

CITY OF BERLIN

New Hampshire

Minutes of Council Budget Session of 4/22/2024

City Council Chambers

6:30 pm

Members:

Mayor Cone
Councilor Berthiaume
Councilor Grenier
Councilor Qualls
Councilor Valerino
Councilor Korzen

School Board Members:

Ann Nolin
Nathan Morin
Mark Evans

City Staff:

Phillip Warren, Jr, City Manager
Pamela Laflamme, Director of Strategic Initiatives
Holly Larsen, Finance Director
Julie King, Superintendent SAU 3
Shelli Fortin, City Clerk

Public:

Rep. Corinne Cascadden
Jamie Welch
Gina Welch
Roland Sanschagrin
Lisa Connell, Berlin Daily Sun

At 6:30 p.m. Mayor Cone opened the meeting.

Councilor Grenier moved to add an item to the agenda to discuss HB1656, which was seconded by Councilor Valerino. So moved, the motion passed by roll call vote. Berthiaume – yes, Qualls – yes, Korzen – yes, Grenier – yes, Valerino – yes, Cone - yes

1. Discussion on HB1656

Councilor Grenier noted that he would like the Council to send a letter of support for HB1656, which will be voted on Tuesday morning at 9:30 am. If the bill passes, Berlin could receive up to \$2.7 million over two years.

Councilor Grenier moved to allow Rep. Corinne Cascadden to speak, which was seconded by Councilor Korzen. So moved, the motion passed.

Rep. Cascadden advised that there were four school funding bills this year: HB1583 for adequacy, a bill for the new funding formula, HP1656 for special education, and a fourth bill in response to the summary judgement in the Rand case. HB1656 was sent to subcommittee to work through details, and there are new categories that were not there before. There are three disability categories, with additional funding based on the level of service provided. Rep. Cascadden advised this would be a big gain from what we were getting. However, they are trying to fade away the hold harmless amount, which is \$1.4-\$1.5 million. Rep. Cascadden advised that HB1656 has bipartisan support and has passed the House. Rep. Cascadden noted that another bill to watch is HB1583, which will provide an increase of \$1.2 million in FY2025 if it passes.

Councilor Korzen asked about the breakdown of students in these categories in Berlin. Rep. Cascadden noted that the Special Education Department at the school would have these numbers, and Julie King advised they have roughly 200 students in need of special services.

Councilor Grenier moved, with a second by Councilor Berthiaume, to send a letter to the Senate Education Committee in support of HB1656, and to do the same if and when HB1583 advances. So moved, the motion passed.

City Manager Warren advised he would send a letter this evening, so it would be received before the meeting in the morning.

2. Certificate of Vote – Cybersecurity Grant

Director of Strategic Initiatives Pamela Laflamme advised that the Cybersecurity Grant received from DES for the wastewater treatment plant was supposed to be spent by June 1, however they will need an extension on the time. The new deadline will be April 1, 2025.

Councilor Valerino moved, with a second by Councilor Berthiaume, to approve extending the deadline until April 1, 2025 for the Cybersecurity Grant for the wastewater treatment plant. So moved, the motion passed.

3. Council Works on Proposed Budget

City Manager Warren provided the Council with an updated Estimated Tax Rate sheet. Mr. Warren advised that he has made some edits, including reducing the following items: PW CIP Equipment Replacement by \$100,000, PW Hot Top/Cold Patch by \$100,000, School by \$500,000, FD CIP Cardiac Monitor by \$40,000, Parks CIP Equipment by \$30,000, and IT CIP by \$35,000. The Fund Balance increase is \$350,000. The tax rate difference would be an increase of about \$1.18.

Councilor Grenier noted that he is comfortable going to public hearing with this budget, as they will know more about school funding and the SAFER grant before then. Councilor Grenier noted that he is committed to no tax increase this year.

Mr. Warren advised that they could see an increase in total valuation, which would affect the tax rate. Mr. Warren also noted that the cuts made so far in this budget will not remove any services, however any more cuts could curtail services. There are still 2 ½ months left in the fiscal year, so it is too early to look at unexpended funds or additional revenues, as a lot can happen.

Councilor Grenier stated that he, along with Councilors Morency and Valerino, are meeting with the Police Chief about their budget. Mr. Warren noted that he also sent out a correspondence about the vehicles.

In response to a question about concerns about unknowns with the Biomass facility, City Manager Warren advised that he did reduce revenues in the formula to be sure they are in a good place.

Councilor Grenier requested that they get the tax increase to only \$1 before the public hearing. City Manager Warren will work on this for the May 6 meeting.

Julie King advised that they were planning to buy two buses this year, replacing Bus 11 and Bus 12, but could purchase just one if needed. Ms. King advised they did not receive a grant to try electric buses as hoped. Ms. King advised that they are expecting to have \$300,000 in FY24 to give back, but this is a conservative estimate and it may be more. Councilor Grenier requested to meet with Ms. King mid-May to discuss the budget.

City Manager Warren thanked all of the departments for their collaborative approach, as it is not easy to reduce numbers while keeping services. Mr. Warren noted that the discussions are always thoughtful and productive.

Councilor Grenier introduced Mark Evans, who is the newest member of the School Board.

Councilor Grenier requested to be added to the email list for expenditures, and Finance Director Holly Larsen advised she will be sending out the March report shortly.

Councilor Grenier noted that Councilor Higbee is at Catholic Medical Center recovering from a heart issue, and noted that get well wishes would be welcomed.

A motion to adjourn was made by Councilor Berthiaume and seconded by Councilor Valerino. So moved, the motion passed.

The meeting was adjourned at 7:10 pm.

Respectfully submitted by Shelli Fortin, City Clerk