

Proposed City Budget Public Hearing
May 25, 2016

Mayor Grenier opened the duly scheduled and advertised public hearing in the City Hall Auditorium at approximately 6:30 p.m. Present were Councilors Remillard, Otis, Morgan Allain, Gentili, Rozek, Higbee and Nelson. Councilor Theberge was absent. Also present: City Manager James Wheeler, Police Chief Morency, Deputy Police Chief Buteau, Fire Chief Randall Trull, Deputy Fire Chief Soltys, Fire Department personnel, Corinne Cascadden, Bryan Lamirande, School Board Members, City Department Heads, Outside Agencies, citizens and the press.

Mayor Grenier just received notice about a balsams project public hearing that could have a regional impact and would like to add that item to the agenda. Councilor Rozek moved with a second by Councilor Morgan Allain to add the item to the agenda. Roll call resulted in unanimous affirmative votes.

Mayor Grenier explained this budget tonight is a working document and is only a proposal since they still have five weeks left to see what the year-end surplus is toward this budget. They have been ultra conservative in the event the surplus is not as good as projected, they don't want to over-estimate. Council and the Mayor have been working diligently to get to a zero tax increase. This budget as it is currently raises taxes 82 cents per thousand. The Mayor will go over each account or department line item and will ask for public input and again at the end of the public hearing. This is the time for citizens to give their input and if they do comment they should state their name and address for record.

The budget line items are as follows:

01-401 M&CC: No comments

01-402 Administration: No comments

01-403 Elections: No comments

01-404 CH&OB: No comments

01-405 Special Funds: No comments

01-406 Property/Liability Insurance: The school and police departments pay their own. No comments

01-407 County tax: County Delegation did not increase expenditure. No comments

01-408 Central Services: No comments

01-409 Discounts/Abatements: Discontinued per Auditor directive carried in UFB. No comments

01-410 Personnel Benefits: No comments

01-411 Contingency: Unappropriated money used for special community events or emergency. No comments

01-412 Outside Agencies: Ann Tenney 61 Promenade Street, Gorham was representing Northern Human Services. She gave Council appreciation for their generous support and said the money goes to people without insurance just to name one of the benefits.

- 01-413 Cemetery: Money spent and overseen by Cemetery Trustees. No comments
- 01-416 IT: For computer equipment and maintenance. No comments
- 01-420 Police Department: Increase in revenue line item offsets the increase in overages due to overtime. No comments
- 01-421 Fire Department: Rodney Bengston, 329 Hillside Avenue, asked if the total includes the grant received for the hiring of additional personnel. The Mayor replied it does.
- 01-422 Street Lighting: No comments
- 01-423 Ambulance Service: No comments
- 01-424 Special Public Safety: Crossing guards etc. No comments
- 01-425 Housing Coordinator: Decrease due to Linda White resigning her position. The City Manager proposed placing those duties through other city departments. No comments
- 01-430 Public Works: No comments
- 01-431 Engineering: Discontinued. This line item moved to Public Works Department line item.
- 01-436 Solid Waste: No comments
- 01-440 Health Department: No comments.
- 01-441 Welfare: No comments
- 01-449 Parks: No comments
- 01-450 Recreation: Rod Bengston, 329 Hillside Avenue, asked why an \$8,000 increase in parks? Recreation Director Terry Letarte explained she asked for money for flowers in the city where they previously received donations. The Hockey Program went from 20 kids to over 50 due to great volunteers in the program. They charge a reasonable fee for the program but had to buy uniforms and equipment. The City spend \$10,000 on ice time alone. The development at community field led to higher electricity costs so all of these combined led to the increase.
- 01-451 Library: No comments
- 01-470 Debt Services: No comments
- 01-480 Capital Improvement: Sizable reduction due to capital work being done on new roadwork. No comments.
- 01-460 School: Rod Bengston, 329 Hillside Avenue, asked if the classes are getting bigger and is enrollment up. Mayor Grenier replied classes are smaller. Superintendent Cascadden explained they are losing compensation by not filling positions. Mr. Bengston then asked if the schools do like the PD to request federal funds to offset costs. According to Superintendent Cascadden, last year the schools received \$2.7 million in Federal funded grants. To that, Mr. Bengston asked if the budget was down to \$16 million would they get less. Ms. Cascadden confirmed they would not get as much funding and would need to lay off personnel.

01-461 School Cap Imp: Mr. Bengston inquired if everything was done last year. The reply is yes

01-407 County Tax: No comments

01-414 Transfer out: Comptroller Patty Chase explained that is money transferred to the Airport to help balance their budget and to offset their expenses.

The Mayor asked the public if anyone had general comments from the budget just presented.

Mayor Grenier read into the record the following other City funds:

10-483 School Education Grants These do not affect the tax rate. No comments

1-464 School Food Services: No comments

21-400 BIDPA: They receive money from rent, it does not affect the tax rate but must be listed.
No comments.

30 Fund 30 Grant Funds: PD current grants in this fiscal year and it is a year-end item and is always lower when presented to the public. FD not built in yet.

59 CDBG: Did not apply for any yet. No comments

60-432 Sewer Fund: The sewer fund is supported by sewer user revenues. No comments

63-437 Cates Hill Landfill: No comments

65-434 Berlin Airport Fund: Offset by the sale of fuel and land leases on buildings. No comments

Total City Budget – all funds: \$39,510,842.00.

Rodney Bengston, 329 Hillside Avenue said that at the beginning of this hearing, the Mayor mentioned that this year the budget was \$3 million less than last year so where does the 82 cents come from? Mayor Grenier said it is due to less grant revenues, we are spending less, and non-tax revenues are lower but property taxes only cover a percentage. Mr. Bengston said they put this out with an increased tax rate that he does not understand

Mayor Grenier explained that grant money is not being carried over and they did not budget the \$2 million. He guided Mr. Bengston to look at the total school and general fund. There was lost revenue to schools and lost surplus which were greater than last year. The \$2 million does not go to the City but it is spent on grants. It is a revenue but an expenditure so it is equal. It is an enterprise fund and does not affect taxes.

The City Manager added that this is the first fiscal budget planned with the new valuation that became effective last year. There is \$60 million less in valuation to derive property tax revenue and that is reflected in this budget. The County tax will reflect that.

Mr. Bengston contends that the majority pay less in taxes but indicated the departments need to cut a bit.

The City Manager said the total city and school general fund last year was \$33 million, this year it is \$32 million so it is less.

To that Mr. Bengston argued the number at the bottom of the budget is why he wants justification. If that amount dropped, why is there a raise in taxes?

According to the City Manager, when value goes down, the tax rate goes up. Right now we are still feeling the effects of that first fiscal budget with those lower values. He wants Mr. Bengston to understand that this budget proposal changes before the end budget is produced in a couple of weeks. Council, the City Manager and Departments are still looking to balance items. This is a responsible budget and they did make reductions while still able to provide services.

Police Chief, Peter Morency, Riverside Drive explained the Police budget increase was due to Health Insurance costs for personnel. They would need to make cuts to keep level. He thanked the Mayor and Council for presenting a responsible budget.

Firefighter Roland Berthiaume, Norway Street, understands Council faces a thankless job. He thanked them for their dedication and service to the community.

There being no further comments or questions on the floor, Councilor Rozek moved with a second by Councilor Otis to adjourn the public hearing. Mayor Grenier declared the proposed budget public hearing closed at approximately 7:22 P.M.

Other: Coos County Planning Board Meeting Invitation.

Mayor Grenier reported that the Coos County Planning Board will hold a public hearing for Site Plan Review for the renovation of Hampshire and Dix House, Dixville Capital LLC; 136 Cold Springs Road, Dixville; and the Board will hold a public hearing for a 2 Lot Subdivision; Map 1626 Lot 6.4; Dixville Capital LLC; 136 Cold Springs Road, Dixville on June 6, 2016 at 6:00 PM at the Tillotson Center, Colebrook.

The first reading of the city budget resolution will be on Monday, June 6 so it would be impossible for the Mayor and Council to attend the Coos Planning Board meeting that could have a regional impact. Mayor Grenier asked if Council wanted to send a letter to the Coos County Planning Board stating City support for the site plan for the Hampshire and Dix House and the Golf Links Road upgrade proposal from the NH DOT.

Councilor Remillard moved with a second by Councilor Higbee to send a letter of support to the Coos County Planning Board and DOT for the Hampshire and Dix House plan and support the Golf Links Road upgrade proposal from the NH DOT. So moved, the motion carried.

There being no further business, Mayor Grenier adjourned the meeting at this time.

A TRUE RECORD, ATTEST:
Debra A. Patrick, CMC
City Clerk