \$12,000.00. She urged the City Council to control spending and lower the budget.

At 10:00 p.m., Mayor Marchand declared a brief recess. Mayor Marchand called the meeting back to order at 10:10 p.m.

Rick Horowitz, Portsmouth resident, said that teachers have good intentions for their students and there are taxpayers in pain because they cannot pay their taxes. He spoke in support of all day kindergarten being funded by parents. He said teachers should consider doing more and having consideration for the taxpayers.

Walter Allen, Portsmouth resident, expressed concern regarding the new assessments and the taxpayers ability to pay. He requested that the assessments of commercial properties be reviewed as well as the residential properties.

Eric Anderson, Portsmouth resident, asked that employees come to the table and offer some reduction in their benefits in an effort to reduce the budget.

Mark Brighton, Portsmouth resident, said that there are no fixed costs, but tough choices. He urged the City Council to make the tough choices in the adoption of the budget.

Lisa Sweet, Portsmouth resident, spoke in support of all day kindergarten but said that it should be available to all children regardless of their ability to pay.

John Welch, Portsmouth resident, said that it is a nasty world and we need to consider excellence in the schools. He thanked the dedicated teachers and administrators in the School Department for the education his children have received. He spoke in support of the school budget as presented and urged the support of the City Council.

Cathy Baker, Portsmouth resident, spoke to the employee benefits and retirement packages. She said that the allocation of resources in the School Department should be addressed. She also said that there is money in the school budget that could be moved around.

Martin Cameron, Portsmouth resident, asked the City Council to review fixed costs in the budget. He said that residents are no longer able to afford increases in their taxes. He urged everyone to work together to adopt a budget that all residents will accept.

Peter Bresciano, Portsmouth resident, spoke regarding the budget work session of the School Board. He said that the City Council might need to layoff employees in order to reduce the budget. He also said that employee contracts cannot be addressed until renegotiations start for renewing them. He urged the City Council to make a firm commitment to review all parts of the budget.

Bill St. Laurent, Portsmouth resident, requested that the City Council look in depth in all budgets during the work sessions. He said that the budget is too expensive and urged the City Council to reduce the budget to a 2% increase.

Rick Horowitz, Portsmouth resident, said he likes living in New Hampshire and the tax rate is lower and people take responsibility for their own lives. He said that the schools should be privatized and spoke in support of the establishment of a voucher system.

Walter Allen, Portsmouth resident, said that there is a poverty exemption and it should be listed on the tax bills.

VII. RECESS PUBLIC HEARING UNTIL JUNE 7, 2006 AT 7:00 PM

Mayor Marchand announced that the public hearing would be recessed and reconvened on June 7, 2006 at 7:00 p.m.

Councilor Whitehouse moved to recess the public hearing until June 7, 2006 at 7:00 p.m. Seconded by Councilor Hynes and voted.

VIII. ADJOURNMENT

At 10:50 p.m., Councilor Whitehouse moved to adjourn. Seconded by Councilor Hynes and voted.

A handwritten signature in black ink that reads "Kelli L. Barnaby". The signature is written in a cursive, flowing style.

Kelli L. Barnaby