

**City Council Work Session
October 21, 2019**

Present were: Mayor Grenier, Councilors Theberge, Otis, Rozek, Higbee, Gentili, Morgan, Berthiaume and Remillard.

Others present: Community Development Director Pamela Laflamme, Superintendent of Schools Julie King, Public Works Director Ben Hall, Richard Laflamme, School Board Members Chair Nicole Plourde, Members Scott Losier, Lyne Moore, and Louise Valliere, Barbara Tetreault, *Berlin Daily Sun* several school supporters, and public.

Mayor Grenier opened the meeting at 6:30 p.m. He noted that the city manager is at a conference paid for by the Municipal Manager's Association.

Sewer Abatement Additional Information

Mr. Hall reviewed the billing history for 186 Church Street, noting that bills were consistently small until the last quarter. Mr. Thompson, the homeowner explained in an e-mail that the outside hose had been left on and this is where the higher usage came from. Councilor Remillard asked for and received the original abatement application and Councilor Rozek quoted it saying "Valves were closed for the toilet, outside faucet, and dishwasher." Based on this contradictory statement, Councilor Remillard moved to deny the abatement; Councilor Morgan seconded. In discussion, Councilor Higbee commented that the leak was outside and did not go to the sewer system. In the vote that followed, the motion failed with Councilors Remillard, Rozek, Otis and Morgan voting in the affirmative and Mayor Grenier and the remaining councilors voting against. Councilor Higbee moved to reduce the sewer bill by 50%; Councilor Theberge seconded and the motion passed unanimously.

School Department Funding Request

Superintendent Julie King distributed a memo requesting \$561,865 of additional funds for needs at the school department. School administrators were under the impression that additional funds would be coming to the school department and were unaware that the adopted budget already included the adequacy funds. It was anticipated that additional funds would reinstate major cuts that were made in the spring.

Ms. King described needs for a safe environment such as having two nurses in each school; having additional administrative staff in the main office and guidance to accommodate the additional 250 students in the building. There is also a need to replace a fire alarm panel which has failed once already. There are unexpected out of district costs of \$136,000. Ms. King added that the financial software the school uses will no longer be supported and needs to be updated. There is also an inspection that was done by the Fire Department that may indicate code violations that will need to be addressed.

Ms. King noted the school department has experienced cuts while other departments have not and some departments have seen increases.

Mayor Grenier distributed information regarding school funding. He said that Berlin was set to get \$10,107,375 and once the State budget passed, Berlin would receive \$11,118,366. The Council was in a dilemma in June when the State budget had not yet passed. If they had budgeted using the known funding of \$10,107,375, there would have been a \$3 tax increase. The Council passed the budget and

included the projected additional funding. The school budget at the public hearing in June was \$17,887,913.

With regard to the school department's burden on the taxpayer, Mayor Grenier showed a chart that indicates the percentage of the City tax rate going to the schools in 2010 was 29%; in 2018 it was 44.7%. Taxpayers are making up that difference by not buying snow equipment and our newest firetruck is a 2005. The City has been going without for a long time to make sure the schools had first priority. Mayor Grenier indicated his willingness to give the schools some more but not \$561,865. The State DRA prefers the City's Unappropriated Fund Balance at 3%, and ours is currently \$1,873,541. The schools could be given an additional \$130,586 which will reduce the UFB to \$811,541. Councilor Rozek confirmed that could be done without a tax increase.

Mayor Grenier affirmed that pay increases are in the budget; however the Council postponed voting on them until there was a firm budget. Councilor Remillard stated that she would support increasing the school budget by \$278,000 and taking more from UFB so that the fire alarm system, financial software and nurses could be added. Councilor Rozek voiced that would put the tax rate over \$40 per thousand. Mayor Grenier noted that the Municipal Finance Act requires that any adjustment adding to the budget will require a 2/3 majority vote.

Mayor Grenier stated that he would ask the City Manager to review the budget to see if any more can be done. He did not support raising taxes. Superintendent King said that she appreciates the additional consideration, adding that she came to advocate for kids and for staff. Nicole Plourde said that she remembers asking the Council to go out on a limb and appropriate the projected funding so that the schools could keep their teachers. She said she thought there was more money than there really was. When the Council purchased snow equipment it seemed that it was coming from the school. Regardless, the schools are still in trouble and they need help.

Mayor Grenier explained the first read of a resolution will be held the first week in November, with final passage the third week in November. Ms. King noted that the State budget crisis is no way near over and next year's funding is not guaranteed.

Non Meeting

Councilor Rozek moved to go into non-meeting per RSA 91-A:2 I(b) Collective bargaining; Councilor Higbee seconded and the motion carried unanimously by roll call.

City Council and School Board members met.

Councilor Remillard moved with a second from Councilor Rozek to come out of non-meeting. So moved, the motion carried.

There being no further business in work session, Mayor Grenier moved on to the Regular Meeting, after a 5 minute break.

Respectfully Submitted,
Susan Tremblay
Administrative Assistant

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