

**City Council Work Session**  
**March 6, 2023**

Present were: Mayor Grenier, Councilors Roland Theberge, Remillard, Morency, Eastman, Higbee, Berthiaume and Robert Theberge. Councilor Morgan was absent.

Others present: City Manager Phillip L. Warren Jr., Dir. Of Strategic Initiatives and Asst. City Manager Pamela Laflamme, Finance Director Holly Larsen, City Clerk Shelli Fortin, SAU3 Superintendent Julie King, Representative Corinne Cascadden, Lori Korzen and Lisa Connell, Berlin Daily Sun.

Mayor Grenier opened the meeting at 6:34p.m.

**Abatement Recommendations**

Mr. Warren discussed the following abatement recommendations received from Ms. Monica Hurley of Corcoran Consulting Associates;

1. **24.5 Wood Street (Map 136 Lot 61)**, Ms. Hurley recommends approving the abatement application for the 2022 tax year and reduce the assessment from \$258,600 to \$230,400.
2. **Verdun Street (Map 136 Lot 58)**, Ms. Hurley recommends approving the abatement application for the 2022 tax year and reduce the assessment from \$26,000 to \$9,100.
3. **843 Fifth Avenue (Map 110 Lot 115)**, Ms. Hurley recommends approving the abatement application for the 2022 tax year and reduce the assessment from \$185,800 to \$156,800.
4. **418 High Street (Map 120 Lot 265)**, Ms. Hurley recommends approving the abatement application for the 2022 tax year and reduce the assessment from \$119,800 to \$116,900.
5. **256 Champlain Street (Map 117 Lot 27)**, Ms. Hurley recommends approving the abatement application for the 2022 tax year and reduce the assessment from \$78,800 to \$72,700.
6. **247 Pleasant Street (Map 119 Lot 117)**, Ms. Hurley recommends approving the abatement application for the 2022 tax year and reduce the assessment from \$158,400 to \$141,500.
7. **186 Church Street (Map 120 Lot 348)**, Ms. Hurley recommends approving the abatement application for the 2022 tax year and reduce the assessment from \$224,900 to \$188,300.
8. **33 Spruce Street (Map 120 Lot 441)**, Ms. Hurley recommends denying the abatement application.
9. **30 Bemis Street (Map 135 Lot 92)**, Ms. Hurley recommends denying the abatement application.
10. **4 Clarendon Street (Map 137 Lot 85L40)**, Ms. Hurley recommends denying the abatement application.
11. **76 Bemis Street (Map 135 Lot 80)**, Ms. Hurley recommends denying the abatement application.
12. **1207 Main Street (Map 127 Lot 252)**, Ms. Hurley recommends denying the abatement application.
13. **Riverside Drive (Iand) (Map 404 Lot 27)**, Ms. Hurley recommends denying the abatement application. Councilor Berthiaume requested more information as to why the recommendation to deny. There is a statement on the report advising the taxpayers stated they were told during the informal hearing process that the value would be changed.
14. **294 Burgess Street (Map 131 Lot 62)**, Ms. Hurley recommends denying the abatement application.

Mr. Warren commented he reviewed the documents and supports Ms. Hurley's recommendations. Councilor Remillard moved to approve the property abatements as recommended by Corcoran Consulting Associates with the exception of Riverside Drive (Iand) (Map 404 Lot 27) which needs further clarification. Councilor Morency seconded and the motion carried by majority in favor with one recusal from Councilor Eastman.

## **FY24 City Manager's Budget Submission**

Mayor Grenier advised in previous years, the City Manager always put in a place holder for expenditure surplus as well as revenue surplus. Phil is submitting differently including expenditure requests and confirmed revenues without any additional funds from the State. This is using zero anticipated surplus and undesignated fund balance we currently have.

Mr. Warren commented he did not include any of those funds the Mayor mentioned as he doesn't have confirmed amounts and doesn't feel comfortable applying them at this point in the process. He presented a [worksheet](#) to Council which includes amounts from the budget presented today. The worksheet includes; estimated revenues \$18,685,724, estimated expenditures \$40,714,604, WAR service credits \$58,425, amount to be raised \$22,087,305, the 2022 MS-1 total valuation \$713,636,534. These amounts produce an estimated tax rate of \$30.95 per thousand. The current tax rate is \$27.26 per thousand which is an increase of \$3.69 per thousand.

Mr. Warren advised the budget he is presenting today is a level service budget meaning it would sustain the services provided today after July 1<sup>st</sup>. He commented the budget does not include most of the capital improvements funded for items we have funded in the past. Many of the Public Works items such as retaining wall repairs, drain replacement that we've been putting money away for have been paused for this year. The reasons are to make this budget work and to get a better handle on what funds are available and what needs to be done or not done. He commented this level service budget, in his opinion, is not sustainable to fund the City at this rate and be able to complete those items that you see in the capital improvement program. This is not a budget that is sustainable without those capital items added as it will not include the necessary resources towards your capital items. Any increases to headcount are not included in this budget with the exception of the part-time employee request from Sylvia Poulin of the Main Street Program. It is included under Parks and Recreation.

This budget does include; gross salary increases which consist of contractual increases, health insurance with a not to exceed rate of 17.9% for Health Trust and 14.87% for NHIT, Workers Compensation, Unemployment, FICA, NH Retirement, short term disability, electricity and fuel are at the current rates. The electricity rate is locked in till November 2024 and for the fuel, it will go out to bid but the forecast shows they will remain in the same vicinity as the current rates. There are also increases in debt service and other departments which are based on gross salaries and utility costs. There are no new services included in this budget.

Mr. Warren noted that the budget reports look different as it was entered and processed through the new BS&A accounting software. All reports are produced through BS&A and the goal is to do 100% of the budget through the new accounting system eliminating multiple excel spreadsheets used in past years. He thanked Ms. Larsen for getting this great accounting program. He reviewed the budget presented and commented there has been changes to general fund and department accounts to make them consistent with DRA reporting.

## **Stipulation and Settlement Agreement**

Ms. Laflamme advised that included in the packet is the stipulation and settlement agreement that we had come up with Paul Croteau last Fall. It was a long process and took a lot to get the deed into our office and somehow the stipulation agreement ended up signed but in the office of DTC, our Attorney. It was just realized last week that it had not been signed on the City's side. The Council discussed the agreement twice last Summer during Non-Public Sessions and it was agreed to move forward with the stipulation and settlement agreement. The City did move forward and took Deed to the property. Mr.

Croteau's Attorney is requesting that the City signs the agreement and sends a fully executed agreement for their records.

Ms. Laflamme advised Attorney Chris Hillson suggested the following motion "motion to confirm and ratify our previous approval of a certain settlement agreement by and between Paul Croteau, Paul Croteau, Jr., and the City relative to certain Jericho road properties, which, through counsel, the City has already largely, if not wholly, implemented." Councilor Higbee moved with a second from Councilor Berthiaume to confirm and ratify our previous approval of a certain settlement agreement by and between Paul Croteau, Paul Croteau, Jr., and the City relative to certain Jericho road properties, which, through counsel, the City has already largely, if not wholly, implemented. So moved, the motion carried unanimously by roll call.

#### **Other**

Mayor Grenier asked Representative Cascadden if she could update Council on Legislative activity. Rep. Cascadden discussed HB529 that is to increase adequacy in the disparity aid of free and reduced lunch. There is a formula that is expected to come out by the end of the week that is based on equalized valuation per pupil for the community. It is going to Finance on Wednesday morning. She commented on the importance of this Bill and it's a great thing that it came out of Committee with a 20 - 0 vote. It is strongly supported by both parties. There are a number of Bills on free and reduced meals, there is a sentiment of either eliminating free and reduced meals in a sense that kids are either free or paid and that there's an increase in the disparity aid. There's a Bill that would be automatic Medicaid certification so that parents don't have to fill out the application which would result in losing a lot of people as kids get older.

She mentioned they are trying to fight significantly the local property taxes that are going into the education trust fund which are being used for education freedom accounts that don't have accountability. Which means parents who chose non-public schools whether it's homeschooling, learning centers or online systems are using local tax dollars. There was never a public hearing on this as it was snuck into a House Bill at the very end. There are a lot of Bills on the table trying to put guardrails or accountability and transparency in how that money is being used. She commented the Governor was in favor of putting some sort of mechanism to be accountable for that money. Mayor Grenier thanked Rep. Cascadden for the update and is hoping for a formula that will benefit everyone.

Councilor Berthiaume commented that the flag at Public Works is torn to shreds and asked that it gets looked at. Mr. Warren commented he would take care of it tomorrow.

At 7:30p.m., there being no further business in Work Session, Mayor Grenier 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.