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1989

# Annual City Report

Berlin, New Hampshire

FOR FISCAL PERIOD  
JULY 1, 1988 - JUNE 30, 1989

*"INVESTING IN BERLIN'S FUTURE"...*  
*Preserving our Quality of Life*



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# LOCAL GOVERNMENT...HELPING THE CITY MUNICIPAL OFFICERS

City Manager.....	Mitchell A. Berkowitz.....	752-7532
City Assessor.....	Richard J. Stapleton.....	752-5245
City Attorney.....	Jack P. Crisp, Jr.....	752-2177
City Clerk.....	Lise Malia.....	752-2340
City Comptroller/ Tax Collector.....	Aline Boucher.....	752-1610
City Engineer/Supt. of Pollution Control.....	Terry Block.....	752-3407
Chief Operator of Pollution Control.....	Michael Therriault.....	752-7230
Airport Manager.....	Wayne Gauthier.....	449-2168
Building Inspector.....	Fernard Villeneuve.....	752-1272
Development Director.....	Jeffrey Taylor.....	752-1630
District Court Judge.....	Wallace Anctil.....	752-6300
Fire Chief.....	Paul Fortier.....	752-3135
Health Officer.....	Robert Delisle.....	752-1272
Librarian.....	Yvonne Thomas.....	752-5210
Police Chief.....	Alan Tardif.....	752-3131
Public Works Director.....	Maurice Wheeler.....	752-4450
Recreation & Parks Superintendent.....	Laura Viger.....	752-2010
Superintendent of Schools.....	Richard Steudle.....	752-6500
Treasurer.....	Richard N. Langlois.....	752-4340
Water Works Supt. ....	Albin Johnson.....	752-1677
Welfare Administrator.....	Annette Langevin.....	752-2120

YOUR GOVERNMENT CONSISTS OF PEOPLE WHO ARE ELECTED, APPOINTED, AND EMPLOYED TO PROVIDE EDUCATION, FIRE AND POLICE PROTECTION, LIBRARIES, RECREATION & PARKS, HEALTH PROGRAMS, SNOW PLOWING, POLLUTION CONTROL AND MORE. GOVERNMENT IS ONLY ONE PART OF OUR CITY. OUR CITY IS PEOPLE WHO WANT TO MOVE FORWARD, REFLECT UPON THE PAST, AND MAKE SIGNIFICANT IMPROVEMENTS TO OUR STREETS, BRIDGES, INDUSTRY, AND OUR QUALITY OF LIFE NOW AND IN THE FUTURE.

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## PHOTO CREDITS

ALISON YORK  
*Berlin Reporter*

NORMAN CHAREST

### REPORT PREPARED BY:

KOREN LABRECQUE  
Executive Secretary  
to the City Manager

# BERLIN CITY COUNCIL



Ward I: Philip A. Fortier  
Ronald J. Paquette



Ward II: Robert S. Platt  
Jean E. Nelson



Ward III: Raymond G. Chagnon  
Shawn Costello



Ward IV: Willard W. Dube  
Edgar H. Mears

# MAYOR'S REPORT

# CITY MANAGER'S REPORT

Citizens of Berlin,

This is my final annual report as the Mayor of the City of Berlin. My two terms as Mayor have been both challenging and enjoyable. I leave the Mayor's Office with satisfaction and a comfortable feeling on the condition of our City.

The sewer project is finally completed. The Berlin Mills Bridge has been upgraded and should serve us well for many years. We have installed new roofs on our schools and other buildings. New equipment at the Public Works has been purchased and upgraded. The infrastructure of our City has improved significantly and our streets, sidewalks and bridges are in the best condition of the last decade.

Due to difficult salary negotiations along with significant increases in the cost of providing adequate City services, we unfortunately have had to increase taxes for the first time in over four years.

Although I'm leaving office satisfied with what we have accomplished, many challenges remain. The closing of municipal landfills, the management of solid waste, the poor condition of the Berlin Water Works are but a few. The greatest challenge will be to continue providing an adequate level of services while minimizing the impact on taxes.

I want to express a special thanks to the City Manager, City Clerk, and the staff for making my tenure as Berlin's Mayor exciting and rewarding. To the citizens of Berlin, thanks for their confidence for allowing me the privilege to participate in the decision making process that will take Berlin into the 21st century.

Respectfully submitted,  
ROLAND W. COUTURE  
Mayor of Berlin



ROLAND W. COUTURE  
Mayor of Berlin

Dear Citizens,

The City of Berlin, like many other New Hampshire communities, faced some very difficult decisions in 1989. The City Council recognized that the various goals and objectives that have been developed are competing for the limited resources of the City and must be placed on a priority list. To some degree, this was accomplished through the new budget; and this effort must continue with future Councils.

What is causing this competition? Projects such as solid waste and landfill closure, improvements to streets, bridges, and municipal buildings, compliance with state and federal laws and regulations, including the completion of the sewer project, upgrade of important equipment in both our Pollution Control Plant and at Public Works, and many other smaller, but important, projects. In addition, there is a constant demand on departmental services. When costing out these demands, it's quite evident that our revenues do not keep pace with these costs. Our taxable property base does not increase greatly each year. Other revenues from local, state and federal sources are improving only slightly, except for the state aid to education funds which continue to help support our local educational system. The results are predictable; the City must determine what it wants for service levels. Through this priority selection, we will maintain or change services which, in turn, would influence the cost to our taxpayers. These decisions will assist in the management of the City and are being faced by municipalities throughout New Hampshire now.

Though 1989 could be billed as the year of decision making, it was a good year. The City's Industrial Park gained its first privately owned tax paying industry, Rochester Shoe Tree. In addition, the Industrial Development and Park Authority built the first speculative building with private funding. Our sewer project on the East Side was completed; and the City's efforts to reinvest in its own facilities and structures continues. Most notable, the reinvest in its own facilities and structures continues. Most notable, the completion of the Berlin Mills Bridge rehabilitation will insure that pedestrian traffic over the river between Wards 3 and 4 will continue for many years to come and that a rare piece of Berlin's history had been saved.

In conclusion, it is important to recognize that the City of Berlin continues to address the many municipal issues that compete for our limited resources. The City's Department Heads and Management will continue to work with your elected officials to resolve many of the complex issues that must be faced as we go into the last decade of this century.

Respectfully submitted,  
MITCHELL A. BERKOWITZ  
City Manager



MITCHELL A. BERKOWITZ  
City Manager

# ASSESSOR'S REPORT

# BERLIN FIRE DEPARTMENT REPORT

It is the responsibility of the Board of Assessors to discover, list and value all taxable property in their jurisdiction. The Board is further responsible for the assessment of the Resident Tax, Yield Tax on Timber Cut within their domain, Current Use, and Payment in Lieu of Taxes by the Federal Government for White Mountain National Forest Land.

Assessors must further administer the various forms of tax relief provided for in the statutes, including elderly, blind, physically handicapped, veterans and the determination of the exempt status of religious and charitable organizations in the municipality.

The following statistical summary of Fiscal Year 1988-1989 as reported by the Board of Assessors for the City of Berlin is:

<u>EXEMPTIONS GRANTED</u>		
<u>TYPE</u>	<u>NUMBER</u>	<u>TAX DOLLARS</u>
Elderly	311	\$ 162,281.
Blind	19	12,754.
Physically Handicapped	5	819.
Water/Air Pollution Control	4	304,894.
Veterans	978	52,800.

<u>ASSESSMENTS</u>		
<u>TYPE</u>	<u>NUMBER</u>	<u>TAX DOLLARS</u>
Resident Tax	7,396	\$ 73,960.
Yield Tax	21	22,600.
PILT	1	39,761.

Building Permits Reviewed . . . . . 627  
 Property Transfers Processed . . . . . 357

### SUMMARY INVENTORY OF TAXABLE PROPERTY

April 1, 1989

As the summary below illustrates, the Gross Valuation of the City for Tax Year 1989 is \$208,186,316. The resultant tax (Mill) rate, computed by dividing the Appropriations by the Net Valuation is \$.04475 or \$44.75 per thousand dollars.

Land	\$ 26,064,200.	
Building	172,442,216.	
Public Utilities	<u>9,679,900.</u>	
GROSS VALUATION		\$ 208,186,316.
Blind Exemptions	285,000.	
Elderly Exemptions	3,626,400.	
Physically Handicapped Exemptions	18,300.	
Water/Air Pollution Control Exemp.	<u>6,813,266.</u>	
TOTAL EXEMPTIONS		<u>10,742,966.</u>
NET VALUATION		\$ <u>197,443,350.</u>

The Board of Assessors will continue its policy of striving for fair and equitable administration of the State of New Hampshire assessment laws and the maintenance of its open door policy for those with questions or problems regarding assessments/assessment procedures.

Board of Assessors  
 JOHN R. GOTHREAU, CNHA  
 LOUIS JOLIN, CNHA  
 ARTHUR J. BERGERON, JR., CHAIRMAN

Respectfully submitted,  
 RICHARD J. STAPLETON, CNHA  
 City Assessor

The Berlin Fire Department is responsible for the protection of persons and property from fire, natural/chemical emergencies, and rescue from situations that cause bodily harm. The department also is responsible for prevention and education as well as Fire Code enforcement. Fiscal Year 1989 saw a 12.4% increase in response calls and this increase is expected to continue.

Fire Prevention and training has been a major activity in the past year. Our "Friendly Monster" program as well as other fire prevention activities have been bringing the Prevention Message to schools, nursing homes, and other organizations. Code inspections and enforcement are a continuing process as well, assuring that Life Safety and Fire Prevention Codes are followed. In-house training in NH State Certification has been provided for our personnel during this period as well as basic Hazardous materials Training.

The Electrical Systems Division has been involved in maintaining and upgrading the City's Fire Alarm System as well as many electrical projects in all City buildings. This division provides electrical services as well as radio maintenance and repair for all City Departments.

The Berlin Fire Department is dedicated to providing important emergency services to the citizens it protects with a commitment to provide these services with the quality and standards that are necessary in this modern age.

The following is a summary of Fire Department calls from July 1, 1988 through June 30, 1989:

Fire Calls	363
Structure Fires	24
Vehicle Fires	9
Brush/Grass	17
Trash/Dumps	23
Arcing/Shorted Electrical Equip.	16
Excessive heat/No fire	3
Water/Smoke removal	22
Rescue/extrication	8
Spills/leaks	51
Stand-by	20
Melicious false	29
Unintentional false	102
Good Intent	23
No service	9
Other	7

Respectfully submitted,  
 PAUL E. FORTIER  
 Fire Chief





# BERLIN HOUSING AUTHORITY REPORT

December 9, 1988 marked the twenty-fifth anniversary of the Authority's founding. Established in 1963, the Berlin Housing Authority (BHA) is the North Country's oldest public housing agency. Its initial undertaking, the 2.6 million dollar COLE STREET URBAN RENEWAL PROJECT, was closed out in early 1979 with the resulting surplus federal grant of \$122,000 being made available to the City for community development purposes.

The BHA's first housing project, the Hillside Apartments, was completed and opened for occupancy in March of 1971; fourteen months later its second housing complex, the Clarence M. Welch Apartments, was completed. While other subsidized housing has been developed in Berlin and surrounding areas during the intervening sixteen years, the Hillside and Welch complexes are the only public housing projects in place north of the notches and the BHA continues to be the North Country's largest provider of federally subsidized housing with the total number of rental units allocated to the four housing programs administered by the Authority at year's end standing at 311. This number is expected to grow to 333 in early 1989.

Since 1975, the BHA has relied on the Section 8 existing housing and moderate rehabilitation programs to provide assisted housing opportunities to Berlin's low income population. The principal difference between traditional public housing and the aforementioned Section 8 programs is that households assisted under the latter occupy housing that is privately owned and managed. Another significant difference is the length of time that the federal government is committed to fund the housing subsidies provided for under these programs: in the instance of public housing, the federal financial obligation is for a minimum of 40 years - in the case of Section 8, however, the term is for not more than 15 years. This second difference poses an almost immediate funding problem for many housing authorities across the nation (including Berlin's) which have Section 8 contracts with HUD that expire beginning in federal fiscal year 1990 (the twelve months beginning October 1, 1989); the BHA is following this matter closely and anticipates that the 1990 budget for the Department of Housing and Urban Development (HUD) will provide funding sufficient to replace the 154 units of Section 8 existing housing which otherwise will fall out of the BHA's inventory on June 30, 1989.

At a HUD ceremony held in Bedford on August 17, the BHA was one of five NH housing authorities awarded certificates of special achievement by James J. Barry, Manager of HUD's Manchester office, for having met or exceeded seven performance standards established under the Department's national decontrol program. As a result of this designation as a "recognized performer", HUD oversight of the operations and day-to-day activities of the BHA will be reduced significantly.

Also in 1988, the BHA joined with several other Berlin agencies to form a non-profit corporation which applied for a matching grant from the State of New Hampshire to operate a security deposit loan program for Berlin's low-income households. The application was approved and the program became operational on January 3, 1989. Persons desiring more information about this program are invited to contact the Housing Assistance Fund office at 153 Crafton Street, telephone 752-2401.

Denis P. Fortier of Washington Street was reappointed to the Authority's Board on December 5. He has been a member of the Authority since December 1983 and serves as assistant treasurer.

## BALANCE SHEET

<u>ASSETS</u>	December 1987	December 1988
CASH	\$ 39,141.30	\$ 52,774.71
ACCOUNTS RECEIVABLE	11,977.95	14,012.76
ADVANCES	1,137.59	1,143.72
INVESTMENTS	110,041.08	108,481.92
DEBT AMORTIZATION FUNDS		
HUD Contributions Receivable	78,322.86	78,322.86
DEFERRED CHARGES		
Prepaid Insurance	2,621.00	3,773.00
LAND, STRUCTURES, & EQUIPMENT	1,342,730.48	1,351,125.27
TOTAL ASSETS	\$1,585,972.26	\$1,609,634.24
*****		
<u>LIABILITIES</u>		
<u>LIABILITIES</u>		
Accounts Payable	\$ 1,622.83	\$ 801.34
Accrued Liabilities	2,343.75	6,786.90
Notes Payable	940,033.81	923,753.18
Deferred Credits	<u>3,044.87</u>	<u>-----</u>
TOTAL LIABILITIES	\$ 947,045.26	\$ 931,341.42
EQUITY		
Operating Reserves	\$ 157,907.47	\$ 173,184.75
Cumulative HUD Contr. (Net)	<u>481,019.53</u>	<u>678,292.82</u>
TOTAL EQUITY	\$ 638,927.00	\$ 678,292.82
TOTAL LIABILITIES & EQUITY	<u>\$1,585,972.26</u>	<u>\$1,609,634.24</u>

Respectfully submitted,  
DONALD MANGINE  
Berlin Housing Authority

## BUILDING INSPECTOR'S REPORT

<u>PERMITS ISSUES</u>	<u># OF PERMITS</u>	<u>ESTIMATED COSTS</u>
Commercial Addition	3	\$ 20,350.00
Commercial Alteration	35	605,350.00
Commercial Building	10	1,458,110.00
Electrical	178	417,101.00
Garages/Carports/Storage Sheds	44	250,390.00
Industrial Addition	1	55,000.00
Industrial Alteration	9	293,000.00
Industrial Building	11	2,336,000.00
Mobilehomes	2	90,000.00
Plumbing	42	222,890.00
Residential Addition	45	411,200.00
Residential Alteration	164	869,274.00
Siding	33	182,831.00
Signs	23	23,398.00
Single Family Dwelling	15	1,363,500.00
Swimming Pools	<u>19</u>	<u>118,550.00</u>
TOTALS	<u>634</u>	<u>\$8,716,944.00</u>

Respectfully submitted,  
FERNAND VILLENEUVE  
Building Inspector



# CITY PLANNING BOARD

# CITY CLERK'S REPORT

The Berlin City Planning Board works closely with the staff of the Development Department to guide the continued growth of the municipality. By New Hampshire law, the Board's purpose is to play an advisory role in all planning decisions. The Planning Board's basic responsibilities include: (1) The updating and implementing of the City's Master Plan; (2) The drafting and amending of the City's Zoning Ordinances; and (3) The review of all subdivision applications.

This year, the Board continued to make progress in updating the City's Master Plan. An inventory of the area's natural resources was completed. Information on Berlin's water resources, soils, geologic formations, vegetation, and fish and wildlife is now consolidated into one document. As a result of that inventory, the City contracted with the USDA Soil Conservation Service to map the City's soils. The last mapping, done in 1943, is now considered inaccurate and obsolete. The new maps will help identify areas which can withstand development as well as the fragile soils which should remain undeveloped.

The Board also aided the City staff in continuing to improve the City's transportation system. The Board adopted a set of specifications for new roads which is now part of the City's subdivision regulations. In May, a traffic survey was conducted throughout the City. Vehicle counts were taken at twelve major intersections for two days. This data will be used in evaluating the overall transportation system in Berlin, most importantly, the truck routes.

Several small subdivisions were approved throughout the City; approximately ten new residential lots were created, as well as two new business lots on Jericho Road. The site plan for the Androscoggin Valley Hospital's expansion was reviewed by the Planning Board. Several requests for the release of City property were reviewed by the Board as well. The Board also recommended to the City Council that Haskell Street be extended to open up new residential lots.

The Planning Board was quite active in trying to secure conservation easements on Cates Hill properties. Though the project was unsuccessful, the Board still feels strongly that the area is a valuable scenic resource for the community and should be preserved in some fashion.

This year, the Board was quite successful in its attempts to recruit new members. Seven people have joined the Board as Associate members. Though these members cannot vote, they have provided valuable input in our discussions. The Board consists of six regular voting members, three ex-officio members, three alternate members and the associates.

The Board meets at City Hall the first Thursday evening of each month and welcomes the attendance of private citizens.

Respectfully submitted,  
HENRY COTE  
Chairman

## COLLECTION DEPARTMENT:

Motor Vehicle Registrations	11,252
Financing Statements (UCCs)	408
Termination Statements (UCCs)	65
Dog Licenses	310
Fish & Game Licenses	62

## VITAL RECORDS:

Births	194
Marriages	103
Deaths	202

Some of the year's activities in the City Clerk's Office included (but were not limited to) the following:

- Attended and recorded the minutes of all regular and special meetings of the City Council, as well as public hearings; assisted in preparation of City Council agendas related to regular meetings.
- Published notices of proposed and adopted ordinances.
- Indexed and filed resolutions, ordinances, deeds, leases, and other miscellaneous records.
- Indexed and filed all vital records and issued certified copies of same.
- Issued marriage licenses.
- Filed reports with State and other agencies.
- Processed delayed certificates of births and applications for amending vital records.
- Sold cemetery lots and issued deeds and processed grave digging orders.
- Issued junk yard licenses, amusement game licenses, and other licenses.
- Notarized documents for public as well as municipal officials.
- Accepted voter registrations and changes in party affiliation.
- Administered oaths of office.
- Assisted in genealogy research.

Respectfully submitted,  
LISE MALIA  
City Clerk

# DEVELOPMENT DEPARTMENT REPORT

The Development Department has two major responsibilities within the City of Berlin. First, the department functions as the City's professional planning staff and as the administrator of federal grants. Technical support is provided for the City Planning Board. Secondly, the department works toward continued economic development for both the City and the region. The staff solicits new retail and industrial companies to establish themselves in Berlin. We also promote and aid in any expansions of our existing businesses. The Berlin Industrial Development and Park Authority which oversees the Maynesboro Industrial Park, and the Berlin Economic Development Council which provides loans to industries and downtown businesses are both staffed by the Development Department, many important projects were completed and a few milestones realized.

## TRANSPORTATION ISSUES

Making Berlin accessible is an important part of marketing the City to prospective industries.

Berlin Municipal Airport: The runway improvement project, started in 1985, was completed this year. The airport now has a 4,900 foot runway capable of handling corporate jets. The department also supported legislation which will provide automatic weather report systems for the Whitefield and Berlin airports. This is a computerized weather information system which relays information to pilots on demand. This is especially useful in airports which do not have 24 hour staffing.

Route 16: The department was active in supporting a Conway By-pass so that products and raw materials coming to or leaving Berlin will not be hindered by traffic in that northern resort community. Berlin and other towns north of Conway understand that the bottleneck on Route 16 is a regional problem.

Retail Development: The Development Department continued to provide loans to downtown businesses at a reduced interest rate through its Downtown Revolving Loan Fund. This program is operated in conjunction with the Berlin Economic Development Council (BEDCO) and is available to businesses and commercial property owners located in the downtown. During Fiscal Year 1989, four loans totaling \$62,000 were approved by the BEDCO Board.

Industrial Development: The Department also provides loans to industrial or manufacturing firms through its Industrial Revolving Loan Fund Program. This program is also administered by the staff through the BEDCO Board. These reduced interest loans provide extra working capital to businesses which match the amount of the loan to finance specific projects. In Fiscal Year 1989, \$145,000 was loaned to two firms through the IRLF program. As these funds are paid back, they become available for new loans.

During the past year, the Berlin Industrial Development and Park Authority (BIDPA) build a 10,500 square foot spec building in the Maynesboro Industrial Park. The building is now completed and will provide valuable industrial space for potential new firms in Berlin.

Also at the Maynesboro Industrial Park, BIDPA sold its first land and building to a firm already in operation in the Park. Rochester Shoe Tree Company, having moved into the park only in 1987, bought two parcels of land and the building on one parcel and expanded this facility with a 10,000 square foot addition. The new space has allowed Rochester Shoe Tree to employ an additional 30 workers. The sale marks the first private ownership, and therefore taxable property, within the Maynesboro Industrial Park.

Respectfully submitted,  
JULIE RENAUD EVANS  
Assistant Planner



# POLICE DEPARTMENT REPORT

The Berlin Police Department has as its primary purpose, the preservation of peace and the protection of life and property in a manner consistent with the freedoms secured by the Constitution. In addition, the Department is charged with the enforcement of a wide variety of state laws and local ordinances.

The Department has greatly professionalized its courtroom presentations through the efforts of the Lieutenant/Prosecutor. From January 1, 1989 through September 30, 1989, 227 actual court trials were prosecuted. Six were placed on file, 13 were found not guilty, and three were probable cause hearings.

The Department has made a committed effort to reduce the number of drunken drivers on Berlin streets which is indicated by an increase in number of DWI arrests up by 44%. Motor vehicle violations issued (speedings, stop signs, etc.) are up 45% while motor vehicle violation warnings are up by 53%.

The City of Berlin has experienced a drop in motor vehicle accidents by 15%, but saw an increase in the total Calls for Service (CFS) up by 47%.

The Department was presented, at no cost to the City, two off-highway road vehicles to patrol the back roads and forests in the Berlin area. This program was instituted in hopes to discourage off road violators and drug and alcohol parties that frequently occur in the summer months. Along with this program, the Department received 100% federal funding to pay officers' wages during the off road details.

Progress is still occurring in the attempt to computerize the Department dispatch center. This will improve the Department's ability to collect, compile and distribute statistical information in the future.

With the continued cooperation of civic organizations, city departments and the citizens of Berlin, this City will remain a safe and friendly place to live.



Respectfully submitted,  
ALAN TARDIF  
Chief of Police

# ENGINEERING DEPARTMENT REPORT

The Engineering Department has continued its commitment to quality and excellence in FY'89 through its dedication to careful and conscientious control of departmental functions to provide maximum benefits at the least cost to the City. The Engineering Department provides a broad array of engineering and related services to the City of Berlin and its various departments including project development and design, technical assistance, specification and contract development, contract administration, and estimating and inspection services.

The Engineering Department's continuing commitment to practical and cost-effective solutions to project requirements are reflected in the following projects:

## I. Transportation Systems

1988 STREET OPENING PERMIT PROGRAM: The Engineering Department functions as the administrator of the City's Street Opening Permit Program, now in its seventh year. All utility trench openings in the City streets and sidewalks are permanently repaired under this program.

TRANSPORTWAY 88: A number of infrastructure maintenance programs fall under the general heading of the Transportway Program, including bridge, street, sidewalk and curbing and retaining wall maintenance and rehabilitation. In 1988, the following specific projects comprised the Transportway Program:

BERLIN MILLS BRIDGE: The work begun in 1986 to rehabilitate this bridge to a safe pedestrian walkway was substantially completed in FY'89. The Engineering Department coordinated the repair of the concrete piers and abutments, replacement of rollers and bearings, completion of sandblasting and painting above the deck level by a private contractor, Grand Banks Marine Co., rehabilitation of the approaches by the Public Works Department, and the installation of lighting by the City Electrician. Design services were provided by H. Edmund Bergeron Civil Engineers, North Conway, NH, and Lee F. Carroll Consulting Engineers, Gorham, NH. The bridge will be rededicated in the fall of 1989.

STREET REPAIRS AND IMPROVEMENTS: The Engineering Department, along with the City Council, annually outlines the street and sidewalk repairs required within the City. In FY'89, the Engineering Department developed a comprehensive survey and priority listing of street conditions throughout the City. From this work a pavement management program was established which targeted specific street and sidewalk repairs for FY'89. Included were repairs to approximately 10 streets and 45 sidewalk sections. The scheduled repairs were performed by Public Works forces and a number of private contractors.

RETAINING WALLS: The Engineering Department surveyed and photographed and rated the condition of the 140 retaining walls which are owned and maintained by the City. Resulting from this work was a list of five priority retaining wall repairs and replacements to be performed in FY'89. These include the following:

Ward I	Western Avenue
Ward II	390 School Street
Ward III	124 Denmark Street, 194 Finland Street
Ward IV	433 Burgess Street, 349 Burgess Street

## II. Sewerage Collection and Treatment

In addition to general supervision of collection and treatment operations, the Engineering Department was involved in numerous capital improvement and equipment upgrade programs

related to these activities. Included were the purchase of a new sewer jet (sewer cleaning vehicle), the purchase of a new one ton utility truck for the treatment plant and repainting of steel components in two clarifiers and two sludge thickening tanks.

## III. Solid Waste Disposal

HYDROLOGICAL INVESTIGATIONS: The Engineering Department worked with outside engineering consultants and the State of New Hampshire's Bureau of Solid Waste Compliance to complete a Phase I a hydrogeological investigation of both the East Milan and the Cates Hill Landfills. This work established the baseline data for further investigations and installation of additional monitoring wells, which will be accomplished under a Phase II program in FY'90. These studies are required to define groundwater flow in and around the landfills and establish a groundwater monitoring program to detect contaminants, and are used to design ultimate landfill closure plans.

ANDROSCOGGIN VALLEY SOLID WASTE DISTRICT: The City Engineer serves as the Secretary-Treasurer for the Androscoggin Valley Solid Waste District (AVSWD), an advisory group comprised of representatives from various cities, towns and unincorporated places in Coos County. In FY'89, the AVSWD performed a preliminary analysis of the feasibility of establishing regional recycling facilities in the area, started developing a 20-year solid waste management plan, tracked pertinent legislation, and began working on the details for a regional cooperative agreement for recycling and disposal of solid waste. The AVSWD will be negotiating with James River Corporation in FY'90 to use the company's new Mt. Carberry Sanitary Landfill in Success, NH.

## IV. Recreational Facilities

HIGH SCHOOL RUNNING TRACK: The Engineering Department continued working with the Berlin Parks and Recreation Department, the Public Works Department, and the High School athletic Department to design and construct the proposed 400 meter running track at the high school. Completion is currently targeted for the spring of 1990.

## V. Building Maintenance / Rehabilitation

HANDICAP ACCESS - CITY HALL: The development of accessibility to City Hall continued in 1988 with the installation of a custom wheelchair lift from the basement level to the second floor. The Engineering Department coordinated the design and installation of the chairlift.

CITY HALL RENOVATION: The Engineering Department was responsible for coordinating the efforts of the Public Works Department, and the City Electrician, and various private contractors in the continued rehabilitation of City Hall. The work in FY'89 included restoring and repainting walls and ceilings in the main hallways and lobby from the basement level to the second floor, the complete reconstruction of one of the finance offices and the Public Works Office, painting and wallpapering in the Council Chambers, the design and installation of a canopy over the entrance to the Welfare Department, and the installation of new windows throughout the building.

SCHOOLS AND POLICE/RECREATION FACILITY RE-ROOFING PROJECT: The Engineering Department provided design, inspection, and contract administration services for the repair and replacement of the roofs on various school buildings, including the High School, Old Brown School, New Brown School, Barlett School, and the Middle School.

The technological advances in personal computing and greater awareness of computer capabilities in recent years has led to a desire by many departments to capitalize on the relatively low cost of PCs to provide word processing, database management and sophisticated analysis tools in order to improve department operations. The Engineering Department provides technical assistance to each of the City Departments who wish to purchase personal computing hardware and software. In FY'89 the Engineering Department developed specifications and requests for quotations for five PCs for the Police Department, administered the purchases and installed the equipment and software. The City Engineer has also begun developing custom software for use by the Police Department for automating payroll preparation and tracking account expenditures.

Respectfully submitted,  
 TERRY BLOCK, PE  
 City Engineer

## ZONING REPORT

### Members

Ann Conway, Chairman	Donald Laroche
John Arsenault, Vice-Chairman	Marc Lauze
Richard Poulin, Secretary	Joseph Dorval
Jeannine Birch	Ronald P. Goudreau

Public Hearing Held.....	9
Appeals Filed.....	31
Re-hearings Held.....	1
Variances and Exceptions Granted.....	22
Variances and Exceptions Denied.....	9

Respectfully submitted,  
 FERNAND VILLENEUVE  
 Building Inspector

## HOUSING INSPECTOR'S REPORT

	<u>BUILDINGS</u>	<u>RENTAL UNITS</u>
Moderate Rehab.	14	56
Subsidy Loans	0	
Rooming House Permits	15	
Inspections Upon Complaints	34	
Student Housing	7	
Units Inspected	201	
Violations	43	
Violations Corrected	43	
Rooming House Units	102	
Structures Inspected	198	
Units Condemned	0	

Respectfully submitted,  
 NORMAN ROLLINS  
 Housing Inspector

## POLLUTION CONTROL REPORT

Since the introduction of the Clean Water Act in 1972, the national emphasis placed on the improvement of environmental quality, public health, and recreational opportunities by taking positive steps to control the pollution of our waterways has led not only to the enhancement of aesthetic and economic values associated with waterfront areas, but has resulted in a greater local awareness of, and responsibility for, our natural water resources. With the completion of Contract 11 in FY'89, the City of Berlin has demonstrated its commitment to achieving the goals of the Clean Water Act and its commitment to the health and welfare of its citizens.

Pollution control demands the collective expertise of the maintenance crews, the treatment plant operators, and the Engineering Department. The sewer maintenance personnel are charged with maintaining the capacity of the system by controlling the usage of the system and a continuous program of maintenance to prevent or remove obstructions that occur in the normal use of the system. The treatment plant maintenance personnel are responsible for insuring the integrity of plant and pumping station equipment to keep these components of the system operating reliably and efficiently. The treatment plant operators are required to monitor treatment operations and respond to the changing physical, chemical, and biological characteristics of the influent wastewater to maintain a quality of effluent meeting the objectives of the Clean Water Act. The City Engineer oversees all of these functions as well as regulates new sewer construction by developing and enforcing sewer construction standards and coordinating with State and local authorities.

As with any aging infrastructure, constant attention must be paid to properly maintain facilities and equipment and to upgrade when required. The Pollution Control Department continued its commitment to this philosophy in FY'89 as shown in the following equipment major projects and equipment purchases:

- New sewer jet
- New utility truck for the treatment plant
- Repainting of Clarifier Steel
- Reconditioning of Centrifuges
- Return Activated Sludge Drive Repairs
- Sludge truck body replacements
- Purchase of a manhole coring machine

In addition, the treatment plant was recognized in the spring of 1989 with a first place award in the annual EPA Region I "Excellence in Operation and Maintenance" competition, qualifying the plant for entry in the national competition in the fall of 1989. We are proud to continue providing such service to the City, and its citizens.

Respectfully submitted,  
 TERRY BLOCK, PE  
 City Engineer/  
 Pollution Control Superintendent



# FINANCE/COLLECTION DEPARTMENT REPORT

The Finance and Collection Department is responsible for the accounting and record keeping of all financial transactions of the City's General Funds, as well as all the funds. The City's auditors, Carey, Vachon & Clukay, Manchester, New Hampshire, audited the City books and the City's financial reports for the General Fund, Special Revenue Fund, Capital Projects Fund, Propriety Fund Types, all Trust and Agency Funds, and General Long-Term Obligations are in their accompanying Audit Report for the year ended June 30, 1989.

The City's financial records are maintained on the IBM 34 System.

This Department is responsible for the following processes, and where applicable, indicate approximate number of annual transactions and amounts.

	<u># Transactions</u>	<u>Amount</u>
General Ledger		
Cash Revenues		
Appropriation Ledger		
Financial Reporting		
Accounts Payable	6,745	\$20,183,270.
Purchase Orders Issued	2,356	
Payroll	16,455	7,794,570.
Personnel Files		
Real Estate Bills	4,688	7,584,390.
Resident Tax Bills	7,396	73,960.
Sewer Bills	3,443	674,388.
Other Taxes	20 (appx.)	
Tax Lien Process	352	435,340.
Real Estate Collections		
Resident Tax Collections		
Sewer User Collections		
Tax Lien Redemptions		
Motor Vehicle Registrations	11,252	761,016.
Revenues Other Than Taxes		9,570,378.
Voter Registration Records		

## TAX COLLECTOR'S REPORT

The following is the Tax Collector's Report for the period ending June 30, 1989.

	1989 REAL <u>ESTATE TAXES</u>	1988 REAL <u>ESTATE TAXES</u>	1988 TAX <u>LIENS</u>	1987 TAX <u>LIENS</u>	PR. YEAR'S <u>TAX TITLES</u>	1989 <u>SEWER USER TAXES</u>	1988 <u>RESIDENT TAXES</u>	1988 <u>RESIDENT TAXES</u>
07-01-88 Uncollected Balance	-0-	\$1,898,770.	-0-	\$253,625.	\$ 80,323.	\$117,389.	-0-	\$ 39,720.
Taxes Sold to City	-0-	( 355,803.)	\$435,339. <sup>2</sup>			( 42,350.)	( 590.)	
Tax Warrants	\$3,859,901. <sup>1</sup>	4,016,730. <sup>1</sup>	-0-			674,697.	\$73,960.	-0-
Collections/Redemptions	( 2,720,220.)	( 5,480,971.)	( 60,477.)	( 156,763.)	( 64,313.)	( 603,574.)	( 33,150.)	( 25,300.)
Refunds/Overpayments	-0-	6,622.				852.	90.	380.
Liens - RSA - 72:38A	-0-	( 1,584.)	( 1,014.)	( 1,010.)	( 3,192.)			
Abateents/Deeds/Discount	-0-	( 8,303.)				( 13,886.)		
Reserve - Uncollectibles	-0-	-0-	-0-	-0-	-0-	-0-	-0-	( 8,000.)
<b>Uncollected Balance 06/30/89</b>	<b><u>\$1,139,681.</u></b>	<b><u>\$ 75,461.</u></b>	<b><u>\$373,848.</u></b>	<b><u>\$ 95,852.</u></b>	<b><u>\$ 12,818.</u></b>	<b><u>\$133,128.</u></b>	<b><u>\$40,900.</u></b>	<b><u>\$ 6,210.</u></b>

Other Taxes/Interest Collected

Special Warrants	\$ 7,294.
Resident Taxes - Uncommitted	3,743.
Interest - Delinquent Taxes	45,134.
Interest - Tax Liens	35,207.
Resident Taxes - Penalties	578.
Sewer Taxes - Interest	6,954.

<sup>1</sup>Warrant 1/2 Year

<sup>2</sup>Includes 1988 Real Estate Taxes, Sewer Taxes, Resident Taxes, Interest, Costs and Fees.

In addition to the above, this Department administers Health Insurance for the City Employees, Water Works, Cobra Extension, as well as for 121 Retirees, (total covered - 279 members). The Finance Department also administers Life Insurance, Accident and Sickness, N.H. Retirement Programs, N.E. Mutual Pension Plan, Workers Compensation and Unemployment Compensation for all City Employees.

This Office is also responsible for the Central Services Purchasing and Billing of gas, office supplies and other purchases for City Departments and State Agencies.

This Department is also responsible for the record keeping of the Berlin Airport Authority - Sales of all gas.

This Finance/Collection Department has a staff of six full-time employees and one part-time employee.

Respectfully submitted,

ALINE BOUCHER  
Comptroller/Tax Collector

# WATER WORKS REPORT

For this report period, one billion two hundred twenty-seven million gallons were delivered into the water distribution system. Five million more gallons was used than during the previous report period.

Excluding payments of the 1976 Water Bond issue, the Water Commissioners approved a sum of \$950,400.00 for the 1989 Budget.

Interest and principle payments totaling \$196,500.00 for the 1976 Water Bond issue was paid to the City.

Fire hydrants were flushed in the Fall and Spring. Damaged hydrants were repaired or replaced.

Exploratory test well work was conducted at Head Pond and on Industrial Park Authority property with negative results for a potential yield of water that would support a municipal well.

Water line improvements were performed on Seventh Street, between Sweden and Denmark Street and at the dead end of Denmark, south of Seventh Street. New hydrants were installed at the corner of Seventh and Denmark and at the corner of Norway and Pine Island.

Assistance has continued to Midway Excavators on the City Contract 11, Sewer and Water Project. Water Works has performed several service line curb stop replacements in streets where Midway is paving the street from sidewalk curb to curb.

Summer help was employed to provide assistance necessary to perform repairs to mains and services throughout the distribution system and for other maintenance work.

Berlin Water Works received approval from Governor and Council to proceed with a study to demonstrate the use of hydroturbines to convert wasted energy head to hydroelectric production. The study is presently awaiting the results of an interconnection analysis from Public Service of New Hampshire.

Our annual running water program started on December 12, 1988 and was ended on April 18, 1989. Water Works responded to 93 calls due to frozen service lines.

As ordered by NH Water Resources, the Spillway at Anderson Dam, Town of Success, was lowered to the natural drainage gradient that existed prior to the construction of the dam. As a result, the Berlin Water Works will have no further liability in regards to flowage from this site.

The old furnace at Jericho Road filter plant was replaced with a more efficient unit. Several windows at the Willow Street facility were replaced with energy efficient windows.

Applications for Technical Assistance Grants were sent to the Governor's Energy Office to perform energy audits of various buildings operated by the Berlin Water Works.

A three year contract for Union employees was negotiated and signed by all parties involved with expiration date of June 30, 1991.

A six-year capital improvements plan for the Berlin Water Works as prepared by Mr. Johnson was accepted by the Board of Water Commission. A joint meeting of the Board of Water Commission, Mayor, City Council and City Manager was held on October 24, 1988 for the purpose of reviewing the plan with City officials. At this meeting, the Water Commissioners presented the City with a check for \$50,000.00 for past debt on the 1976 Water Bond issue.

A proclamation was signed by Mayor Couture in recognition of National Water Week, May 1 through May 7, 1989. An open house and tree planting ceremony was held at the East Milan Water Treatment Facility.

For this report, members of the Board of Water Commission were: Chairman, Joseph J. Ottolini; Clerk, Carl D. Oleson; Wilfred D. Charest; Richard Ramsay, Jr.; and ex-officio member Mayor Roland W. Couture.

On June 21, 1989, Mr. Leroy T. Hughes, a Water Commissioner who served on the Board from 1942-1944, passed away.

Respectfully submitted,  
ALBIN D. JOHNSON, P.E.  
Superintendent & Chief Engineer



ANDERSON DAM SPILLWAY LOWERING  
May 1989

# RECREATION & PARKS REPORT

During the 1988-89 fiscal period, the Recreation and Parks Department continued to provide quality leisure services to our community. The essence of our task is to provide a variety of recreational opportunities to all ages of residents. During these times of two parents working, young people seeking free time activities, and our population generally growing older, the department seeks to provide for all these community needs.

On a programming note, the department experienced some level of growth. Special Olympics programming grew to include Speed Skating and Unified Softball. We hosted the first Special Olympics Speed Skating held in the State of New Hampshire.

With an eye on young people, we now offer a new first and second grade beginners sports program. This popular program offers young children an opportunity to experience the pleasure of play as well as learn basic skills of soccer, basketball, and t-ball; just to name a few.

Seniors have benefited in '89 from our walking program; as well as our 50+ exercise courses. Plans are currently being developed for a series of Bid Band dance nights for our mature leisure participants. Our plans for the future in this area of programming are to continue to expand this area of interest.

Other new programs provided in the past year included a theater series, baseball card show, and youth dances. The following offers a more complete list of activities with some attendance figures:

<u>PROGRAM</u>	<u>ATTENDANCE</u>
Swim Lessons	52
Jericho Day Camp	28
Jericho Teen Beach Party	80
Jericho Season Passes	34
Jericho Daily Attendance	914
Jericho Shelter Rentals	6 groups
King's Puppeteers	142
Theater Resources for Youth	75
Penny Carnival	9
Coca-Cola Gong Show	7 acts
	121 spectators
Holiday Crafts Fair	20 booths
Halloween Haunted House	593
St. Patrick's Day Dance	135
Little Tykes Playground	145
Summer Basketball Camp	52
Girls Softball	106
Farm League Baseball	159
Babe Ruth Baseball	64
3rd & 4th Grade Soccer	90
1st & 2nd Grade Gym Activities (soccer, t-ball, b-ball)	137
3rd-6th Grade Ski Program	176
3rd & 4th Grade Girls Basketball	31
3rd & 4th Grade Boys Basketball	74
Hockey Development	130
Adult Basketball	4 teams
Men's Volleyball	6 teams
Coed Volleyball	8 teams
Jogging	46
8:00 - 9:00 a.m. Aerobics	18
9:00 - 10:00 a.m. Exercise	61
50+ Exercise	48
4:15 - 5:15 p.m. Low Impact Aerobics	17
5:30 - 6:30 p.m. Advanced Aerobics	16
6:00 - 7:00 p.m. Aerobics	24
Gymnastics	257

Realizing the value of working with other community groups to provide leisure programming, the department worked in cooperation with others in a number of activities. The HOPE Walk-A-Thon was a successful venture of many groups to provide programming to seniors in our community. The department's contribution to the Home Bank Gazebo project is helping to make that a reality. Working with the Berlin High School Backers, our staff contributed to the success of the Homecoming Weekend activities.

Volunteerism, cooperation with area groups and businesses, and corporate sponsorship and donations directly resulted in program success in our department. Two examples of this in the past year are the continuing Running Track project and the acquisition of a new department bus.

The 400 Meter Running Track project continued forward in '89. With the support and effort of City Engineer, Terry Block, and the Berlin Public Works Department, we are nearing the completion of this recreational facility. We also recognize generous contributions from Vaillancourt Electric, White Mtn. Lumber, J & M Construction, Couture Construction, and James River Corporation for their most generous contributions to this project.

Working with the North Country Association for Special Needs Citizens and the Special Olympics North Country Area Management Committee, the department was able to take delivery of an 1989, 18 passenger mini-bus. Through an aggressive fund raising campaign and a city contribution of \$10,000.00, this handicap accessible vehicle has provided for Special Olympics programming as well as a number of Recreation Department trips and youth programs. This vehicle will provide expanded program opportunities in the future.

Summer '89 was very active at Jericho Lake Park. Working along with New Hampshire Job Training Program students under the direction of Keith Parent and Dan Brigham and a private cutting contract, our maintenance division executed a significant clean-up and cutting project on the main dam and spillway. Work for this year was completed with fertilization of both faces of the dam. This work will insure the integrity of the community landmark for the future. The Jericho Lake dam is an integral part of the Jericho Watershed project. Projected work for next summer includes cutting in the back spillway and dike area as well as a reseeding project on the dam proper.

For the recreational visitor to Jericho Lake, they will be pleased to find a newly renovated play area for children. Visitors will find a carpet of grass surrounding their favorite play site.

As our department has continued to feel the pressure of reduced maintenance staffing, we have worked diligently to continue to provide quality service. In an effort to provide service with reduced manpower, we have worked throughout '89 to develop a department maintenance plan. This document, although still requiring some "fine tuning", seeks to develop an ongoing schedule for all area parks, playgrounds, and playing fields. This plan assigns our three person crew to a rotating schedule of locations each weekday insuring that all locations receive basic maintenance.

Feeling the "crunch" of the Council-issued Hiring Freeze, the department experienced a significant reduction in manpower throughout Summer and Fall, 1989. This fact has made our effort to develop a standard maintenance schedule most important. As our programming and maintenance requirements expand and our



staffing numbers declines, we experience a bind of attempting to meet all our needs.

We are certain that through continued fiscal responsibility, cooperation of the City Council, other service groups and the many interested and involved citizens of our community, we will continue to provide quality leisure services. We look forward to the challenges of the future in achieving our goal.

Respectfully submitted,  
LAURA VIGER  
Recreation & Parks Director



## WELFARE DEPARTMENT REPORT

The Welfare Department provides general assistance to persons and families in the City who do not have sufficient resources for their basic needs. Assistance is administered according to the New Hampshire Welfare Laws and the guidelines adopted by Council.

The Department directs a Workfare Program wherein able-bodied recipients work for a City Department or a non-profit organization at a job that is within their capacity, at the prevailing wage for the kind of work performed, in exchange for cash value of assistance provided.

The following statistics indicate some of the activities of the Department for the Fiscal Year July 1, 1988 through June 30, 1989:

Office Visits . . . . .	1,850
Cases Interviewed . . . . .	254
Cases Assisted Financially . . . . .	106
Families . . . . .	43
Singles . . . . .	63
Welfare Orders Issued . . . . .	524
Hours Worked on the Workfare Program . . . . .	1,731

In addition, the Department provides information, counseling, and referrals to appropriate agencies.

Respectfully submitted,  
ANNETTE LANGEVIN  
Administrator of Welfare

## PUBLIC WORKS DEPARTMENT REPORT

The Department completed the retaining wall on Quinn Court along with renewing a catch basin and resurfacing the street. Also retaining walls were repaired on Western Avenue (50) feet, Spring Street, Denmark Street and a new retaining wall was installed on Burgess Street.

The East Milan Landfill was taken care of with some 5,000 cubic yards of sand hauled in for cover.

The Cates Hill Landfill took on a new look this past summer with the removal of most of the metal pile; earth cover was hauled in to spread over the area. The wood is burned once a year after there is snow on the ground.

The Berlin Mill Bridge (Bridge Street Bridge) was completed this past summer with a bridge contractor. The landscaping was done by the Public Works Department.

This year, as in the past few years, all of the exposed concrete such as sidewalks, retaining walls and bridges, are covered with linseed oil to protect it from the salt and winter freeze and thaw action.

Again, this past winter and spring, work on City Hall such as cleaning, patching, repairing and painting was accomplished.

The Pollution Control Department was kept busy with cleaning and flushing sewer and storm drains lines, catch basins, culverts and brook headers. They also installed and repaired 26 manholes, they installed 117 linear feet of 6-inch sewer line, 10 linear feet of 10" sewer line, they replaced 348 feet of service line and they responded to 45 sewer calls.

The Department hauled 3,000 cubic yards of gravel from the James River Pit in Jericho to the new running track site. A local contractor donated time and equipment to the project.

Street signs, stop signs, parking, railroad, speed, Children-At-Play, etc., were installed and repaired.

Spring Clean-Up Week received 159 calls and Fall Clean-Up Week received 124 calls.

The Department also had a 2-week shutdown during the weeks of July 15 and July 22, 1989.

The Department operated a mechanical sweeper throughout the summer along with a catch basin cleaner.

The Department purchases for winter use, 2,475.53 tons of rock salt and 3,793.09 tons of sand.

New equipment purchased this past year included:  
2 - 10 Wheel, 12 Yard Dump Trucks  
1 - Sewer Jet  
1 - Sidewalk Plow with Sander and Sweeper  
3 - Sand & Salt Spreaders  
1 - Trailer Loadbed.

Respectfully submitted,  
MAURICE WHEELER  
Public Works Director

# HEALTH DEPARTMENT REPORT

The Health Department is an integral part of the City Government; however, in many respects, this Department is uniquely different from the other Departments. The services we provide serve every citizen of the City, regardless of socioeconomic status. Unlike the medical and social services limited to particular segments of the population, Berlin Public Health Services protect all residents of the City.

Most of our functions are based on City Ordinances and State Statutes and Charter which were established to safeguard the public. We are required to carry out public safety and health functions and meet the standards established by City Ordinances and State Law.

A hallmark of the Health Department's services is its diversity. Every individual in the City of Berlin will somehow come in contact with the Department. We are notified of your birth, and information from your death certificate is filed with us. We may immunize your children; we may help you or your family with any disease outbreak; assist you with a handicapped person; inspect the hospital to which you are sent when you become ill, and possibly render nursing services, physical and/or occupational therapy services, and homemaker/home health aide services in your home once you are discharged from the hospital.

We do laboratory analyses of drinking water, making sure it is not detrimental to the community. We inspect nursing homes, schools, day care centers, foster homes, group homes, restaurants, and more.

We inspect and license the ambulance service as well as the attendants, assuring that (1) each ambulance meets all standards required by City Ordinance and State Statutes; and (2) the attendants are appropriately trained to function in this service that you or your loved ones may require.

We offer a variety of out-patient services: blood pressure screening, cholesterol testing, diabetes screening, flu vaccine and immunization clinics, to name a few.

This Department issues building, electrical, and plumbing permits, and performs necessary follow-up inspections on permits issued. We also do all necessary inspections for the Berlin Housing Authority.

Although these functions are diverse, we at the Health Department share professional backgrounds and a common commitment to the health and safety of the citizens of this City.

With your support, we continue to provide needed services to assist the citizens of Berlin towards a goal of optimal health.

## HEALTH DEPARTMENT REPORT 1988-1989

### Inspection Services of this Department

Restaurant Licenses Issued .....	41
Ambulance Services Licenses .....	1
Ambulance Vehicles Licenses .....	4
Ambulance Attendants Licensed .....	6
Municipal Water Analyses .....	336
Child Care Facilities .....	4
Foster Homes .....	5

### Medical-Clinical Services

Number of Office Patients .....	103
Number of Office Visits .....	396

### Immunizations & Tests

Oral Polio .....	76
DTP Injections .....	81
Measles, Mumps, Rubella Vaccine .....	35
TB Mantoux Tests .....	53
Td Injections .....	17
DT Injections .....	2

### Clinic Attendance Record

Cardiac Clinic .....	9
Cholesterol Clinic .....	654
Diabetic Screen .....	42
Genetic Clinic .....	4
Flu Shots .....	417
Immunization Clinic .....	336
Stool Testing for CA of Colon .....	12

### Public Health Nursing

Home Nursing Visits .....	2,749
Home Nursing Patients .....	239
Physical Therapy Visits .....	409
Occupational Therapy Visits .....	183
Home Health Aide Visits .....	1,751
School Nursing Visits .....	120
Inspections by School Nurse .....	165

### Special School Testing Programs

Maico Hearing Tests and Retests .....	106
Scoliosis Screening .....	26

### Other Services

Ambulance Calls in Contract Area .....	701
Ambulance Calls Outside Contract Area .....	204
Burial/Transit Permits Issued .....	133

Respectfully submitted,  
ROBERT A. DELISLE  
Health Officer

# LIBRARIAN'S REPORT

## CIRCULATION

	<u>ADULTS</u>	<u>JUVENILE</u>	<u>TOTAL</u>
Fiction .....	17,332	10,600	27,932
Philosophy .....	390	70	460
Religion .....	160	58	218
Social Sciences .....	1,057	634	1,691
Philology .....	75	56	131
Pure Sciences .....	338	1,590	1,928
Technology .....	1,680	794	2,474
The Arts .....	802	969	1,771
Literature .....	497	268	765
Geography & History .....	566	232	798
Geography & Travel .....	399	174	573
Biography .....	686	434	1,120
General .....	286	231	517
Periodicals .....	4,314	147	4,461
Records & Tapes .....	311	3	314
Paperbacks .....	5,055	0	5,055
French Books .....	30	1	31
Videocassettes .....	2,483	0	2,483
<b>TOTAL</b> .....	<b>36,461</b>	<b>16,261</b>	<b>52,722</b>
Books loaned to other Libraries .....			32
Books Borrowed from Regional Office .....			3
Books borrowed from NH State Library .....			85
Books borrowed from other Libraries .....			99
<b>TOTAL CIRCULATION</b> .....			<b>52,941</b>

## LIBRARY RESOURCES

	<u>ADULTS</u>	<u>JUVENILE</u>	<u>TOTAL</u>
No. books beginning of year ....	24,277	12,942	37,219
No. vols. added during year ....	569	90	659
Books as gifts .....	8	55	63
<b>TOTAL VOLUMES</b> .....	<b>24,854</b>	<b>13,087</b>	<b>37,941</b>
No. Volumes lost or discarded ..	624	63	687
<b>TOTAL VOLUMES END-OF-YEAR</b> ...	<b>24,230</b>	<b>13,024</b>	<b>37,254</b>
No. of records owned .....	705		705
No. of cassettes .....	188		188
No. of videocassettes .....	254		254
No. reels microfilm .....	185		185
No. magazine subs. & gifts .....	138	9	147
No. newspapers .....	17		17
<b>TOTAL REFERENCE BOOKS</b> .....	<b>2,369</b>		

## ACQUISITIONS AND REGISTRATIONS

Gifts (hardcover) .....	8	55	63
Gifts (paperback) .....	334		334
Gifts discarded (paperback) .....	468		468
Replacements .....	10		10
Books lost .....	63		63
Books mended .....	440	90	530
Reference questions .....	2,468	120	2,588
Films borrowed from State .....		85	85
Non-active cards pulled .....	395	1	396
Transfers from Juvenile Dept. to Adult Department .....	94		94
Out-of-town registrations Deposits .....	18		18
New Registrations .....	354	201	555
<b>TOTAL NUMBER OF BORROWERS</b> ...	<b>7,032</b>	<b>3,603</b>	<b>10,635</b>

## ACTIVITIES DURING THE YEAR

### Summer Reading Program:

The theme of this year's program was "Dinosaur Club". Eighty-two children registered and thirty-five completed the ten required assignments. A party was held at the end of the ten

week program for those who finished. The staff provided punch and homemade treats, the film "Devil and Daniel Mouse" was shown, and each child received his/her chart, a certificate, and a gift.

### Children's Book Week:

A total of twenty-four classes or 576 children visited the library during the weeks of October 25th to November 4th. The Children's Librarian gave booktalks to all 3rd and 4th grade classes, and read stories to all K-2 classes. Each child was given a bookmark.

### Art Month:

An artist's corner was set up in the Children's Library where local children displayed their artwork.

### Story Hour:

Story hour is held every Thursday morning in July and August. Average attendance is 20-30 children, who participate in songs, finger plays, stories and crafts.

### Film Programs:

Children's films are shown every Thursday afternoon from September through June at 3:00 p.m. Average attendance is 15-20 children.

## ADULT PROGRAMS

### Lecture Services:

The Berlin Public Library and N.H. Vocational Technical College Fortier Library applied for and received a grant from the N.H. Council for the Humanities to present two lectures featuring Ingrid Graff, a local scholar. The lectures were entitled "More Evenings with Ingrid" and the subjects of the lectures were: Barbara Pym and Virginia Woolf. The lectures were very well attended and were free to the public. Refreshments were served after each lecture.

The Berlin Public Library and the N.H. Vocational Technical College Fortier Library also presented two lectures, one by history scholar Professor William L. Taylor on Andrew Carnegie and one by local scholar Richard Alger on W.W. Brown. These lectures were also very well received and were attended by approximately 35 people. Refreshments were served after each of these lectures as well.

### Class Visits:

Classes from Milan and Gorham visited the library during the year.

	Respectfully submitted,
ROBERTA BLAIS, CHAIRMAN	YVONNE THOMAS
NATALIE SAVCHICK	Librarian
LORRAINE RIVARD	
Board of Trustees	



# PUBLIC SCHOOLS REPORT

During the 1988-89 year, the Berlin City School District continued to make significant gains in the instruction program, improved the educational climate of its buildings, and continued to upgrade the maintenance of our facilities.

Even though our overall costs increased, this has not been reflected in a significant increase in local tax dollars. Again, the state foundation aid has provided significant amounts of money to offset the increased costs realized throughout the City in education. It still would take approximately nine additional dollars on the tax rate for the City to provide the same level of funding presently realized with \$1,700,000 being appropriated through that financial aid.

As has been the case in past years, we have experienced a significant turnover of our certified staff at the end of the 1988-89 school year. In an effort to fill all vacant positions, we have had to expand our recruiting efforts nationwide. As a result, we have been able to fill most vacant positions on the staff for the 1989-90 school year, including a counselor for the high school which was an open position during the 1988-89 school year. We are still not able to recruit a counselor for the middle school which is all that is lacking for the school to be a totally approved middle school as determined by the Department of education. It should also be noted that our middle school had the lowest per student cost for middle schools in the entire state.

The demographic and building improvement study was completed and presented to the Board of Education. A study committee was developed to review the several options and recommendations developed by the Center For Educational Field Services. The intent was for the committee to report back to the Board of Education prior to the end of the 1988-89 school year, however, the work of the committee has not been completed as of this date.

We did have an overall enrollment gain in the school department in 1988-89 with enrollment reaching 2,019. We expect the enrollment to remain fairly constant over the next several years.

The high school is gearing up for its on-site evaluation by the New England Association of Schools and Colleges. Committees have been developed and work is ongoing in preparation for the evaluation. The Vocational Center received its on-site evaluation from the Department of Education in May, and all programs were fully approved by the state. It is evident that adjustments will have to be made in our Vocational Center programs in that the number of students enrolling in programs has been declining somewhat. With new academic requirements established by the state for graduation purposes, students have not been able to spend the necessary time in vocational programming. In addition, the number of students from other schools to our vocational center has declined.

At both the middle school and high school, even though we have not been able to expand our counseling program, we did have additional help in counseling and guidance from the Berlin-Gorham Substance Abuse counselor. We have made an effort to curtail some of the basic demands of the guidance department through the addition of a person dealing with that problem both at the middle school and high school. As mentioned earlier, we have been able to offer a sound middle school program at one of the lowest costs in the state.

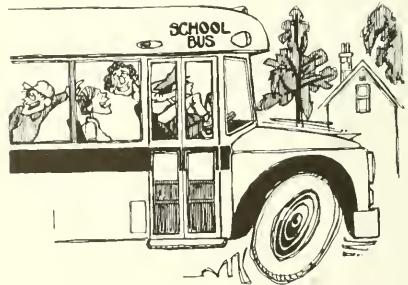
At the elementary level, we have continued to review and update the curriculum offered to our students. During the 1988-

89 school year, a math committee was organized to revise the present curriculum guide in that area.

In December of 1988, Brown Elementary School was accepted in the School Improvement Program. The School Improvement Program has joint financing of federal, state, and local monies and has the express purpose of helping schools become the best that they can be through shared management and community involvement. The elementary schools continue to be overcrowded and inadequate. This was reflected in two rooms at the middle school being utilized for kindergarten purposes. In the 1989-90 school year, three rooms will be utilized for kindergarten at the middle school. The two elementary principals are working diligently to meet state mandated standards scheduled to be implemented by the 1990-91 school year.

In the spring of 1989, the Board of Education and City Council went through a most difficult budget period, however, we are certain that through continued cooperation of all people in the City of Berlin, we will continue to improve our educational programs and provide the best educational services possible.

Respectfully submitted,  
RICHARD STEUDLE  
Superintendent of Schools



CITY OF BERLIN, NEW HAMPSHIRE  
FINANCIAL STATEMENTS  
WITH SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
JUNE 30, 1989  
AND  
INDEPENDENT AUDITOR'S REPORT

CITY OF BERLIN, NEW HAMPSHIRE

FINANCIAL STATEMENTS  
June 30, 1989

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CITY OF BERLIN, NEW HAMPSHIRE

FINANCIAL STATEMENTS  
June 30, 1988

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**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor, City Council and City Manager  
City of Berlin, New Hampshire

We have audited the general purpose financial statements of the City of Berlin, New Hampshire, as of and for the year ended June 30, 1989, as listed in the table of contents. These general purpose financial statements are the responsibility of the City of Berlin, New Hampshire's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The general purpose financial statements referred to above do not include the financial statements of the Berlin Water Works, Public Works Pension Trust and the Berlin Economic Development Council, Inc. and the General Fixed Asset Account Group which should be included to conform with generally accepted accounting principles. The Berlin Water Works, Berlin Economic Development Council, Inc. and Public Works Pension Trust (component units of the City) utilize different year ends. As a result, required disclosures of assets, liabilities, revenues and expenditures are not available. The amount that should be recorded in the general fixed asset account group is not known.

Budgetary control over certain grants accounted for as Special Revenue Funds are maintained on the basis of fiscal periods of the grants. Accordingly, the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual does not include Special Revenue Funds as required by generally accepted accounting principles.



As discussed in Note 9 to the financial statements, the City is defendant in a law suit with a contractor in connection with the construction of a wastewater treatment system. The City has filed counterclaims against the engineering firm. The litigation tentatively settled, but the ultimate outcome of the lawsuit cannot presently be determined, and no provision for any liability that may result has been made in the financial statements.

In our opinion, except for the effects of the matters discussed in the second through fourth paragraphs of this report and subject to the effects of the financial statements of such adjustments, if any, as might be required had the outcome of the uncertainty referred to in the fifth paragraph of this report been known, the general purpose financial statements referred to above present fairly the financial position of the City of Berlin, New Hampshire at June 30, 1989, and the results of operations and changes in financial position of its proprietary fund types for the year then ended, in conformity with generally accepted accounting principles.

Carey, Jackson & Clutay, PC

September 7, 1989

EXHIBIT A  
CITY OF BERLIN, NEW HAMPSHIRE

Combined Balance Sheet - All Fund Types and Account Groups  
June 30, 1989

	Governmental Fund Types			Proprietary Fund Types		Fiduciary Fund Types		Account Group		TOTALS	
	General	Special Revenue	Capital Projects	Enterprises	All Trust & Agency	General Long-Term Obligation				(Memorandum Only)	
										1988	1988
<b>ASSETS</b>											
Cash (Note 1)	\$2,712,713	\$1,199			\$12,613			\$2,726,525		\$1,533,215	
Investments (Note 1)	3,221,101				288,971			3,509,072		4,627,637	
Taxes receivable (Note 3)	1,745,666							1,745,666		2,275,975	
Accounts receivable	1,384,512	29,416		\$132,129				1,546,057		717,554	
Notes receivable				18,406						18,406	
Due from other governments	413,275							413,275		809,145	
Due from other funds (Note 4)	567,676	107,418	\$2,322,666	331,112				3,229,272		3,236,725	
Loans receivable	17,021							17,021		35,980	
Other assets	48,437			5,545				48,437		51,532	
Inventories - at cost				365,603				365,603		5,545	
Net investment in direct financing leases (Note 5)				192,794				192,794		401,444	
Investment property (Note 5)				24,978,459				24,978,459		192,794	
Property, plant and equipment (Notes 1 and 10)				74,331				74,331		23,673,665	
Construction work in progress											
Amount to be provided for accrued sick leave (Note 1)						\$1,665,344		\$1,665,344		1,825,547	
Amount to be provided for retirement of general long-term debt						9,385,000		9,385,000		10,265,000	
<b>Total Assets</b>	<b>\$9,680,105</b>	<b>\$568,329</b>	<b>\$2,322,666</b>	<b>\$26,098,608</b>	<b>\$299,584</b>	<b>\$11,070,344</b>		<b>\$50,039,636</b>		<b>\$49,555,748</b>	
<b>LIABILITIES AND FUND EQUITY</b>											
<b>Liabilities:</b>											
Accounts payable	\$410,692	\$21,312	\$257,316	\$5,100	\$5,654			\$437,404		\$375,372	
Due to other funds (Note 4)	2,761,396	304,706						3,066,072		3,236,725	
Accrued expenses	281,218			39,315				320,533		326,905	
Deferred revenues (Note 7)	4,439,809	30,171						4,469,980		3,923,257	
Retainage payable								140,798		76,994	
Notes payable (Note 5)				550,082				550,082		759,732	
Accrued sick leave (Note 1)				235,000				1,665,344		1,525,547	
General long-term debt payable (Note 6)								9,620,000		10,525,000	
<b>Total Liabilities</b>	<b>7,893,415</b>	<b>356,169</b>	<b>398,114</b>	<b>829,497</b>	<b>5,654</b>	<b>11,070,344</b>		<b>20,553,213</b>		<b>20,751,532</b>	
<b>Fund Equity:</b>											
Contributed capital (Note 11)				26,210,419				26,210,419		24,295,670	
Retained earnings (deficit)				(941,308)				(941,308)		(735,688)	
<b>Fund Balance:</b>											
Reserved for endowments					105,678			105,678		103,178	
Reserved for specific purposes (Note 14)	657,383	31,650	1,965		67,366			938,392		675,034	
Undesignated (deficit)	949,307	180,462	1,922,787		120,866			3,173,462		4,263,822	
<b>Total Fund Equity</b>	<b>1,796,680</b>	<b>212,140</b>	<b>1,924,752</b>	<b>25,269,111</b>	<b>293,930</b>	<b>\$11,070,344</b>		<b>29,486,623</b>		<b>26,804,216</b>	
<b>Total Liabilities and Fund Equity</b>	<b>\$9,680,105</b>	<b>\$568,329</b>	<b>\$2,322,666</b>	<b>\$26,098,608</b>	<b>\$299,584</b>	<b>\$11,070,344</b>		<b>\$50,039,636</b>		<b>\$49,555,748</b>	

See notes to financial statements

EXHIBIT B  
CITY OF BERLIN, NEW HAMPSHIRE

Combined Statement of Revenues, Expenditures and Changes in Fund Balances -  
All Governmental Fund Types and Similar Trust Funds  
For the Year Ended June 30, 1989

	Governmental Fund Types			Fiduciary Fund Types	TOTALS	
	General	Special Revenue	Capital Projects	Expendable Trust	(Memorandum Only) 1989      1988	
<b>Revenues:</b>						
Taxes	\$6,747,675				\$6,747,675	\$6,548,672
Licenses and permits	841,160				841,160	777,981
Intergovernmental revenues	4,023,377	\$1,738,406	\$728,200		6,489,983	4,745,407
Charges for services	763,739	362,567			1,126,306	1,285,465
Interest on investments	320,557		113,581	\$7,764	441,902	259,466
Miscellaneous revenues	297,031	72,402	66,222		435,655	563,241
<b>Total Revenues</b>	<b>12,993,539</b>	<b>2,173,375</b>	<b>908,003</b>	<b>7,764</b>	<b>16,082,681</b>	<b>14,180,232</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government	1,727,531	521,688			2,249,219	1,821,980
Public safety	1,964,081				1,964,081	1,695,541
Highways and streets	1,095,030				1,095,030	1,127,562
Health and welfare	222,238	535,275		7,209	764,722	741,114
Leisure services	251,244				251,244	232,050
Education	5,937,940	366,929			6,304,869	6,043,464
Capital outlay	471,161	772,221	2,842,321		4,085,703	1,322,024
<b>Debt service:</b>						
Principal	905,000				905,000	630,000
Interest	732,867				732,867	144,285
<b>Total Expenditures</b>	<b>13,307,092</b>	<b>2,196,113</b>	<b>2,842,321</b>	<b>7,209</b>	<b>18,352,735</b>	<b>13,758,020</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(313,553)</b>	<b>(22,738)</b>	<b>(1,934,318)</b>	<b>555</b>	<b>(2,270,054)</b>	<b>422,212</b>
<b>Other Financing Sources (Uses):</b>						
Proceeds of bond issue			1,340,000		1,340,000	1,450,000
Operating transfers in	47,045	35,500			82,545	79,509
Operating transfers out	(148,216)	(47,045)			(195,261)	(535,780)
<b>Total Other Sources (Uses)-net</b>	<b>(101,171)</b>	<b>(11,545)</b>	<b>1,340,000</b>		<b>1,227,284</b>	<b>993,729</b>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>(414,724)</b>	<b>(34,283)</b>	<b>(594,318)</b>	<b>555</b>	<b>(1,042,770)</b>	<b>1,415,941</b>
<b>Fund Balance, July 1, as restated (Note 8)</b>	<b>2,201,414</b>	<b>246,423</b>	<b>2,519,070</b>	<b>66,831</b>	<b>5,033,738</b>	<b>3,617,797</b>
<b>Fund Balance, June 30</b>	<b>\$1,786,690</b>	<b>\$212,140</b>	<b>\$1,924,752</b>	<b>\$67,386</b>	<b>\$3,990,968</b>	<b>\$5,033,738</b>

See notes to financial statements

EXHIBIT C  
CITY OF BERLIN, NEW HAMPSHIRE

Statement of Revenues, Expenditures and Changes in Fund Balances -  
Budget and Actual - General Fund  
For the Year Ended June 30, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$6,992,381	\$6,989,224	(\$3,157)
Licenses and permits	634,950	841,160	206,210
Intergovernmental revenues	3,817,411	4,023,377	205,966
Charges for services	768,850	763,739	(5,111)
Interest on investments	135,000	320,557	185,557
Miscellaneous	189,100	297,031	107,931
Total Revenues	12,537,692	13,235,088	697,396
Expenditures:			
Current:			
General government	1,822,584	1,727,531	95,053
Public safety	1,921,745	1,964,081	(42,336)
Highways and streets	1,163,248	1,095,030	68,218
Health and welfare	271,238	222,238	49,000
Leisure services	252,193	251,244	949
Education	6,012,028	5,937,940	74,088
Capital outlay	460,224	471,161	(10,937)
Debt service:			
Principal	905,000	905,000	
Interest	784,331	732,867	51,464
Total Expenditures	13,592,591	13,307,092	285,499
Excess of Revenues Over (Under)			
Expenditures	(1,054,899)	(72,004)	982,895
Other Financing Sources (Uses):			
Operating transfers in	47,045	47,045	
Operating transfers out	(148,216)	(148,216)	
Total Other Sources (Uses)	(101,171)	(101,171)	
Excess of Revenues and Other Sources			
Over (Under) Expenditures			
and Other Sources	(1,156,070)	(173,175)	982,895
Fund Balance, July 1, 1988	2,201,414	2,201,414	
Fund Balance, June 30, 1989	\$1,045,344	\$2,028,239	\$982,895

See notes to financial statements

EXHIBIT D  
CITY OF BERLIN, NEW HAMPSHIRE  
Combined Statements of Revenues, Expenses and Changes in Retained Earnings/Fund Balances-  
All Proprietary Fund Types and Non-Expendable Trust Funds  
For the Year Ended June 30, 1989

	Proprietary Fund Types			Non-Expendable Trust	Combined 1989	Totals 1988
	Sewer	Industrial Park Authority	Total			
<b>Operating Revenues:</b>						
Charges for services	\$681,342		\$681,342		\$681,342	\$734,046
Dividends and interest	8,176		8,176	\$17,986	26,162	16,165
Rental income		\$158,780	158,780		158,780	153,759
Contributions				2,500	2,500	900
Miscellaneous		27,551	27,551		27,551	155,208
<b>Total Operating Revenues</b>	<b>689,518</b>	<b>186,331</b>	<b>875,849</b>	<b>20,486</b>	<b>896,335</b>	<b>1,060,078</b>
<b>Operating Expenses:</b>						
Salaries and wages	257,131		257,131		257,131	217,697
Repairs and maintenance	9,432	13,967	23,399		23,399	23,468
Materials and supplies	57,657		57,657		57,657	55,425
Administrative	108,397	3,327	111,724	4,238	115,962	304,133
Utilities	90,021	9,096	99,117		99,117	82,000
Depreciation (Note 1)	601,147	36,437	637,584		637,584	587,449
Provision for bad debts	13,242		13,242		13,242	20,472
<b>Total Operating Expenses</b>	<b>1,137,027</b>	<b>62,827</b>	<b>1,199,854</b>	<b>4,238</b>	<b>1,204,092</b>	<b>1,290,644</b>
<b>Net Operating Income</b>	<b>(447,509)</b>	<b>123,504</b>	<b>(324,005)</b>	<b>16,248</b>	<b>(307,757)</b>	<b>(230,566)</b>
<b>Non-Operating Revenues (Expenses):</b>						
Gain on sale of building		91,658	91,658		91,658	
Interest (net)	(590,742)	(70,705)	(661,447)		(661,447)	(547,920)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(590,742)</b>	<b>20,953</b>	<b>(569,789)</b>		<b>(569,789)</b>	<b>(547,920)</b>
<b>Income (Loss) Before Operating Transfers</b>	<b>(1,038,251)</b>	<b>144,457</b>	<b>(893,794)</b>	<b>16,248</b>	<b>(877,546)</b>	<b>(778,486)</b>
<b>Operating Transfers:</b>						
Operating Transfers In		112,716	112,716		112,716	
Operating Transfers Out						(1,698)
<b>Operating Transfers (net)</b>		<b>112,716</b>	<b>112,716</b>		<b>112,716</b>	<b>(1,698)</b>
<b>Net Income</b>	<b>(1,038,251)</b>	<b>257,173</b>	<b>(781,078)</b>	<b>16,248</b>	<b>(764,830)</b>	<b>(780,184)</b>
Add depreciation on treatment plant assets, acquired by grants externally restricted for capital acquisitions that reduces contributed capital	525,470		525,470		525,470	489,824
<b>Increase (decrease) in Retained Earnings</b>	<b>(512,781)</b>	<b>257,173</b>	<b>(255,608)</b>	<b>16,248</b>	<b>(239,360)</b>	<b>(290,360)</b>
<b>Retained Earnings (Deficit)/Fund Balance - July 1</b>		<b>(117,071)</b>	<b>(117,071)</b>	<b>210,296</b>	<b>93,225</b>	<b>(185,044)</b>
Restated (Note B)	(568,629)		(568,629)		(568,629)	
<b>Retained Earnings (Deficit)/Fund Balance, June 30</b>	<b>(\$1,081,410)</b>	<b>\$140,102</b>	<b>(\$941,308)</b>	<b>\$226,544</b>	<b>(\$714,764)</b>	<b>(\$475,404)</b>

See notes to financial statements

EXHIBIT E  
CITY OF BERLIN, NEW HAMPSHIRE

Combined Statement of Changes in Financial Position -  
All Proprietary Fund Types and Non-Expendable Trust Funds  
For the Year Ended June 30, 1989

	Proprietary Fund Types			Non-Expendable Trust	Combined Total	
	Sewer	Industrial Park Authority	Totals		1989	1988
<b>Sources of Working Capital:</b>						
Operations:						
Net income (loss)	(\$1,038,251)	\$257,173	(\$781,078)	\$16,248	(\$764,830)	(\$780,184)
Expenses not requiring the use (source) of working capital:						
Depreciation	601,147	36,437	637,584		637,584	587,449
Gain on sale of assets		(91,658)	(91,658)		(91,658)	
Working Capital Provided by Operations	(437,104)	201,952	(235,152)	16,248	(218,904)	(192,735)
<b>Other Sources:</b>						
Contributions to capital	2,440,019		2,440,019		2,440,019	587,660
Decrease in investment in capital lease		35,611	35,611		35,611	625
Sale of fixed assets/investments		255,000	255,000		255,000	
Prior period adjustment	49,988		49,988		49,988	
Total Sources of Working Capital	2,052,903	492,563	2,545,466	16,248	2,561,714	395,550
<b>Uses of Working Capital:</b>						
Acquisition of fixed assets/investments	1,903,728	74,331	1,978,059		1,978,059	129,691
Decrease in bonds and notes-net		234,650	234,650		234,650	58,040
Total Uses of Working Capital	1,903,728	308,981	2,212,709		2,212,709	187,731
Net Increase (Decrease) in Working Capital	\$149,175	\$183,582	\$332,757	\$16,248	\$349,005	\$207,819
<b>Component Elements of Net Increase (Decrease)</b>						
In Working Capital:						
Cash				\$16,248	\$16,248	(\$5,148)
Investments						17,539
Accounts receivable	\$15,741		\$15,741		15,741	34,431
Notes receivable		\$18,407	18,407		18,407	
Inventories						298
Due from other funds	114,822	122,142	236,964		236,964	122,759
Accounts payable	37,319		37,319		37,319	37,940
Due to other funds	(18,707)		(18,707)		(18,707)	
Other liabilities		43,033	43,033		43,033	
Net Increase (Decrease) in Working Capital	\$149,175	\$183,582	\$332,757	\$16,248	\$349,005	\$207,819

See notes to financial statements

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS

June 30, 1989

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Berlin, New Hampshire was incorporated in 1829 under the laws of the State of New Hampshire. The City operates under a Council-Mayor form of government, under the direct management of an appointed City Manager, and provides services as authorized by its charter.

The accounting policies of the City of Berlin, New Hampshire conform to generally accepted accounting principles for local governmental units, except as indicated hereinafter. The following is a summary of significant accounting policies.

A. Basis of Reporting

The City, for financial purposes, includes all of the funds and account groups relevant to the operations of the City of Berlin, New Hampshire. The financial statements presented herein do not include agencies which have been formed under applicable state laws or separate and distinct units of government apart from the City of Berlin.

The financial statements of the City include those separately administered organizations that are controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing board.

Based upon the foregoing criteria, the financial statements of the following organizations are included in the accompanying financial statements: Berlin Industrial Development Park Authority, Androscoggin Valley Home Health Care, Berlin Airport Authority and Berlin Cemetery Trust Funds. The Berlin Water Works System, Berlin Economic Development Council, Incorporated and Public Works Pension Trust should be included as part of the reporting entity in accordance with generally accepted accounting standards, but the City officials have decided not to include them due to the different fiscal years of the entities.

B. Basis of Presentation - Fund Accounting

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation - Fund Accounting (Continued)

separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/retained earnings, revenues, and expenditures/expenses. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the City:

Governmental Fund Types

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The following are the City's Governmental Fund Types:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for specific restricted revenues and expenditures.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities such as sewer treatment expansion, school building renovation, and bridge improvements.

Proprietary Fund Types

Proprietary Funds are used to account for the City's ongoing activities, which are similar to those often found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.



CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation - Fund Accounting (Continued)

Proprietary Fund Types (Continued)

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Expenditures for wastewater improvements have been reported as expenditures in the Wastewater I, Wastewater II and Wastewater III capital project funds. General obligation debt relating to sewer enterprise fund is accounted for in the General Long-Term Obligation Account Group. The City accounts for the Sewer and Industrial Development Park Authority as self supporting enterprise funds.

Non-Expendable Trust Funds - Non-Expendable Trust Funds are accounted for as Proprietary Funds, since capital maintenance is critical.

Fiduciary Fund Types

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals and other governmental units, and/or other funds.

Trust Funds - Trust Funds include expendable and non-expendable funds. Expendable Trust Funds (Capital Reserve Funds) are recorded as governmental type funds.

Agency Funds - The City collects taxes for Coos County, an independent governmental unit, which are remitted to them as required by law. These funds are accounted for as Agency Funds.

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation - Fund Accounting (Continued)

Account Groups

General Fixed Asset Account Group - The City does not record the acquisition of fixed assets in the General Fixed Asset Account Group as required by generally accepted accounting principles. Fixed assets acquired or constructed for general government services are recorded as expenditures in the fund making the expenditures. Funds used to acquire general fixed assets and/or debt service payments on borrowings in connection therewith, are accounted for as expenditures in the year payments are made.

General Long-Term Obligation Account Group - This group of accounts is established to account for all unmatured long-term general obligation bonds payable and accrued compensated absences.

C. Basis of Accounting

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt, are recorded when the liability is incurred, if measurable.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria is met.

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Licenses and permits, charges for services, and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are measurable and available.

The accrual basis of accounting is used by proprietary and fiduciary fund types.

During the course of normal operations, the City has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying governmental and fiduciary funds statements reflect such transactions as transfers.

The City follows the policy of recording property tax revenue in accordance with Interpretation 3 of the Governmental Standards Accounting Board.

D. Cash and Investments

The City's investment policy for Governmental Fund Types and Expendable Trust Funds require that deposits and investments be made in New Hampshire based financial institutions and out-of-state financial institutions as permitted by state law that are insured by the Federal Deposit Insurance Corporation and the Federal Savings & Loan Insurance Corporation. The City limits its investments to money market investment accounts and certificates of deposit in accordance with New Hampshire state law (RSA 41:29). The City's policy is to limit investments to \$300,000 per banking institution. Investments for Non-expendable Cemetery Trust Funds are at the discretion of the Trustees of Trust Funds. Deposits held by the City and the Cemetery Trustees were disbursed throughout fifteen different banking institutions as of June 30, 1989. Because of the difficulty in locating enough financial institutions which will issue certificates of deposit to the City at certain times of the year, the City has made exceptions to its \$300,000 limitation policy.

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash and Investments (Continued)

At June 30, 1989, the City's cash deposits had a carrying balance of \$2,726,525 and a bank balance of \$2,674,724. Of the bank balance, \$309,158 was covered by federal depository insurance and \$2,363,566 was uninsured and uncollateralized.

Investments outstanding at June 30, 1989 consist of certificates of deposit with a carrying balance and a bank balance of \$3,508,072. Of the bank balance, \$1,555,426 was covered by federal depository insurance and \$1,952,646 was uninsured and uncollateralized.

E. Inventories

Inventories in the Sewer Enterprise Fund are valued at the lower of cost (first-in, first-out basis) or market. All other materials and supplies are considered expended when purchased.

F. Proprietary Type Funds - Property, Plant and Equipment

Sewer Fund wastewater treatment facility is stated at cost. The City follows the policy of charging to operating expenses annual amounts of depreciation which allocate the cost of property and equipment over a fifty year period. The City employs the straight line method for determining the annual charge for depreciation.

G. Accrued Sick Leave

Employees earn vacation and sick leave time as they provide the services. Pursuant to certain collective bargaining agreements, employees may accumulate (subject to certain limitations) unused sick pay time earned and, upon retirement, termination or death, may be compensated for certain amounts at current rates of pay. The City cannot reasonably estimate the current portion of vested sick leave benefits to be paid in the next operating year. Prior experience indicates that the amount that would be paid to be immaterial. Annually, a provision is made in the appropriate operating budgets. The long-term portion of accrued sick leave benefits of \$1,685,344 is included in the General Long-Term Obligation Account Group.

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 2--BUDGETARY ACCOUNTING

General Fund revenues and expenditures reported in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the General Fund (Exhibit C) is presented on the basis budgeted by the City. The amounts differ from those reported in conformity with generally accepted accounting principles in the Statement of Revenues, Expenditures and Changes in Fund Balance for all Governmental Fund Types (Exhibit B) as follows:

Revenues:	
Per Exhibit C	\$13,235,088
Adjustments:	
Application of GASB Interpretation 3, Net	(241,549)
	-----
Per Exhibit B	\$12,993,539
	=====

The budget represents adjusted departmental appropriations as authorized by the City Council. The Council may transfer funds between operating categories or make supplemental appropriations from fund balance as they deem appropriate.

NOTE 3--PROPERTY TAXES

The City's property tax was levied November 1 on the assessed valuation listed as of the prior April 1 for all real property located within the City boundaries. The net assessed valuation as of April 1, 1988, upon which the 1988/1989 property tax levy was based, was \$193,373,150. The equalized valuation as computed by the State of New Hampshire was \$310,570,693 for 1988 resulting in an assessment ratio of 58% of full equalized valuation.

Taxes are due in two installments on July 1 and December 1 with interest assessed thereafter on the unpaid balance. Unpaid taxes after December 1 accrue interest at 12% per annum. As prescribed by State law, the Tax Collector shall secure liens on properties

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 3--PROPERTY TAXES (CONTINUED)

which are unpaid in the following year after taxes are due for the amount of unpaid taxes, interest and costs. The lien is a priority tax lien which accrues interest at the rate of 18% per annum. If the property taxes and accrued interest is not paid within the two year redemption period, the City is entitled to a tax deed issued by the tax collector as prescribed in State statutes.

Semi-annual property tax payments for the June 1989 levy which were received prior to June 30, 1989, 1989-90 resident tax warrant and property taxes not received within the sixty day recognition period (Interpretation 3) have been recorded as deferred tax revenues.

Taxes receivable are net of allowance for doubtful accounts of \$69,076 which represents resident taxes receivable for prior years.

NOTE 4--INTERFUND BALANCES

Individual interfund receivable and payable balances at June 30, 1989 are as follows:

FUND ----	Interfund Receivables -----	Interfund Payables -----
GENERAL FUND:		
Special Revenue Funds:		
Food Service	\$26,472	
Capital Project Funds:		
Wastewater II	257,316	
Trust Funds:		
Home Nursing Care Expendable Trust	5,654	
Special Revenue Funds:		
Community Development	278,234	
Special Revenue Funds:		
Federal Projects		\$8,974
Home Health Care		87,027
Airport Authority		11,417

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 4--INTERFUND BALANCES (CONTINUED)

FUND ----	Interfund Receivables -----	Interfund Payables -----
Capital Projects Funds:		
Wastewater I		331,921
Wastewater III		1,069,392
School Improvement		758,975
Street Relamping		162,578
Enterprise Funds:		
Industrial Development		54,833
Sewer Fund		276,279
SPECIAL REVENUE FUNDS:		
Community Development:		
General Fund		278,234
Federal Projects:		
General Fund	8,974	
Home Health Care:		
General Fund	87,027	
Airport Authority:		
General Fund	11,417	
Food Service:		
General Fund		26,472
CAPITAL PROJECTS FUNDS:		
Wastewater I:		
General Fund	331,921	
Wastewater III:		
General Fund	1,069,392	
School Improvement Project:		
General Fund	758,975	
Street Relamping:		
General Fund	162,578	
Wastewater II:		
General Fund		257,316
ENTERPRISE FUNDS:		
Sewer Fund:		
General Fund	276,279	
Industrial Development and Park Authority:		
General Fund	54,833	
TRUST FUNDS:		
Home Nursing Care Expendable Trust:		
General Fund		5,654
	-----	-----
	\$3,329,072	\$3,329,072
	=====	=====

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 5--INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY

The Industrial Development and Park Authority (The Authority) was established July 15, 1974, pursuant to Chapter 26 of the Laws of 1974. The Authority was reestablished on September 15, 1975 under the provisions of RSA 162-G, for the purpose of acquisition, development, lease and disposal of industrial land and facilities.

Investment property is carried at cost. The investment property is being held for sale and, accordingly, depreciation has not been provided. Rental income may be received until the property is sold. Land and buildings represent property held for rental purposes. The buildings are being depreciated on the straight line method over a thirty year life. All repairs and improvements are expensed by the Authority.

The Authority (lessor) has entered into a long-term lease with a bargain purchase option at the end of the lease term for building and land. This lease has been accounted for as direct financing lease. The minimum lease payments to be received by The Authority under the capital lease are as follows:

1990	\$63,162
1991	63,162
1992	63,162
1993	63,162
Subsequent	221,063
	-----
	473,711
Less unearned income	107,878
	-----
Net investment in direct financing leases	\$365,833
	=====



CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 5--INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY (CONTINUED)

The Authority has long-term debt obligations payable of \$235,000. These bonds are 8% bonds issued in 1974 for an original value of \$450,000. As of June 30, 1989 the requirements for principal and interest in future years is as follows:

Year Ended June 30,	Principal	Interest	Total
1990	\$25,000	\$17,800	\$42,800
1991	30,000	15,600	45,600
1992	30,000	13,200	43,200
1993	35,000	10,600	45,600
1994-1996	115,000	14,200	129,200
	-----	-----	-----
	\$235,000	\$71,400	\$306,400
	=====	=====	=====

NOTE 6--LONG-TERM DEBT

The following is a summary of debt transactions of the City for the year ended June 30, 1989:

General Obligation Bonds at July 1, 1988	\$10,265,000
Bonds Retired	(880,000)
	-----
General Obligation Bonds at June 30, 1989	\$9,385,000
	=====

General obligation bonds payable at June 30, 1989 are comprised of the following individual issues:

	Interest Rate	Final Maturity Date	Annual Serial Payment	Amount Issued	Balance at June 30, 1989
School Bonds	5.7%	9-1-90	\$50,000	\$950,000	\$100,000
Water Bonds (1)	6.2%	3-1-98	100,000	1,770,000	700,000
School Bonds	4.8%	9-1-90	100,000	2,250,000	200,000
Sewer Bonds	8.214%	7-15-04	55,000	3,200,000	2,885,000
Sewer Bonds	5.2%	5-1-98	225,000	4,540,000	2,025,000
School Bonds	8.1%	2-15-95	100,000	1,000,000	600,000

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 6--LONG-TERM DEBT (CONTINUED)

	Interest Rate	Final Maturity Date	Annual Serial Payment	Amount Issued	Balance at June 30, 1989
Sewer Bonds	5.4-8.1%	7-15-02	80,000	1,200,000	1,120,000
Sewer Bonds	5.65-7.6%	7-15-02	30,000	435,000	405,000
Sewer Bonds	5.75-7.75%	1-15-03	100,000	1,450,000	1,350,000
					\$9,385,000
					=====

The annual requirements to amortize debt outstanding as of June 30, 1989 are as follows:

	Principal	Interest	Total
1990	\$895,000	\$649,019	\$1,544,019
1991	900,000	594,304	1,494,304
1992	760,000	542,414	1,302,414
1993	770,000	492,484	1,262,484
1994-1998	3,515,000	1,683,812	5,198,812
1998-2002	2,245,000	595,385	2,840,385
2003-2004	300,000	8,372	308,372
	\$9,385,000	\$4,565,790	\$13,950,790
	=====	=====	=====

Of this amount, the State of New Hampshire has agreed, subject to funding by the legislature, to reimburse the City \$4,486,336 over the term of the bonds.

- (1) Under operation of state law, the City is required to issue general obligation debt for the Berlin Water Works (a component unit of the City). The commissioners of the Berlin Water Works have agreed to reimburse the City \$851,900 for Water bonds issued for their behalf over the term of the bonds.

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 6--LONG-TERM DEBT (CONTINUED)

The City is subject to State statute which limits debt outstanding to a percentage (depending on how funds will be used) of the State's equalized valuation calculation. Debt incurred for sewer expansion and fiscal year change bonds are not included in the limitation calculation. The following is a summary, by purpose, of the outstanding debt of the City at June 30, 1989 and related limitations.

	Net Debt Outstanding	Percent of State Assessed Value of \$377,033,219	Statutory Limit	Available Debt Margin
	-----	-----	-----	-----
Water	\$700,000	10%	\$37,703,322	\$37,003,322
School	900,000	7%	26,392,325	25,492,325
All Other		1.75%	6,598,081	6,598,081
Sewer	7,785,000			
	-----			
	\$9,385,000			
	=====			

The Industrial Development and Park Authority's debt is not includable in the net indebtedness of the City for the purpose of determining the City's legal borrowing limitation. The bonds are reported as a liability of the Industrial Development and Park Authority Fund.

The wastewater treatment facility and sewer general obligation bonds are guaranteed by the full faith and credit of the State of New Hampshire.

The general obligation debt of all local governmental units which provide services within City boundaries and which must be borne by property taxes levied on properties located within the City (commonly called overlapping debt), is summarized as follows:

	Net Debt Outstanding	Percentage Applicable to the City	Overlapping Debt
	-----	-----	-----
Government			
Coos County	\$1,582,625	24.29%	\$384,420
	=====		=====

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENT (CONTINUED)  
June 30, 1989

NOTE 7--DEFERRED REVENUES

Deferred revenues at June 30, 1989 are comprised of the following:

Semi-annual tax warrant due July 1, 1989	\$3,859,901
Application of GASB Interpretation 3	505,948
1989-90 resident tax warrant	73,960
	-----
	\$4,439,809
	=====

NOTE 8--RESTATEMENT OF SEWER FUND RETAINED EARNINGS

Sewer enterprise fund retained earnings for the year ended June 30, 1989 has been increased by \$48,988 for the correction of an accounting error during that accounting period.

NOTE 9--CONTINGENT LIABILITIES

A. Litigation

The City is a defendant in a lawsuit initiated by a contractor claiming damages of approximately \$1,700,000 in connection with construction and expansion of a wastewater treatment system.

This lawsuit involves allegations of defective contract specifications and damages and losses that result therefrom. The City has filed a \$15,000,000 claim for damages against the engineering firm related to this project. The engineering firm has filed a \$10,000,000 counterclaim against the City. The City settled four other cases relating to this matter in 1986 and 1985 which will reduce the claim against the engineering firm. The remaining litigation has been settled in principal, but final settlement is still being completed. The ultimate liability, if any, with respect to them cannot reasonably be estimated and therefore, no liability has been recorded in the financial statements. The City's General Counsel is unable to determine if the results of these matters will have a material effect on the City's financial position.

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 9--CONTINGENT LIABILITIES (CONTINUED)

The City has been named as the defendant in three unrelated lawsuits contending civil rights violations. The City is actively contesting the charges, but unfavorable decisions are possible. The potential losses are estimated up to \$275,000.

There are other various claims and suits pending against the City which arise in the normal course of the City's activities. In the opinion of legal counsel and City management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the City.

B. Other Liabilities

The City participates in a number of federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any to be immaterial.

NOTE 10--SUMMARY OF PROPRIETARY FUND TYPE PROPERTY, PLANT AND EQUIPMENT

	Sewer Enterprise Fund	Industrial Park Authority	Totals
	-----	-----	-----
Land	\$22,663		\$22,663
Plant and Equipment	29,292,452	\$958,461	30,250,913
Vehicles	26,724		26,724
	-----	-----	-----
	29,341,839	958,461	30,300,300
Less: Accumulated depreciation	(5,181,850)	(139,992)	(5,321,842)
	-----	-----	-----
	\$24,159,989	\$818,469	\$24,978,458
	=====	=====	=====

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 11--CHANGES IN CONTRIBUTED CAPITAL - SEWER FUND

Changes in contributed capital for the year ended June 30, 1989 are as follows:

July 1, 1988:		
Capital Grants		\$25,018,256
City contributions		2,806,588
Less accumulated amortization		(4,089,141)
		-----
		23,735,703
		-----
1988/1989 Capital Grants	\$728,200	
1988/1989 City Contribution	1,711,819	
	-----	
	2,440,019	
Less current year's amortization	(525,470)	
	-----	
Net change		1,914,549
		-----
Contributed Capital - June 30, 1989		\$25,650,252
		=====

NOTE 12--PENSION PLAN

The City participates in the New Hampshire Retirement System, which is a multi-employer defined benefit pension plan. The system covers substantially all full-time permanent employees. It requires that both the City and employees, contribute to the plan and provide retirement, disability and death benefits. Employees are eligible for normal retirement upon attaining age sixty and early retirement after reaching fifty, provided they have accumulated ten years of creditable service.

Covered wages paid under this plan for the year were \$6,239,500, 75.5% of total wages of \$8,261,076. Employee contributions were \$375,412, 4.54% of covered wages. The City's contribution under this plan was \$145,182, 1.76% of covered wages. As of June 30, 1989, the unfunded accrued liability is not available. Actuarially determined vested and non-vested benefits have not been calculated for the City's portion of the plan. Additional disclosures required by generally accepted accounting principles have not been made available by the System.

CITY OF BERLIN, NEW HAMPSHIRE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 1989

NOTE 12--PENSION PLAN (CONTINUED)

In addition, employees of the public works department and certain recreation department personnel are covered under a City sponsored defined contribution program. Annual cost including amortization of prior service costs is being funded over a 20 year period.

The City's contribution to this plan was \$61,106 for the year ended June 30, 1989. The City's policy is to fund all pension costs accrued. Additional disclosures required by Statement No. 87 of the Financial Accounting Standards Board have not been made as the information is not available.

NOTE 13--MAJOR TAXPAYERS

The following taxpayers each accounted for at least 5% of the 1988 net assessed property valuation of \$193,373,150:

Taxpayer	1988 Property Valuation	Percentage of Total Valuation
-----	-----	-----
James River Corporation	\$32,704,700	16.9%
James River Electric, Inc.	10,295,300	5.3%
Public Service of New Hampshire	9,682,000	5.0%

NOTE 14--GENERAL FUND - DESIGNATED FUND BALANCE

DESIGNATED FOR SPECIFIC PURPOSES

Appropriations for certain projects and budget items not fully expended at year end are carried forward as continuing appropriations to the next year, in which they supplement that year's appropriations. At year end, continuing appropriations are reported as a component of fund balance and are detailed as follows:

General government	\$82,176
Public safety	25,982
Highways and streets	5,013
Education	138,692
Capital outlay	585,520
	-----
	\$837,383
	=====

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL  
AND SUPPLEMENTARY SCHEDULES

Honorable Mayor, City Council and City Manager  
City of Berlin, New Hampshire

We have audited the general purpose financial statements of the City of Berlin, New Hampshire as of June 30, 1989 and for the year then ended as listed in the table of contents. These financial statements are the responsibility of the City of Berlin, New Hampshire's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City of Berlin, New Hampshire taken as a whole. The additional information, listed as supplemental and supplementary schedules in the table of contents is presented for additional analysis and is not a required part of the general purpose financial statements. The information in those schedules have been subject to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, are fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

*Carey, Vachon & Clukay, PC*

September 7, 1989



## CITY OF BERLIN, NEW HAMPSHIRE

Combining Balance Sheet - Special Revenue Funds  
June 30, 1989

	Development	Federal Projects	Food Service	Home Health Care	Health Department	Airport Authority	Combining 1989	Totals 1988
<b>ASSETS</b>								
Cash				\$120		\$1,079	\$1,199	\$847
Accounts receivable	\$9,359			12,677		7,380	29,416	
Due from other governments	358,649	\$27,889	\$4,154	22,583			413,275	47,817
Due from other funds		8,974		76,471	\$10,557	11,417	107,419	196,635
Loans receivable	17,021						17,021	35,980
<b>Total Assets</b>	<b>\$385,029</b>	<b>\$36,863</b>	<b>\$4,154</b>	<b>\$111,851</b>	<b>\$10,557</b>	<b>\$19,876</b>	<b>\$568,330</b>	<b>\$281,279</b>
<b>LIABILITIES AND FUND BALANCE</b>								
<b>Liabilities:</b>								
Accounts payable	\$813	\$6,399	\$37	\$14,064			\$21,313	\$4,868
Due to other funds	278,234		26,472				304,706	11,310
Deferred revenues		13,319		16,852			30,171	18,678
<b>Total Liabilities</b>	<b>279,047</b>	<b>19,718</b>	<b>26,509</b>	<b>30,916</b>			<b>356,190</b>	<b>34,856</b>
<b>Fund Balances:</b>								
Designated for subsequent years' expenditures				21,101	\$10,557		31,658	120,487
Undesignated	105,982	17,145	(22,355)	59,834		\$19,876	180,482	125,936
	105,982	17,145	(22,355)	80,935	10,557	19,876	212,140	246,423
<b>Total Liabilities and Fund Balances</b>	<b>\$385,029</b>	<b>\$36,863</b>	<b>\$4,154</b>	<b>\$111,851</b>	<b>\$10,557</b>	<b>\$19,876</b>	<b>\$568,330</b>	<b>\$281,279</b>

## CITY OF BERLIN, NEW HAMPSHIRE

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances  
 Special Revenue Funds  
 For the Year Ended June 30, 1989

	Development	Federal Revenue Sharing	Federal Projects	Food Service	Home Health Care	Health Department	Airport Authority	Combining 1989	Totals 1988
<b>Revenues:</b>									
Intergovernmental revenues	\$787,752		\$365,679	\$92,906	\$492,069			\$1,738,406	\$1,058,732
Charges for services				241,137	7,350		\$114,080	362,567	360,254
Miscellaneous	2,418				69,227	\$757		72,402	47,731
<b>Total Revenues</b>	<b>790,170</b>		<b>365,679</b>	<b>334,043</b>	<b>568,646</b>	<b>757</b>	<b>114,080</b>	<b>2,173,375</b>	<b>1,466,717</b>
<b>Expenditures:</b>									
General government	32,454			350,639			138,595	521,688	126,517
Health and welfare					534,336	939		535,275	528,170
Education			366,929					366,929	636,606
Capital outlay	772,221							772,221	155,241
<b>Total Expenditures</b>	<b>804,675</b>		<b>366,929</b>	<b>350,639</b>	<b>534,336</b>	<b>939</b>	<b>138,595</b>	<b>2,196,113</b>	<b>1,446,534</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(14,505)</b>		<b>(1,250)</b>	<b>(16,596)</b>	<b>34,310</b>	<b>(182)</b>	<b>(24,515)</b>	<b>(22,738)</b>	<b>20,183</b>
<b>Other Financing Sources (Uses):</b>									
Operating transfers in							35,500	35,500	77,581
Operating transfers out		(\$47,045)						(47,045)	(1,928)
<b>Total Other Sources (Uses)</b>		<b>(47,045)</b>					<b>35,500</b>	<b>(11,545)</b>	<b>75,653</b>
<b>Excess of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>(14,505)</b>	<b>(47,045)</b>	<b>(1,250)</b>	<b>(16,596)</b>	<b>34,310</b>	<b>(182)</b>	<b>10,985</b>	<b>(34,283)</b>	<b>95,836</b>
<b>Fund Balance, July 1</b>	<b>120,487</b>	<b>47,045</b>	<b>18,395</b>	<b>(5,759)</b>	<b>46,625</b>	<b>10,739</b>	<b>8,891</b>	<b>246,423</b>	<b>150,587</b>
<b>Fund Balance (Deficit), June 30</b>	<b>\$105,982</b>	<b>\$</b>	<b>\$17,145</b>	<b>(\$22,355)</b>	<b>\$80,935</b>	<b>\$10,557</b>	<b>\$19,876</b>	<b>\$212,140</b>	<b>\$246,423</b>

## CITY OF BERLIN, NEW HAMPSHIRE

Combining Balance Sheet - Capital Projects Funds  
June 30, 1989

	Wastewater Treatment I	Wastewater Treatment II	Wastewater Treatment III	School Capital Improvements	Street Relamping Project	Combining Totals	
						1989	1988
ASSETS							
Due from other funds	\$331,921		\$1,069,392	\$758,975	\$162,578	\$2,322,866	\$2,689,469
Total Assets	\$331,921	\$	\$1,069,392	\$758,975	\$162,578	\$2,322,866	\$2,689,469
LIABILITIES AND FUND BALANCE							
Liabilities:							
Due to other funds		\$257,316				\$257,316	\$93,405
Retainage payable			\$140,798			140,798	76,994
Total Liabilities		257,316	140,798			398,114	170,399
Fund Balances:							
Designated for specific purposes	\$1,965					1,965	1,760
Undesignated (deficit)	329,956	(257,316)	928,594	\$758,975	\$162,578	1,922,787	2,517,310
Total Fund Balances	331,921	(257,316)	928,594	758,975	162,578	1,924,752	2,519,070
Total Liabilities and Fund Balances	\$331,921	\$	\$1,069,392	\$758,975	\$162,578	\$2,322,866	\$2,689,469

CITY OF BERLIN, NEW HAMPSHIRE

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -  
 Capital Projects Funds  
 For the Year Ended June 30, 1989

	Wastewater Treatment I	Wastewater Treatment II	Wastewater Treatment III	School Capital Improvements	Street Relamping Project	Combining 1989	Totals 1988
<b>Revenues:</b>							
Intergovernmental			\$728,200			\$728,200	\$93,473
Interest on investments		\$1,785	111,796			113,581	24,373
Miscellaneous	\$65,222			\$1,000		66,222	255,340
<b>Total Revenues</b>	<b>65,222</b>	<b>1,785</b>	<b>839,996</b>	<b>1,000</b>		<b>908,003</b>	<b>373,186</b>
<b>Expenditures:</b>							
Capital outlay		137,270	2,285,604	392,025	\$27,422	2,842,321	114,029
Other							527,034
		137,270	2,285,604	392,025	27,422	2,842,321	641,063
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>65,222</b>	<b>(135,485)</b>	<b>(1,445,608)</b>	<b>(391,025)</b>	<b>(27,422)</b>	<b>(1,934,318)</b>	<b>(267,877)</b>
<b>Other Financing Sources (Uses):</b>							
Proceeds of bond issue				1,150,000	190,000	1,340,000	1,450,000
<b>Total Other Sources (Uses)</b>				<b>1,150,000</b>	<b>190,000</b>	<b>1,340,000</b>	<b>1,450,000</b>
<b>Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses</b>	<b>65,222</b>	<b>(135,485)</b>	<b>(1,445,608)</b>	<b>758,975</b>	<b>162,578</b>	<b>(594,318)</b>	<b>1,182,123</b>
<b>Fund Balance (Deficit), July 1,</b>	<b>266,699</b>	<b>(121,831)</b>	<b>2,374,202</b>			<b>2,519,070</b>	<b>1,336,947</b>
<b>Fund Balance (Deficit), June 30</b>	<b>\$331,921</b>	<b>(\$257,316)</b>	<b>\$928,594</b>	<b>\$758,975</b>	<b>\$162,578</b>	<b>\$1,924,752</b>	<b>\$2,519,070</b>

## CITY OF BERLIN, NEW HAMPSHIRE

Combining Balance Sheet - All Proprietary Fund Types  
June 30, 1989

	Enterprise Sewer	Industrial Park Authority	Combining Totals	
			1989	1988
ASSETS				
Accounts receivable, net of allowance for uncollectible accounts of \$1,000	\$132,129		\$132,129	\$116,389
Notes receivable		\$18,406	18,406	
Due from other funds	276,279	54,833	331,112	180,164
Other assets				7,568
Inventory	5,545		5,545	5,545
Net investment in direct financing lease		365,833	365,833	401,444
Investment property		192,794	192,794	192,794
Property, plant and equipment	24,159,989	818,469	24,978,458	23,875,655
Construction work in progress		74,331	74,331	
<b>Total Assets</b>	<b>\$24,573,942</b>	<b>\$1,524,666</b>	<b>\$26,098,608</b>	<b>\$24,779,559</b>
LIABILITIES AND FUND EQUITY				
Liabilities:				
Accounts payable	\$5,100		\$5,100	
Due to other funds				\$67,310
Other accrued liabilities		\$39,315	39,315	82,348
Notes payable		550,082	550,082	759,732
General obligation bonds		235,000	235,000	260,000
<b>Total Liabilities</b>	<b>5,100</b>	<b>824,397</b>	<b>829,497</b>	<b>1,219,377</b>
Fund Equity:				
Contributed capital	25,650,252	560,167	26,210,419	24,295,870
Retained earnings (deficit)	(1,081,410)	140,102	(941,308)	(685,701)
<b>Total Fund Equity</b>	<b>24,568,842</b>	<b>700,269</b>	<b>25,269,111</b>	<b>23,560,182</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$24,573,942</b>	<b>\$1,524,666</b>	<b>\$26,098,608</b>	<b>\$24,779,559</b>

## CITY OF BERLIN, NEW HAMPSHIRE

Combining Balance Sheet - All Fiduciary Fund Types  
June 30, 1989

	Non- Expendable Trust	Home Nursing Care Expend- able Trust	Combining Totals	
			1989	1988
	-----		-----	
ASSETS				
Cash	\$4,109	\$8,504	\$12,613	\$8,599
Investments	222,435	64,536	286,971	268,960
	-----		-----	
Total Assets	\$226,544	\$73,040	\$299,584	\$277,559
	=====	=====	=====	=====
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds		\$5,654	\$5,654	\$432
	-----		-----	
Total Liabilities		5,654	5,654	432
	-----		-----	
Fund Balances:				
Reserved for endowments	\$105,678		105,678	103,178
Unreserved:				
Designated for specific purposes		67,386	67,386	66,831
Undesignated	120,866		120,866	107,118
	-----		-----	
Total Fund Balances	226,544	67,386	293,930	277,127
	-----		-----	
Total Liabilities and Fund Balances	\$226,544	\$73,040	\$299,584	\$277,559
	=====	=====	=====	=====

## CITY OF BERLIN, NEW HAMPSHIRE

Schedule of Revenues, and Other Financing Sources  
 - Budget and Actual -  
 General Fund  
 For the Year Ended June 30, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
	-----	-----	-----
REVENUES:			
Taxes:			
Property taxes	\$6,778,561	\$6,789,598	\$11,037
National bank stock			
Interest on taxes	95,000	80,341	(14,659)
Timber yield taxes	8,000	8,049	49
Resident taxes	73,320	73,098	(222)
Other	37,500	38,138	638
	-----	-----	-----
Total Taxes	6,992,381	6,989,224	(3,157)
	-----	-----	-----
Licenses and Permits:			
Auto permits	576,000	764,992	188,992
Dog licenses	1,500	926	(574)
City clerk's fees	9,000	12,558	3,558
Cable franchise fees	48,000	61,689	13,689
Other	450	995	545
	-----	-----	-----
Total Licenses and Permits	634,950	841,160	206,210
	-----	-----	-----
Intergovernmental Revenues:			
Highway block grant	140,708	142,755	2,047
Railroad	9,840	9,840	
National forest land	36,546	39,761	3,215
School shared state revenues	1,475,187	1,647,173	171,986
Long-term debt reimbursements	632,474	661,192	28,718
Revenue sharing block grant	1,522,656	1,522,656	
	-----	-----	-----
Total Intergovernmental Revenues	3,817,411	4,023,377	205,966
	-----	-----	-----
Charges for Services:			
School tuition	520,000	489,127	(30,873)
Health department	129,000	139,781	10,781
Public works	70,000	72,963	2,963
Community development	45,000	45,000	
Welfare department	300	4,824	4,524
Airport Authority			
Other	4,550	12,044	7,494
	-----	-----	-----
Total Charges for Services	768,850	763,739	(5,111)
	-----	-----	-----
Interest on investments	135,000	320,557	185,557
	-----	-----	-----

## CITY OF BERLIN, NEW HAMPSHIRE

Schedule of Revenues, and Other Financing Sources  
 - Budget and Actual -  
 General Fund (Continued)  
 For the Year Ended June 30, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Miscellaneous Revenues:			
Refunds and reimbursements	185,000	234,220	49,220
Income from trust funds	750	500	(250)
Jericho Park	3,350	3,350	
Other		58,961	58,961
Total Miscellaneous Revenues	189,100	297,031	107,931
Total Revenues	12,537,692	13,235,088	697,396
OTHER FINANCING SOURCES:			
Operating Transfers In:			
Federal Revenue Sharing	47,045	47,045	
Total Other Financing Sources	47,045	47,045	
Total Revenues and Other Financing Sources	\$12,584,737	\$13,282,133	\$697,396



## CITY OF BERLIN, NEW HAMPSHIRE

Schedule of Expenditures and Other Financing Uses  
 - Budget and Actual -  
 General Fund  
 For the Year Ended June 30, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
	-----	-----	-----
<b>EXPENDITURES:</b>			
General Government:			
Mayor and City Council	\$45,900	\$45,471	\$429
Administration	390,979	390,888	91
Elections	11,400	7,915	3,485
City buildings	26,411	26,272	139
Insurance	274,600	228,744	45,856
Central services		1,973	(1,973)
Discounts and abatements	202,764	138,305	64,459
Personnel expenses	803,404	826,228	(22,824)
Outside services	47,126	41,720	5,406
Contingency	20,000	20,015	(15)
	-----	-----	-----
Total General Government	1,822,584	1,727,531	95,053
	-----	-----	-----
Public Safety:			
Police	866,196	852,223	13,973
Fire	814,119	814,275	(156)
Street lighting	143,030	132,680	10,350
Ambulance subsidy	72,300	138,553	(66,253)
Special public safety	26,100	26,350	(250)
	-----	-----	-----
Total Public Safety	1,921,745	1,964,081	(42,336)
	-----	-----	-----
Highways and Streets:			
Public works	1,018,020	964,833	53,187
Pollution control	145,228	130,196	15,032
Road improvements			
	-----	-----	-----
Total Highways and Streets	1,163,248	1,095,029	68,219
	-----	-----	-----
Health and Welfare:			
Health	174,688	175,868	(1,180)
Welfare	96,550	46,370	50,180
	-----	-----	-----
Total Health and Welfare	271,238	222,238	49,000
	-----	-----	-----

## CITY OF BERLIN, NEW HAMPSHIRE

Schedule of Expenditures and Other Financing Uses  
 - Budget and Actual -  
 General Fund (Continued)  
 For the Year Ended June 30, 1989

	Budget	Actual	Variance Favorable (Unfavorable)
	-----	-----	-----
EXPENDITURES:			
Leisure Services:			
Parks and recreation	163,129	162,723	406
Library	89,064	88,523	541
Total Leisure Services	252,193	251,246	947
Education	6,012,028	5,937,940	74,088
Capital Outlay:			
Capital Improvements	331,404	270,716	60,688
Special Projects	128,820	200,445	(71,625)
Total Capital Outlay	460,224	471,161	(10,937)
Debt Service:			
Principal	905,000	905,000	
Interest	784,331	732,867	51,464
Total Debt Service	1,689,331	1,637,867	51,464
Total Expenditures	13,592,591	13,307,093	285,498
OTHER FINANCING USES:			
Transfer to Industrial Park Authority Fund	112,716	112,716	
Transfer to Airport Authority Fund	35,500	35,500	
Total Other Financing Uses	148,216	148,216	
Total Expenditures and Other Financing Uses	\$13,740,807	\$13,455,309	\$285,498
	=====	=====	=====

INDEPENDENT AUDITOR'S REPORT ON  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

Honorable Mayor, City Council and City Manager  
Berlin, New Hampshire

We have audited the general purpose financial statements of the City of Berlin, New Hampshire for the year ended June 30, 1989, and have issued our report thereon dated September 7, 1989. These general purpose financial statements are the responsibility of the City of Berlin, New Hampshire management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Governmental Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit in accordance with these standards includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of City of Berlin, New Hampshire taken as a whole. The accompanying schedule of federal financial assistance is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*Carey, Vachon & Clukay, PC*

September 7, 1989

CITY OF BERLIN, NEW HAMPSHIRE  
 Schedule of Federal Financial Assistance  
 For the Year Ended June 30, 1989

Federal Granting Agency/Recipient State Agency/Grant Program/State Grant Number	Federal Catalogue Number	Balance July 1, 1988	Revenues			Expenditures	Balance June 30, 1989
			Federal	State	Local		
DEPARTMENT OF AGRICULTURE:							
Pass Through Payments from State							
Department of Education:							
National School Lunch Program	10.555	(\$5,759)	\$92,906	\$ 241,137	\$350,639		(\$22,355)
DEPARTMENT OF TRANSPORTATION:							
Federal Aviation Agency	20.102		278,461			278,461	
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:							
Pass Through Payments from State							
Office of State Planning:							
Community Development Block Grant:							
Isaacson Project	14.219		500,000		500,124		(124)
Tourist Information Center	14.219	(1,578)					(1,578)
Total Department of Housing and Urban Development		(1,578)	500,000		500,124		(1,702)
DEPARTMENT OF THE TREASURY:							
Federal Revenue Sharing	21.300	47,045				47,045	
ENVIRONMENTAL PROTECTION AGENCY:							
Construction Grants for Wastewater Treatment Works:							
Wastewater Treatment Plant I	66.418	266,699			65,222		331,921
Wastewater Treatment Plant II	66.418	(121,731)			1,705		(120,026)
Wastewater Treatment Plant III	66.418	2,374,202	728,200		111,796	2,285,604	928,594
		2,519,170	728,200		178,723	2,285,604	1,140,489
DEPARTMENT OF HEALTH AND HUMAN SERVICES:							
Pass Through Payments from State							
Division of Human Services:							
Social Services Block Grant	13.667	46,625	408,671		76,577	450,938	80,935
Health Care Financing Administration:							
Medicaid	13.714		11,730			11,730	
Medicare	13.773		71,668			71,668	
Total Department of Health and Human Services		46,625	492,069		76,577	534,336	80,935

CITY OF BERLIN, NEW HAMPSHIRE  
 Schedule of Federal Financial Assistance (Continued)  
 For the Year Ended June 30, 1988

Federal Granting Agency/Recipient State Agency/Grant Program/State Grant Number	Federal		Revenues			Balance June 30, 1989
	Catalogue Number	Balance July 1, 1988	Federal	State	Local	
DEPARTMENT OF EDUCATION:						
Pass Through Payments from State						
Department of Education:						
ECIA Chapter 1:						
#91001	84.010		4,056			4,056
#91002	84.010		186,728			186,728
ECIA Chapter 2:						
#96011	84.157		23,957			23,957
Vocational Education - Basic Grants:						
#92008	84.048		12,420			12,420
#92054	84.048		22,966			22,966
#92268	84.048		36,158			36,158
#92370	84.048		2,665			2,665
#92403	84.048		18,000			18,000
	84.048		1,076			1,076
Total Department of Education			308,026			308,026
OTHER PROGRAMS:						
New Hampshire Job Training				20,582		19,741 841
National Forest Land		6,301	5,495			6,507 5,289
Driver Education		12,094	12,876			13,114 11,856
Interactive Video				18,700		19,542 (842)
Total Other Programs			18,395	18,371	39,282	58,904 17,144
TOTAL FEDERAL FINANCIAL ASSISTANCE, INCLUDING CERTAIN STATE PROGRAMS			\$2,623,898	\$2,418,033	\$39,282	\$496,437 \$4,316,094 \$1,214,511

CITY OF BERLIN, NEW HAMPSHIRE  
MEMORANDUM OF COMMENTS AND RECOMMENDATIONS  
JUNE 30, 1989

Carey, Vachon  
& Clukay, P.C.

Certified Public Accountants

131 Middle Street  
Manchester, New Hampshire 03101  
(603) 622-7070

September 7, 1989

To the Honorable Mayor  
and Members of the City Council  
City of Berlin, New Hampshire

In planning and performing our audit of the financial statements of the City of Berlin, New Hampshire for the year ended June 30, 1989, we considered the City's internal control structure to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. A separate report dated September 7, 1989 contains our report on reportable conditions in the City's internal control structure. This letter does not affect our report dated September 7, 1989 on the financial statements of the City of Berlin, New Hampshire for the year ended June 30, 1989.

We have already discussed these comments and suggestions with various City personnel, and we will be pleased to discuss them in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations.

Sincerely,

*Carey, Vachon & Clukay, PC*  
Carey, Vachon & Clukay, PC

### SCHOOL LUNCH PROGRAM

Our audit of the school lunch program discloses a deterioration in the financial stability of the program. At June 30, 1989, the fund balance of the program is in a deficit position of approximately \$22,000. Our prior experience with other clients has disclosed similar problems due to the reduction of federal aid, loss or reduction of surplus foods from the federal government and the reduction in the number of meals served. We strongly urge school department officials to monitor this program and take appropriate steps to eliminate the deficit during the current fiscal year.

### COMPUTER SYSTEM

The City has been operating on a used IBM System 34 since we have been engaged as the City's independent auditors. While the system has run effectively for many years, we suggest that long-range plans be formulated to replace this system in the future. Past experience with some of our other clients has indicated that maintenance contracts on old systems no longer manufactured become extremely expensive and maintaining the system no longer becomes cost effective. In addition, the current generation of microcomputer systems has reduced the cost of computer hardware with little loss, if any, in computer processing speed. In summary, we suggest that a contingency plan be developed for the ultimate replacement of the current hardware system at a future date.

### COMPTROLLER'S DEPARTMENT

We have been associated with the City of Berlin, New Hampshire since June, 1985 as independent auditors. During our association, we have always been pleased with the professionalism and dedication of City employees. During the current audit period, we have noted that the Comptroller's Department has become overburdened. We discussed our concerns with the City Comptroller and the City Manager. Our comment is not based on a formal study of operations but are merely the result of our observations during the course of our recent audit. Therefore, we suggest that City management consider the review of the Comptroller's functions and responsibilities a priority in the near future to determine the adequacy of current staff levels within that office.



# MAYORS OF THE CITY OF BERLIN

\*\*\*\*\*

Hon. Henry F. Marston . . . . .	.1897 - 1899	Hon. Matthew J. Ryan . . . . .	.1938 - 1939
Hon. John B. Noyes . . . . .	.1899 - 1900	Hon. Aime Tondreau . . . . .	.1939 - 1943
Hon. Frank L. Wilson . . . . .	.1900 - 1901	Hon. Carl E. Morin . . . . .	.1943 - 1946
Hon. Fred M. Clement . . . . .	.1901 - 1902	Hon. George E. Bell . . . . .	.1946 - 1947
Hon. John B. Gilbert . . . . .	.1902 - 1905	Hon. Paul A. Toussaint . . . . .	.1947 - 1950
Hon. George E. Hutchins . . . . .	.1905 - 1908	Hon. Aime Tondreau . . . . .	.1950 - 1957
Hon. Fremont D. Bartlett . . . . .	.1908 - 1910	Hon. Guy Fortier . . . . .	.1957 - 1958
Hon. Daniel J. Daley . . . . .	.1910 - 1915	Hon. Laurier A. Lamontagne . . . . .	.1958 - 1962
Hon. George F. Rich . . . . .	.1915 - 1919	Hon. Edward L. Schuette . . . . .	.1962 - 1965
Hon. Eli J. King . . . . .	.1919 - 1924	Hon. Dennis Kilbride . . . . .	.1965 - 1966
Hon. J.A. Vaillancourt . . . . .	.1924 - 1926	Hon. Norman J. Tremaine . . . . .	.1966 - 1968
Hon. Eli J. King . . . . .	.1926 - 1928	Hon. Earl F. Gage . . . . .	.1968 - 1970
Hon. Edward R.B. McGee . . . . .	.1928 - 1931	Hon. Norman J. Tremaine . . . . .	.1970 - 1972
Hon. W.E. Corbin . . . . .	.1931 - 1932	Hon. Sylvia J. Croteau . . . . .	.1972 - 1976
Hon. O.J. Coulombe . . . . .	.1932 - 1934	Hon. Laurier A. Lamontagne . . . . .	.1976 - 1978
Hon. Daniel J. Feindel . . . . .	.1934 - 1935	Hon. Leo G. Ouellet . . . . .	.1976 - 1982
Hon. Arthur J. Bergeron . . . . .	.1935 - 1938	Hon. Joseph J. Ottolini . . . . .	.1982 - 1986
		Hon. Roland W. Couture . . . . .	.1987 - 1990

## CITY MANAGERS OF THE CITY OF BERLIN

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Stanley Judkins . . . . .	.1962 - 1966
Joseph Burke . . . . .	.1970 - 1973
James C. Smith . . . . .	.1973 - 1978
Michael L. Donovan . . . . .	.1978 - 1983
Mitchell A. Berkowitz . . . . .	.1983 -



# BOARDS & COMMISSIONERS

THE PEOPLE OF BERLIN OWE A GREAT DEAL OF THANKS TO THEIR FELLOW CITIZENS WHO SERVE ON OUR MANY BOARDS AND COMMISSIONS. THESE PEOPLE RECEIVE NO PAY AND THEIR SERVICES ARE GREATLY APPRECIATED!

## BOARD OF ASSESSORS

John Gouthreau  
Arthur Bergeron, Jr.  
Louis Jolin

## BOARD OF HEALTH

Edouard M. Danais, M.D. (deceased)  
Philip Tremblay  
Louise Marquis, R.N.

## POLICE COMMISSION

Doris Purington, Chairperson  
Richard Morin  
Gary Bisson

## BERLIN INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY

Robert Goddard, Chairman  
Valmore Doucette, Vice Chairman  
Jeffrey Taylor, Recording Sec./Treas.  
Maurice Caron  
Paul LaRoche  
Alfred Legere  
Walter Crabtree  
George Arseneault  
Mitchell Berkowitz  
Donald Duquette  
Sylvio Laplante  
Barry Kelley  
Robert Baillargeon  
Maurice Wheeler

## BOARD OF WATER COMMISSIONERS

Joseph Ottolini, Chairman  
Carl Oleson  
Wilfred O. Charest  
Richard Ramsay, Jr.

## CEMETERY TRUSTEES

Janet King  
Donald Sloane

## FINANCE COMMITTEE

Ronald Paquette  
Robert Platt  
Shawn Costello  
Willard Dube

## LIBRARY TRUSTEES

Roberta Blais, Chairperson  
Natalie Savchick  
Lorraine Rivard

## BERLIN HOUSING AUTHORITY

Donald Mangine, Exec. Dir.  
Albert Drouin  
Denis P. Fortier  
Robert J. Goddard  
Marie Hughes, Treasurer  
Robert Morin

## ZONING BOARD OF ADJUSTMENT

Ann Conway, Chairman  
Donald Laroche, Vice Chairman  
Richard Poulin, Secretary  
John Arseneault  
Jeannine Birch  
Joseph Dorval  
Marc Lauze

## SAFETY & TRANSPORTATION

Philip Fortier, Chairman  
Jean Nelson  
Shawn Costello  
Edgar Mears

## AIRPORT AUTHORITY

Roland Couture, Chairman  
Jean Nelson  
Raymond Chagnon  
Richard Blais  
Ray Ward  
Robert Vashaw  
Philip Fortier  
Sue Trottier  
Willard Dube

## ECONOMIC DEVELOPMENT

Joseph Ottolini, President  
Paul Sullivan, 1st V.P.  
William Green, 2nd V.P.  
Robert Goddard  
Donald Duquette  
David Rosenberg  
Gerard Coulombe  
J.L. Aylward

## RECREATION & PARKS

Thomas Pickford  
Debra Tardif  
Albert Chevalier  
Shirley Jackson  
Leslie Glover

## ELECTION COMMITTEE

Edgar Mears, Chairman  
Philip Fortier  
Jean Nelson  
Raymond Chagnon

## BOARD OF EDUCATION

Alethea Froberg  
Carolyn Dorval  
Karen Morris, Chairperson  
John Donaldson  
Annmarie Platt

## CITY PLANNING BOARD

Henry Cote, Chairman  
Mitchell Berkowitz  
Roland Couture  
George Falardeau  
Mark Hamlin  
Don Sloane  
Omer Morin  
Nicholas Darchik  
Leo Montminy  
Raymond Chagnon  
Maurice Wheeler  
Oscar Hamlin  
John Clark  
Ronald Goudreau  
Anthony Harp  
Richard Poulin  
Donald Borchers

Shellie Bresnahan  
Maurice Caron  
Raymond Chagnon  
Jean Nelson  
Richard Langlois  
Paul Campagna  
Michael Chambers  
Alfred Legere  
Michael O'Neil







