

City Council Work Session

March 4, 2024

Present were: Mayor Cone, Councilors Higbee, Qualls, Korzen, Theberge, Morgan, Valerino and Morency. Councilor Berthiaume was absent.

Others present: City Manager Phillip L. Warren Jr., Dir. Of Strat. Initiatives and Asst. City Mgr. Pamela Laflamme, City Clerk Shelli Fortin, Finance Director Holly Larsen, Fire Chief James Watkins, SAU3 Superintendent Julie King, SAU3 Business Manager Marion Moore, Lisa Connell, Berlin Daily Sun and Members of the Public.

Mayor Cone opened the meeting at 6:31 p.m.

Ambulance Purchase

Mr. Warren advised a discussion will be held when reviewing the budget in regards to the City taking over the EMS service delivery. He commented Chief Watkins was able to locate two ambulances available for purchase which would be more than suitable for the City. He invited Chief Watkins to discuss further. Chief Watkins advised an ambulance service in the Lakes region ceased operations which resulted in four ambulances for sale. He reached out to them and was able to go see the ambulances two weeks ago. He advised two ambulances were available. One is a 2014 and the other a 2015. They come fully equipped including a cardiac monitor, a power stretcher, a power load and a stair chair. He obtained a quote to purchase just the equipment mentioned above without the ambulance and it was \$103,000. They've agreed to sell two fully equipped ambulances at \$85,000 each.

Mr. Warren commented the benefit of purchasing these two ambulances is they could be in service tomorrow. The cost to purchase a brand new fully equipped ambulance is \$350,000. He advised he would love to start all these services July 1, 2025 when the Berlin EMS contract expires, but there is no way to start this system up without making expenditures now. The funds that would be expended come from the funds received from the InvestNH MPU Grant in the amount of \$150,000 and the other from a Capital Improvement account which is now a segregated fund that will not be needed. It was originally for a cabling project for IT which has been completed. The goal is to purchase the two ambulances, check the expiration dates on items and get them up and running. Another thing to consider is if there is interruption of service from Berlin EMS, we would be able to start a service up.

Councilor Theberge questioned where the ambulances would be housed and if there's personnel trained to do EMS. Chief Watkins responded one would go in front of engine 4 and the other would be housed in the annex building. Mayor Cone asked if there are maintenance logs for the ambulances. Chief Watkins advised he has the contact info. for the mechanic that worked on these and can request all maintenance logs. His goal is to have Roland from Public Works reach out to him to discuss. Councilor Korzen questioned if we have the staff to man the ambulances. Chief Watkins advised out of his 20 employees, 16 are certified in EMS. Councilor Higbee questioned if the goal is to have one operating soon and have both operating on July 1, 2025. Chief Watkins responded ideally yes. Mr. Warren commented that just from listening to the radio in his office, not a day goes by without back to back EMS calls. If we consider things like our mutual aid responsibilities to Gorham, Milan and other communities, it would be beneficial to provide the services. Chief Watkins discussed the services in our area are limited even with mutual aid. Mr. Warren commented there is a resolution for a first read this evening during regular meeting for the purchase of the two ambulances.

City Manager presents Budget to Council

Mr. Warren distributed [worksheets](#) to Council which includes amounts from the budget presented today. He commented this is the FY2025 proposed budget. He advised that all departments excluding the school, meet with the City Manager and formulate a budget. The budget presented today is a level service budget meaning we deliver all the services we delivered last year without increase or decrease. There is one increase this year which is for the EMS service as discussed. This budget does include; contractual salary increases, health insurance with a not to exceed rate of 14.6% for Health Trust and 13.5% for NHIT, Workers Compensation, Unemployment, FICA, NH Retirement, short term disability, electricity and fuel are at the current rates. He directed Council to the last column of the budget report worksheet which shows what the majority of the increases are. The largest amount of increases barring the initiation of the EMS service is the personnel costs and mainly the health insurance costs. He discussed what is included in personnel costs as listed on the first worksheet.

Mr. Warren discussed the two largest increases, the first one is for the Fire Department due to the EMS personnel and operations. Councilor Higbee questioned why the \$853,000 increase in this budget for the Fire Department if the EMS services will only start July 1, 2025. Mr. Warren responded it's because he needs to hire personnel now so that comes July 1, 2025 they are trained, licensed and a billing company is hired. He discussed the "SAFER" grant that is available and covers the complete cost of the salary of eight firefighters for 3 years. He is optimistic we'll receive this grant. The second largest increase is for the Police Department and is due to the increase in personnel to cover additional dispatching services needed 24/7 to handle the EMS service we will be providing.

Mr. Warren discussed the second worksheet includes; estimated revenues, estimated expenditures, War service credits and amount to be raised. He commented he raised the MS-1 total valuation 2.50%. This is an assumption based on what has happened historically with our real property and utility property in the City. This offsets some of the tax rate increase. The amounts presented produce an estimated tax rate of \$28.79 per thousand. The current tax rate is \$26.90 per thousand which is an increase of \$1.89 per thousand.

Councilor Theberge commented he has concerns as the worksheet presented this evening includes amount change, but the Councilors' budget binders do not. Mr. Warren commented that historically it was not included in the binders. Councilor Theberge responded it doesn't mean it can't be changed. He stated he believes in transparency and that is not what's occurring. Mr. Warren advised if the Council wants to changed this they can but the binders will have to be recreated. Councilor Theberge gave the example of the Mayor and Council line item where there is no breakdown into personnel regarding the amount. Mr. Warren advised that if Council wants this information it can easily be provided as all the information is in BS&A. He also stated this is the budget process that has been used before he was hired and he is just following the lead. Councilor Theberge commented it is too late to change the process now, but it is something he would like the Council to consider moving forward. Mr. Warren commented he has a problem with being told he didn't put together a transparent budget as there is a lot of work involved in this. Councilor Korzen questioned if there is a way to extract specific information as to what Councilor Theberge is requesting as he understands that the documents distributed this evening are for presentation. Mr. Warren responded that yes, specific information can be extracted in an excel format for the Council's use. He advised to request the documents with Ms. Larsen which she can produce.

At 7:23 p.m., there being no further business in Work Session, Mayor Cone recessed before moving on to the Regular Meeting.

Respectfully Submitted,
Danielle Rioux
Executive Assistant

*Minutes are unofficial until they have been accepted by the City Council by motion.