

City Council Work Session
May 10, 2018

Present were: Mayor Grenier, Councilors Otis, Theberge, Nelson, Remillard, Rozek, Morgan Allain, and Higbee; Councilor Gentili was absent

Others present: City Manager Jim Wheeler, City Clerk Elaine Riendeau, School Superintendent Corinne Cascadden, School Business Administrator Bryan Lamirande, Chris Dubey, Berlin Ambulance, Barbara Tetreault *Berlin Daily Sun*.

Mayor Grenier opened the meeting at 6:30 p.m.

Budget

Mayor Grenier indicated that the best guess at this time is a budget increase of \$2.68 per thousand. There will be more information as we get closer to year end.

Councilor Remillard commented that the Council has worked hard to keep the tax rate at no increase; and we owe it to all citizens to keep the rate below \$40. She added that if we can't cut from the budget then we will have to cut personnel. We have to operate in a way that meets the needs of the people.

Councilor Rozek agreed saying that there are 237 municipalities in the State and if we go over \$40, we will discourage new development in the area and discourage growth. Councilor Higbee confirmed that it would take a reduction of \$800,000 to get to a flat rate; that's a lot of jobs. Councilor Morgan Allain shared the need to keep the tax rate down.

Mr. Wheeler noted that there will be a corresponding effect in that there are things that will not get done. Mayor Grenier added that another thing that will deter growth is the perception that the school system is not good. He admitted that getting to a zero increase is not possible. The State has put an axe to education funding.

Mr. Wheeler explained that the City has used some of the fund balance during the year. Every \$100,000 is .25 on the tax rate. The audited UFB at the end of FY17 was \$2,542,874. We used \$964,000 to offset the tax rate in fy18 and \$700,000 is used in this budget. Taking into consideration, the unplanned expenses and projected city surplus, the expected balance is \$868,874.

Chris Dubey explained that the ambulance service is having problems attracting personnel and he proposed an increase in the subsidy to increase salaries. He feels he can provide the increase at this time; however he may need to come back if things don't go as he has planned.

Mr. Wheeler showed the changes in the proposed budget. Increases in the NHIT Health insurance showed in several departments. Mayor Grenier stated that our welfare budget is \$116,263 adding that the director does a great job. The School Department has no increase; Capital for the PD was reduced.

Councilor Nelson asked if the fire engine replacement were removed, could it save a job and Mayor Grenier acknowledged that it could; however the equipment is badly needed.

Mr. Wheeler explained that there is \$60,000 of evaluation work that needs to happen on the brooks that flow from the east side to the Androscoggin. The inlets of both brooks need to be reconstructed. Once mitigated, we can apply to FEMA for funding a portion of the repair.

East Milan Landfill gas migration engineering services are funded at \$10,000. The city will pay 60% and the other entities that used the landfill are responsible for the remaining 40%

In the Sewer Fund, there was a position removed from the budget. The budgeted amount for heating the plant was based on a national forecast of a 10% increase and we now know that the actual increase is 30% over last year.

Mayor Grenier addressed Ms. Cascadden and stated that the School Board needs to come together. Ms. Cascadden noted that they have eliminated 5 positions and they still have not reached the zero increase goal. Mayor Grenier stated that this budget will be presented at the public hearing.

Councilor Otis confirmed that any increase requires a 2/3 majority and a decrease can be done by majority vote.

Councilor Nelson asked what downtown improvement money is used for. Mr. Wheeler replied that beautification work is being done in the downtown. There is also \$17000 going into the Main Street Program.

Councilor Otis affirmed that there are 18 employees at the Fire Department, with one Assistant Chief, one Chief and one part time clerk that is shared with Code Enforcement.

Mayor Grenier noted that there were a few items raised during the budget process such as Northern Human Services and CASA that were not funded. Northern Human Services uses their funding as seed money to get grants. The consensus was to fund NHS at \$7,000; CASA at \$500 and to reduce the Main Street Program to \$15,000. There was some discussion about North Country Council. The City does not get the same degree of service from them because we have staff that does the work. The consensus was to fund NCC at \$6,000

Councilor Rozek moved to present the proposed \$33,075,860 budget for public hearing on May 23, 2018; Councilor Remillard seconded and the motion carried.

Senate Bill 577

Mayor Grenier encouraged all to contact the Governor's office urging him to sign the bill regarding Burgess Biopower. Council asked for a letter to be sent on their behalf.

Adjourn

There being no further business, Councilor Rozek moved with a second from Councilor Higbee to adjourn. So moved, the motion carried. The meeting ended at 7:40 p.m.

Respectfully Submitted,
Susan Tremblay
Administrative Assistant

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

