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1980/81



Annual City Report

Berlin, New Hampshire

for Fiscal Period July 1, 1980 to June 30, 1981



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Annual City Report

Berlin, New Hampshire

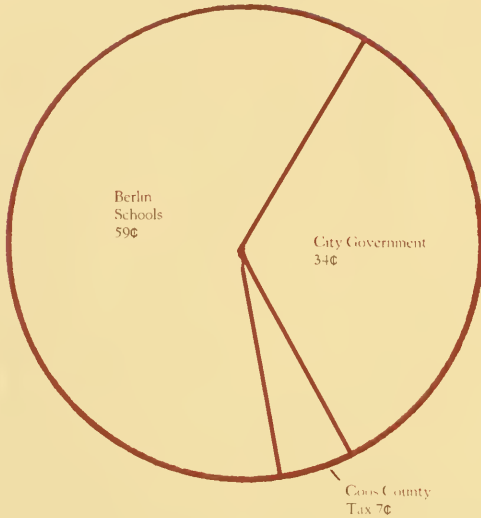
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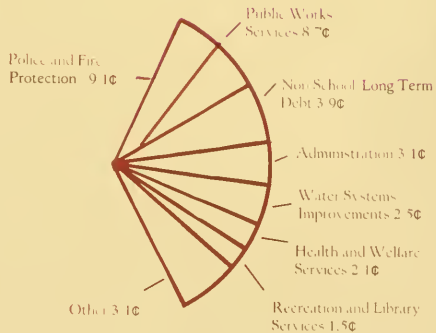
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YOUR 1981 PROPERTY TAX DOLLAR

The Total "Tax Dollar Pie"



City Government's
34¢ Share of the Pie



*Other includes Ambulance, Street Lighting, Airport Allowances and Sundry Accounts

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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. Sylvio J. Crpeau	1972-1976
Hon. O. J. Coulombe	1932-1934	Hon. Laurier A. Lamontagne	1976-1978
Hon. Daniel J. Feindel	1934-1935	Hon. Leo G. Ouellet	1978
Hon. Arthur J. Bergeron	1935-1938		

CITY MANAGERS OF THE CITY OF BERLIN

Stanley Judkins	1962-1966
Joseph Burke	1970-1973
James C. Smith	1973-1978
Michael Donovan	1978-



THE MAYOR'S REPORT

The Most Progressive Period in Berlin's History

As we approach the next round of municipal elections and the end of the so-called "municipal year", some of us may choose to retire and some of us may choose to seek re-election. No matter which your course, I thought it would be appropriate to reflect upon the achievements of the present City Council over the past year. Whether one retires or runs for election - win, lose or retire - the record of achievements in the past year is one to be proud of.

Local public service and leadership are not easy responsibilities these days. I urge the public to look at the record of the past year as an evaluation of the leadership and effectiveness of your present City Council. The record stands by itself.

TAXES AND SPENDING: We believed Berlin's taxpayers wanted, most of all, a stable tax rate.

1. In a time of record-breaking double-digit inflation, we have held the operational budget of the City at an annual increase of about 1% for the past two years.
2. As a result, in four years, the property tax rate has increased only 3.4% - less than 1% per year. Prior to 1978, property taxes were increasing at an annual rate of 11 1/2%!
3. We have done this while absorbing a rapidly increasing county tax; declining state and federal revenues; and increasing state mandated welfare and court expenses. None of these events are controllable by us.
4. We have done it while continuing to award all of our employees annual wage and salary increases ranging from 5% to 9 1/2%. We have concurrently absorbed large state-mandated retirement cost increases in our Police and Fire Departments, and a 50% increase in health insurance costs for all employees. In four years the cost of wage increases given our municipal employees totals almost \$2.0 million.
6. During our tenure we have not issued any new bonds, and Berlin's long term debt has declined by \$3,345,000. It is now 69% of what it was four years ago.

ECONOMIC DEVELOPMENT: The second thing our people wanted was jobs. Our record in economic development is unequalled in Berlin's history.

1. We were in office when Converse closed its Berlin plant. Most called it "the death toll for Berlin". Our economic recovery was a team effort of the government, business, and labor communities. - BUT, let no one doubt that it was aggressive local government that led the way. Who set up BEDCO? Who brought Scanwood, American Skate, and Altama Delta to Berlin and helped GAMM expand? Who brought Caron-Moc here and thereby kept our shoe workers here until Bass came along? Who told us to keep the faith in the darkest period in twenty years for Berlin?
2. We created BEDCO and got \$1.5 million of federal funding for it to loan to new industry. Some of those industries are struggling and some are doing very well, but we kept the jobs here!
3. During 1981, total employment in the industries we have brought in since 1979 average over 600 jobs. These jobs meant \$11.5 million to our local 1981 economy.
4. City Council revitalized the Berlin Industrial Development and Park Authority. BIDPA built and leased-purchased three new industrial buildings and renovated the King School and NYA buildings as "incubator space" for industry. We were able to sell the vacant Granite Business Fornis Building to American Skate after past administrations had failed to find buyers for it.
5. BEDCO and BIDPA did not forget local industry. We are helping Isaacson Structural Steel relocate and expand; and Carrier Graphics and GAMM have received financial assistance.



6. We are rebuilding our downtown with over \$1.0 million of federal aid for three reasons - all economic development related.
 - a. There are many jobs there, and we want to attract more.
 - b. Modern shopping areas help attract new industry.
 - c. A growing, attractive downtown adds significantly to our tax base.
7. As part of our downtown effort we set up a BEDCO revolving loan program with \$400,000 of HUD federal funds to help local businessmen renovate their properties. Councilman Payeur chairs the loan fund committee.

ROADS AND STREETS. We have made the major investments that our antiquated road and street network required

1. We "bit the bullet" and removed the old unsafe YMCA Bridge before some teenager was killed on it; and, we closed the Berlin Mills Bridge before it fell into the river.
2. The \$3.5 million James C. Cleveland Bridge is being built for the benefit of the James River Corporation, the downtown and the East Side. Our Community Development Department put together one of the most innovative funding packages ever to get \$3.4 million of non-local funding for this project.
3. The City began the effort to call state attention to the need to improve Route 115. Our Governor now calls it his "top highway priority for the North Country" and field surveys for the rebuilding are underway.
4. We opened Wood Street to provide better access to the Liberty Park neighborhood of 2,000 people.
5. This past summer we spent over \$1 million to repair and resurface all the streets in Wards I and III which the sewer construction contractors had left undone.

WATER SYSTEM IMPROVEMENTS. We were the first Council in recent years to recognize that fifty years of neglect to our water system must be corrected. When the job proved too tough for

(Mayor's Report Continued)

the Water Commissioners we inherited, we appointed some who had the tenacity to stick with it.

1. We did not shirk our fiscal responsibility when the Water Board defaulted on \$200,000 of bonds. We paid them.
2. We appropriated over \$700,000 of local and federal funds for the beginning of what must be a long term program of water system repairs:
 - Church Street Pumping Station
 - New 12" water main in the downtown
 - Gravel packed well for winter fire protection
 - Carroll Street 6" water main
 - Hill Street 6" water main
 - Clark Street 6" water main
 - Park Street 6" water main
5. We have funded, for the Water Board, an engineering study for a needed large storage tank on the East Side; a leak detection program; and a water consumption survey of the James River Corporation.

MANAGEMENT IMPROVEMENTS: While doing all of the above things for our community, we also initiated a number of businesslike management changes in our city government, all of which are aimed at establishing significant long range cost savings for our taxpayers.

1. We created the first ever *long range heavy equipment* purchase plan for the Public Works Department - and we followed it.
2. We established *semi-annual* tax collection to make taxes easier to pay while improving municipal cash flow. We have, therefore, eliminated forever the need for municipal short term borrowing and the high interest cost associated with it.
3. We eliminated costly *minimum manning clauses* from our fire and police union contracts. The elimination of these clauses saves about \$50,000 per year in unnecessary overtime.
4. An attractive *property tax pre-payment plan* was developed and the tax sale schedule was accelerated in order to improve collectibles.
5. We had the foresight to join the N.H. Municipal Association's Workers Comp and Unemployment Compensation *Trust Funds* and our Workers Comp costs, which once exceeded \$200,000 annually, have been reduced by one-third as a result of trust participation.
6. We established an innovative method of *purchasing fuel oil* in bulk, in advance of the heating season, and, as a result, have saved over \$50,000 in oil cost in two years.

UNPLEASANT THINGS. We had to deal with some unpleasant and unpopular things also. To our credit we did so capably, and stuck out the controversy associated with these unpleasant things which we could not control. Weaker City Councils would have let these controversial happenings tear them apart and would have accomplished little else because of them.

1. Federal regulations forced us to send sewer bills to support the annual cost of operating a new sewer plant. We devised the fairest system possible, amended it after public hearings and sent out the bills - because we had to!
2. We inherited five poorly planned city-wide *sewer construction contracts* that tore up half our street for three years. Ten years of planning and engineering left Berlin with a \$25 million mess. We saw it through in the only way possible. As is the case in politics, people blamed us for the construction havoc because we were in office when the shovels were digging. They forget it was others who hired the engineers and others who planned, designed and awarded the construction contracts. With an undisciplined City Council, Berlin would still have had a city of torn-up streets.

We did many other things, too. For our children, we developed the Coop Bank Park and Centennial Park, and we improved Community Field and the Hutchins Street Park. There was urban renewal closeout - purchase of a new fire truck - airport renovations - an effort to attract commuter air service - developed tax schedules for the elderly. Importantly, we modernized the City Council meeting procedures by getting advance agendas to the press; holding fewer closed sessions; establishing a new format for Council minutes; getting new broadcast equipment; and rigidly enforcing "conflicts of interest" standards.

To summarize, I'll dwell on statistics. We put the brakes on operational spending and kept the tax rate stable at less than 1% annual growth. In spite of this:

1. We invested over \$12 million in Berlin's future
 - \$1.5 million in economic development loans
 - \$0.4 million in industrial buildings
 - \$1.4 million in downtown revitalization
 - \$7.4 million in road and bridge investments
 - \$0.9 million in our water system
 - \$0.4 million in other miscellaneous projects
2. We created jobs that contributed over \$11 million to our annual economy.
3. We gave our employees raises totalling \$2.0 million.
4. We instituted management practices that now save over \$350,000 annually in municipal costs - worth \$2.00 off your tax rate.
5. We reduced Berlin's debt by \$3.3 million.

In conclusion, things were always busy and never dull. We kept moving forward to improve our community and its economic base and to stabilize the cost of city government while also improving it. There are really two types of City Councils. One type spends all its time arguing over petty matters and playing little political games. The other sets a construction agenda and works hard, honestly, openly and steadily to accomplish it. You have been the latter. The record shows it - and you can be proud of it. When the people of Berlin elected you, they invested well!

Leo Ouellet
Mayor

MUNICIPAL OFFICERS

City Manager
City Comptroller
Chief Assessor
City Clerk
Tax Collector
City Attorney
District Court Judge
Treasurer
Police Chief
Fire Chief
Health Officer
Building Inspector
Overseer of Public Welfare

Michael L. Donovan
Aline Boucher
Robert Peabody
Olivette Dumas
L. Laurier Rousseau
James J. Burns
Wallace Anetil
Robert Aulie
Paul Morin
Norman LaCroix
Robert Delisle
Fernand Villeneuve
Maurice A. Belanger

Recreation and Parks Director
Librarian
Superintendent of Schools
City Engineer
Superintendent of Pollution Control
Public Works Director
Water Works Superintendent
Community Development Director
Economic Development Director
Airport Manager
Cemetery Trustees

Mitchell A. Berkowitz
Inez Hamlin
John Doherty, Jr.
Vacant
Tim LeVasseur
Maurice Wheeler
Albin Johnson
Jeffrey Taylor
Roland H. Sherman
Roland Lambert
Donald Sloane,
Janet King,
Oscar Rosenberg

1981 CITY MANAGER'S REPORT

Fellow Citizens of Berlin,

The annual report can be viewed as a progress report which monitors our year-to-year activities. As one looks around Berlin, you cannot help but recognize that we are a city of changes and improvements despite conditions on the national scene. I have taken this opportunity to reflect upon some of these changes in 1981.

1. **The sewer project** was finally finished in three of our four wards. Despite the failure of some of our contractors, all streets and sidewalk damages resulting from sewer construction have been repaired and the streets re-surfaced. This was a major undertaking because the city had to terminate the contracts of Zoppo and Rathbun, and issue new contracts with six other contractors in order to get the work completed in 1981. Over \$1 million was spent in this effort, and it is hoped all costs will be recovered from the defaulting contractors in litigation.
 2. **The sewer building** was reviewed and adjustments were made thereby reducing the annual costs currently billed to each homeowner.
 3. **Semi-annual tax collections** were initiated this year to help reduce and eliminate the costs related to short term borrowing while allowing the city to take advantage of high interest yield investments.
 4. **Economic development** in 1981 faced many challenges in lieu of high interest rates, inflation and high unemployment on the national level which collectively affected Berlin business and development. The city worked with a number of local business owners to stabilize against these impacts while pursuing new industrial options.
 5. **Berlin's water system** received some improvements funded by a special capital improvement program from the city. Improvements included a new detection program, gravel packed well, the Church Street pumping station, a new 12" water main in the downtown, the new watermain on Carroll, Hill, Clark, and Park Streets.
 6. **Downtown revitalization** made noticeable strides as our Community Development Department completed Phase I encompassing some 60% of Main Street. During the 1982 construction season the balance of work will be completed providing our downtown with proper pedestrian ways, parking, and an inviting landscape while accenting our business district with long needed improvements.
 7. **Community Field and Central Park** improvements were started. The Recreation and Parks Department and the Community Development Department using federal funds will continue and complete the project in 1982 as part of the city's improvement program to our recreation and parks system.
 8. **The James C. Cleveland Bridge** construction was seen as another milestone for improving Berlin. As the bridge takes shape for a late 1982 opening, we anticipate the diversion of truck traffic as a significant improvement to the quality of our downtown while opening access to an easterly portion of the city.
- Besides these very noticeable improvements and changes, some less visual actions continued in 1981:
- Fiscal restraints were the daily guidelines since our overall success relies upon the improvement of the level of taxable property in Berlin.
 - The city stood firm on its commitment to reduce the cost of overtime due to minimum manning clauses now and for future years while looking at alternatives to insure service levels.
 - The city became involved in extensive litigation resulting



from the \$25 million sewer project. The various law suits both against and on behalf of the city, total over \$10 million, and this is the largest construction litigation ever in the State of New Hampshire. Preparation of the City's evidence and claims in the litigation has required the temporary, full-time attention of the City Manager.

- The City Manager's Office continued the program of purchasing fuel oil on a bulk purchase basis thereby insuring adequate supply and delivery at a price substantially lower than wholesale prices saving some \$25,000.
- The Northern Lites Corporation began rehabilitation of the old hospital for additional housing in Berlin. What could have been a discarded, non-productive structure will now become a restored historical structure providing both housing and tax revenue to the city.

The City of Berlin was affected by many good changes and improvements. Each of the departments involved in city government has provided you with a more detailed description of their services and those changes and improvements in which they were involved.

I invite you to review this annual report and reflect upon some of the changes and improvements in Berlin during this past year.

Respectfully submitted,
Michael L. Donovan
City Manager

Assessor

City Clerk

ASSESSOR'S REPORT

The Board of Assessors are the government officials charged with discovering, listing, and valuing all taxable property in the jurisdiction. The performance of this function encompasses myriad responsibilities. Included under the Assessor's "umbrella" are the assessment of a Resident Tax to those between the ages of 18 and 65 years old; assessment of a Yield Tax for timber cut by logging operations in Berlin; Current Use assessments for qualifying parcels of land; payments in lieu of taxes by the Federal Government for White Mountain National Forest land located in Berlin; determination and administration of the various forms of property tax relief which a resident may be eligible to receive (elderly, blind, physically handicapped, veteran, elderly/disabled lien, and poverty abatements); and determinations of exempt status for organizations applying for same under State Statute.

The following is a statistical summary of some of the activities of Fiscal Year 1980-1981.

EXEMPTIONS

Type	Number	Amount
Elderly	441	\$ 4,091,517
Blind	19	276,100
Physically Handicapped	2	12,000
Water/Air Pollution Control	1	1,752,966
Veteran	1152	63,000*

**[Note: amount shown is tax dollars, not valuation]*

ASSESSMENTS

Type	Number	Amount
Resident Tax	7355	\$ 73,550.00
Yield Tax	9	6,444.60
PILT	1	25,133.00
Inventory Penalties	292	3,632.28
Current Use	25	16,746.95*

**[Note: amount shown is total acreage, not tax dollars]*

CITY CLERK'S REPORT

July 1, 1980 - June 30, 1981

The City Clerk attends all City Council meetings, public hearings, writes the minutes and correspondence, prepares agendas, notices of hearings, records Ordinances and Resolutions passed, and all correspondence in connection with the meeting indexed and filed. Files and indexes financial statements, sales and mortgages; records marriages, births and deaths. Letters were also mailed to all new parents to bring certificates of new births for certification and City Seal to be affixed on same. Copies of all vital statistics were forwarded to the Department of Vital Statistics at Concord. Registers cars, trucks, trailers, campers, etc. Issues licenses for the following: dogs, pool tables, bowling alley, junk dealers, taxi, taxi drivers, photographs, theater and dances. Cemetery lots are sold and deeds issued and recorded orders issued for digging of all graves. Monthly labor reports mailed to State. Elections also come under the City Clerk, who prepares the city ballots, warrants, has them printed, delivers them to the polls, and receives them after election. Accepts new voters registration during the course of the year. Mails or delivers absentee ballots at election time to all requests. The City Clerk also acts as an agent for the Fish & Game Department.

SUMMARY OF CITY CLERK'S ACTIVITIES:

Motor Vehicle Permits	9,625
Financing Statements	346
Termination Statements	48
Pool Table Licenses	3
Bowling Alley Licenses	1
Junk Dealer's Licenses	2
Taxi Licenses	2
Dog Licenses	428
Photographers' Licenses	6
Theater License	1
Births	213
Marriages	110
Deaths	141
Dance Licenses	1

Respectfully submitted,
 Olivette M. Dumas
 City Clerk

BERLIN PUBLIC SCHOOLS 1980-81 ANNUAL REPORT

The Berlin School Department realized a number of significant achievements during the 1980-81 school year. Perhaps the most significant achievement was the maintenance of a sound educational system that offered both traditional and innovative programs for the students who attend Berlin Public Schools. The sum and substance of these programs is indicative of a school system that is providing a high level of educational offerings despite the continued existence of financial constraints.

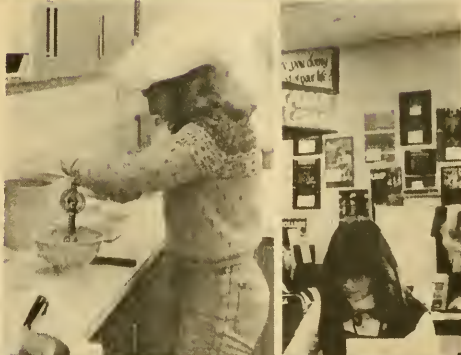
At the elementary school level, test scores continued to substantiate that a high quality of reading and language arts programs continue to be offered. In addition, a satisfactory transition was achieved vis-a-vis the funding of the Bilingual program. This program, which was once substantially aided by federal funding, is now completely funded from local tax dollars.

At the junior high level, extensive planning was done in order to insure that a successful transition to a five through eight school structure would be achieved. This planning process was achieved without interfering with the continuing quality of the programs offered to junior high school students.

Berlin Senior High School received notification that the New England Association of Schools and Colleges had awarded the high school with the longest possible accreditation term, that is 10 years accreditation. Of the 51 high schools which went through the evaluation process, only five received 10 years accreditation. This judgment by the New England Association of Schools and Colleges indicated that, given the resources available, the Berlin High School community had had a very successful year.

In the immediate future, there are at least two major objectives which will test the patience and ability of the Berlin School Department. First, the need for a smooth, effective, and efficient grade reorganization that will result in September 1982 with a new grade structure of elementary grades K-4, middle/junior high grades 5-8, the senior high school grades 9-12. The second major goal will be the need for long range planning between a number of North Country communities which will seek to find new ways to share resources and costs that will result in increased economies without diminishing educational opportunities.

Credit for the continued efficiency of the educational programs offered by the Berlin Public Schools must be shared by a large number of people. We should note the key role played by the Board of Education. The Board has continued its tradition of offering time and resources to the public schools with very little credit and often much aggravation as a consequence of their efforts. The Board continues to be satisfied with the knowledge that they supervise a system which has managed to serve well the children of the community. This report will not attempt to acknowledge, personally, the contributions of individuals, less in listing some, we forget others. Suffice it to say that the entire professional staff in concert with an eager and cooperative student body and supported by many members of the community at large have continued to work towards the goal of providing an educational system which attempts to serve, to the best of its ability, the children of Berlin. As economic conditions, both nationally and on a state and local level, continue to drain resources, we shall continue to hope that the historic efforts of the Berlin School Department will continue to be supported in a manner that will allow the same level of quality in our schools to continue in future years.



SCHOOL BOARD MEMBERS 1980-1981

- Darrill Neal, Chairman
- Joseph Rozek
- Robert Dumont
- Carl Nolin
- Sylvio Laplante



ECONOMIC DEVELOPMENT REPORT

As of June 30, 1981, Berlin's new full time Economic Development team has been in place and operating for 28 months and the initial preparatory work is now returning dividends on the time and money invested. Operating in a period of historic highs in cost of money (Prime Rate over 16% for eight months this year) and inflation (cost-of-living, 13.5% in 1980 and 5.2% first six months of 1981), Berlin has still managed some marked successes.

A.) The City has been able to maintain a full time professionally staffed economic development office for these 28 months at a total city cost of \$8,129.10. The balance of the \$100,237.32 expenses for this function has come from federal grants and from income earned by BEDCO.

B.) Continued close coordination of our non-profit Berlin Economic Development Council, Inc. (BEDCO), the City's Berlin Industrial Development and Park Authority (BIDPA) and the city Economic Development Office together with the full support of the Mayor and Council, City Administration, local Chamber of Commerce and business community, and the State and Federal Governments has helped to offset the problems of high interest rates, inflation and national recession. While new prospect activity levels have somewhat decreased due to these factors, Berlin is well positioned to take advantage of renewed industrial interest in added capacity which should be the result of economic upturn expected in early 1982.

C.) The James River Corporation (Berlin's major industrial employer) has proved to be a viable, responsible and stable employer and fears of change created by its purchase of Brown Company have diminished.

D.) The value of diversification of the five new stitching trades employers (Altama Delta, American Skate, G.H. Bass Company, Caron Moc, Inc. and GAMM, Inc.) which replaced Converse has been proven and will continue to be of substantial benefit to the local economy. These five firms, employing 670 persons as of June, 1981, are facing changes with some expanding and others contracting. One of these firms is facing serious problems while GAMM, Inc. is planning major expansion; but in total, these firms combined should provide stable employment at the 550-700 level for many years to come.

E.) With these five new "stitching trades" firms in place, and

Converse's loss now made up for, the city's economic development efforts have switched emphasis and are now concentrated on the attraction of smaller product and job diversified firms and the expansion of existing industries. Emphasis is being placed on attracting or helping firms with larger capital investment per job, products in the metals, wood, plastics and electronics fields, and higher paying and frequently more male jobs. The firms being looked for are more likely to be much smaller employers but ones with good potential growth in the future. To date these efforts have resulted in assisting with the purchase and continued operation of one local firm (Currier Graphics) and the attraction of three new firms (AMK Electronic, Northern Fabricators and Scanwood). During this year, AMK has become A & B Electronics Company, Inc. and has expanded while Scanwood continues to grow. Combined employment of these four firms and one new service firm (B & G Automotive Electronics) has reached 34 and some further growth is expected. Also during this year, Isaacson Structural Steel has purchased seven acres of city land on Route 110 and plans major construction in the coming year with eventual relocation to the new property.

F.) During this year, the Community Development Department has received approval of a three year Small Cities Grant for downtown improvement. One direct economic development component of this Federal HUD grant is a three-year \$450,000 Downtown Revolving Loan Fund for retail and commercial facilities construction and rehabilitation. This program will be administered by our non-profit BEDCO.

G.) Impact of these new firms and their employees and payrolls in the local economy so far have meant:

704 people working who weren't in March, 1979;
\$5,564,400 annual payrolls locally;
\$13,911,000 annual local economic impact.
And these direct results to date help support locally:
1750 persons in the city and area;
238 retail, service and local government jobs;
\$3,400,000 annual retail sales;
\$2,900,000 annual bank deposits;
\$495,000 annual tax revenues.

The job stability and increasing manufacturing employment locally should in the near future, begin to stabilize the local economic situation and, when the national economy recovers and further new firms are attracted, Berlin, for the first time in three years should begin to see improvement and growth. Continued economic development program efforts with full governmental and community support will help ensure our future.

Roland H. Sherman, C.I.D.
Economic Director

BEDCO

Berlin

Economic Development Council, Inc. Report

Since July, 1979, BEDCO has become an invaluable financing tool for Berlin's economic development efforts.

Legally, BEDCO was incorporated as a non-profit corporation on June 29, 1979, and its Internal Revenue Service initial Tax Exemption Determination was granted on September 20, 1979 and permanently confirmed October 17, 1981.

The U. S. Department of Commerce Economic Development Administration approved an initial \$750,000 Title IX Revolving Loan Fund Grant to BEDCO on September 27, 1979 and on October 30, 1979 approved an amendment to the grant providing \$80,000 EDA Section 304 funds and \$20,000 State funds, bringing the total original Revolving Loan Fund Grant to \$850,000. Due to the effective and successful use of this fund, on January 23, 1980, EDA invited BEDCO to apply for an additional \$500,000 of EDA Title IX funds for the RLF and on August 1, 1980, this new grant was approved with the condition that a \$125,000 local match be provided. The City of Berlin, the Industrial Development Authority and BEDCO (from earned interest) have provided this required local match thus bringing the initial Revolving Loan Fund to a total of \$1,475,000.00.

As of June 30, 1981, loan principal repayments have totalled \$95,565 to date bringing total RLF capital to \$1,570,565. As of June 30, 1981, BEDCO has disbursed \$1,509,681 in loans to private industry and in mortgages to the city's Industrial Authority. With no more EDA grant funds presently available, BEDCO will be restricted to smaller loans from cash flow created by repayments of loans outstanding. It should also be noted that because of the City/Authority local share contribution to the BEDCO/RLF, BEDCO has agreed to pay 100% of the Economic Development Office costs for one year and at least 50% of such costs thereafter from interest and fees earned.

LENDING POLICIES

At present, BEDCO loan activities are restricted to manufacturing, wholesale or industrial service firms located in Berlin, existing or new. Loan sizes are governed by three factors; (a) the number of BEDCO dollars per new job or job saved (not to exceed \$5,000 per job); (b) the amount of equity provided by the borrower company (must be at least equal to the amount of the BEDCO loan); and (c) the ratio of BEDCO loan funds to the total project cost (cannot exceed 20%). The maximum loan term, except for real estate financing is normally five years and the normal interest rate is 6%. BEDCO also has a loan guaranty program which operates slightly differently and is planning a special growth financing (purchase order/receivables) program.

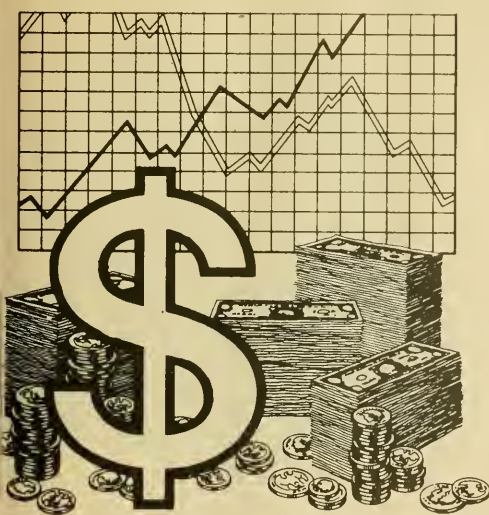
PROJECTS TO DATE

M-1 American Skate Corporation—	Loan \$400,000
M-2 Caron Moc, Inc.—	Loan \$ 77,000
	plus \$50,000 guaranty
M-5 Currier Graphics, Inc.—	Loan \$37,000
M-6 Northern Fabricators, Inc.—	Guaranty \$ 70,000
M-7 Scanwood Ltd., Inc.—	Loan \$ 50,000
	plus \$25,000 guaranty
M-8 Altama Delta Corporation—	Guaranty \$57,640
M-9 A & B Electronics, Inc.—	Guaranty \$ 30,000
RE-1 BIDPA Authority (10,000 sq. ft. building)—	Loan \$172,000
RE-2 Altama Delta Corporation (Converse #2 purchase)—	
	Loan \$ 85,000
RE-3 BIDPA Authority (NYA Building expansion)—	Loan \$ 32,500
RE-4 BIDPA Authority (8,000 sq. ft. building)—	Loan \$208,000
RE-5 BIDPA Authority (10,500 sq. ft. building)—	
	Loan \$220,100
Total Project Loans/Guaranties committed—	\$1,514,240
Principal Repaid to date	\$ 95,565.00
Interest and Fees earned to date	\$ 72,275.96

BEDCO Board of Directors, Industrial Loan Board (ILAB) and Downtown Loan Board (DLAB)

George Arsenault
Paul Campagna, ILAB
Lee Coulombe
Richard Day
John Doherty, 1st VP, ILAB Chairman
Michael Donovan, ILAB
Donald Duquette, Treasurer, ILAB
Edward Ferrari
Earl Gage
*Lawrence F. Goss
*William Green, DLAB
*Barbara Guay, DLAB
Mark Hamlin, President
Eli Isaacson
*George Lajoie, ILAB
Richard Langlois, ILAB
Roland Leighton, ILAB
Michael O'Neil, Exec. Comm., DLAB
Joseph Ottolini
Leo Ouellet, Exec. Comm.
Richard Payeur, 2nd VP, DLAB Chairman
*Richard Poulin, DLAB
David Rosenberg
George Seguin
Roland Sherman, Secy. & Asst. Treas.
*Richard Sirois, DLAB

*Indicates LAB member not member of Board of Directors.
*Indicates ex-officio member-New Hampshire Office of State Planning.



BERLIN'S BAROMETERS OF ECONOMIC HEALTH

JUNE 1981

	jobs	direct payrolls	local impact	
1,200		\$12,000,000	\$24,000,000	
1,150		11,500,000	23,000,000	
1,100	NEW JOBS 11 FIRMS	11,000,000	22,000,000	LOCAL ANNUAL ECONOMIC IMPACT NEW JOBS 9 FIRMS
1,050	PROJECTED ADDED JOBS BY 11 FIRMS IN PLACE OR COMMITTED	10,500,000	21,000,000	PROJECTED ADDED LOCAL ANNUAL IMPACT
1,000		10,000,000	20,000,000	
950		9,500,000	19,000,000	
900		9,000,000	18,000,000	
850		8,500,000	17,000,000	
800		8,000,000	16,000,000	
750		7,500,000	15,000,000	
700		7,000,000	14,000,000	
650		6,500,000	13,000,000	
600		6,000,000	12,000,000	
550	NEW PRESENT JOBS IN 9 NEW & 2 EXISTING FIRMS ASSISTED TO DATE	5,500,000	11,000,000	ANNUAL LOCAL IMPACT NEW JOBS 9 FIRMS PRESENT
500		5,000,000	10,000,000	
450		4,500,000	9,000,000	
400		4,000,000	8,000,000	
350		3,500,000	7,000,000	
300		3,000,000	6,000,000	
250		2,500,000	5,000,000	
200		2,000,000	4,000,000	
150		1,500,000	3,000,000	
100		1,000,000	2,000,000	
50	500,000	1,000,000		

BIDPA

BERLIN INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY REPORT

The City of Berlin, by ordinance passed September 15, 1975, reconstituted and formed the Authority pursuant to New Hampshire RSA 162-G to act as the industrial facilities development arm of the City of Berlin, particularly in matters involving real estate and real estate financing. The members of the Authority are appointed by the Mayor, subject to confirmation by the City Council, and members serve for three year terms with one-third of the terms expiring yearly.

The Authority presently owns six buildings in the city:

- Berlin Mills Fire Station - 3,200 sq. ft.
- NYA Building - 12,640 sq. ft.*
- First (1975) Authority Building at Industrial Park - 44,000 sq. ft.
- Second (1979) Authority Building at Industrial Park - 10,000 sq. ft.*
- Third (1980) Authority Building at Industrial Park - 8,000 sq. ft.*
- Fourth (1981) Authority Building at Industrial Park - 10,500 sq. ft.*

All of these properties are under lease or have leases pending.

*Indicates 34,840 sq. ft. of new construction in 1979-1981 financed with loans from BEDCO.

The Authority also has a four year lease of the city, owned King school building and has the basement level under sublease to EAMM, Inc. who will be moving to the new 10,500 sq. ft. building.

The Authority maintains close liaison with the City Council at all times, and before any property can be sold or built, the Authority must come before the City Council for passage of a formal resolution approving such transactions. The Authority is empowered to negotiate leases with appropriate industrial tenants without Council approval. Like BEDCO, the staff and secretarial services for the Authority are coordinated within and by the staff of the City's Economic Development Office, thus assuring coordination of purpose and function between the City, the Industrial Authority and BEDCO to provide maximum flexibility and impact.



Building #1 at Industrial Park

AUTHORITY FINANCIAL STATUS AND CHANGES

	7/1/79	6/30/81	Two-Year Change
ASSETS			
Current Assets	\$ 59,734	\$ 48,264	\$ -11,470
Long Term Assets	8,771	3,114,507	+ 3,105,736
Fixed Assets	<u>965,808</u>	<u>1,613,560</u>	+ <u>647,752</u>
Total Assets	\$1,034,313	\$4,776,331	+ \$3,742,018
LIABILITIES			
Current Liabilities	\$ 127,400	\$ 100,825	\$ -26,575
Long Term Liabilities	713,600	2,052,585	+ 1,338,985
Fixed Liabilities	<u>-0-</u>	<u>1,226,640</u>	+ <u>1,226,640</u>
Total Liabilities	<u>\$ 841,000</u>	<u>\$3,380,050</u>	+ <u>\$2,539,050</u>
Net Worth	\$ 193,313	\$1,396,281	+ \$1,202,968
Payments-in-Lieu of Taxes included in above	\$ -0-	\$ 883,917	+ 883,917

AUTHORITY MEMBERSHIP

James Burns (Alt.)
 Maurice Caron (Alt.)
 Yvonne Coulombe, Treasurer
 Sylvio Croteau
 Valmore Doucette
 Robert Dumont
 William Dunton (Alt.)
 Donald Duquette
 Michael Donovan (ex-officio)
 Bernard Gallagher
 Alfred Legere
 Richard McLaughlin
 Robert Olivier, Chairman
 Leo Ouellet
 Robert Theriault
 Maurice Wheeler
 Roland Sherman, Secretary



Industrial Park Sign



Building #2 at Industrial Park



Building #3 at Industrial Park



Building #4 at Industrial Park

COMMUNITY DEVELOPMENT DEPARTMENT

The Community Development Department functions both as the professional planning staff, and as the administrator of various federal grants it is able to obtain from the Department of Housing and Urban Development, the Economic Development Administration, and other sources. This was a particularly busy year for the department, in that several projects which had been planned for a considerable length of time were finally placed under construction.

JAMES C. CLEVELAND BRIDGE

By providing a new crossing of the Androscoggin River south of the city's downtown area, this new bridge will allow heavy truck traffic which is headed to and from the James River woodyards to bypass the Main Street retail area. Traffic studies show that this will eliminate some 400 truck trips through the downtown each work day.

The actual bridge structure will be linked to the existing city street system by some 3,500 feet of new roadway on the east side of the river. Ground was broken on this \$3.8 million project in late June, 1981. It is expected to be completed and open for traffic by the fall of 1982.

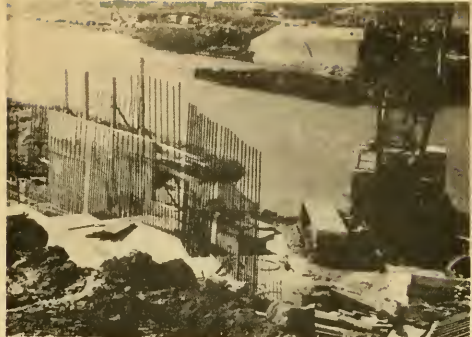
DOWNTOWN REVITALIZATION

In June 1981, construction work was finished on the Green Square Plaza, the first of several major construction efforts aimed at upgrading and improving the retail shopping district.

Shortly after the dedication and opening of the plaza, work began on a major rebuilding of Main Street from Green Square to Mason Street. The total project will include new utility lines; a new roadbed; new cement sidewalks and granite curbs; seating areas, including benches, plantings, and other pedestrian features. The entire project is expected to be completed in the summer of 1982.

DOWNTOWN REVOLVING LOAN FUND

In addition to providing the above noted public improvements, the Community Development Department was successful in obtaining funding for a revolving loan program. This will be admini-



stered by the Berlin Economic Development Council (BEDCO) and will make available low interest loans to individuals interested in purchasing, building, or rehabilitating commercial properties in the downtown Berlin area. Funding will eventually reach a total of \$400,000.

HOUSING

During the course of the year, one major housing project initially proposed by the Community Development Department became ready for occupancy and a second began construction. St. Regis Academy accepted some forty elderly tenants in April of this year. The adjacent structure, the former Androscoggin Valley Hospital will eventually house an additional sixty-five units for the elderly. Both projects provide subsidized rental units under the Department of Housing and Urban Development's Section 8 program.

At the same time it was working on the above two projects, the Community Development Department assisted the Berlin Housing Authority in the administration of another Section 8 assistance program which provides the same type of rental assistance to residents of smaller, privately owned rental structures. The City has agreed to pursue this type of funding for rental assistance for the foreseeable future, placing all emphasis on assisting the owners of existing apartment blocks.

During the course of the year, the Community Development Department continued to provide loans to property owners in targeted neighborhoods for the rehabilitation and improvement of their residential properties. These loans are available at substantially reduced interest rates and have proved very popular since they were first instituted some six years ago.

COMMUTER AIR SERVICE

Throughout the course of the year, the Community Development Department has diligently pursued the establishment of commuter air service between Boston and Berlin. In May 1981, the department organized a hearing before the Civil Aeronautics Board requesting that that agency provide financial assistance to a selected carrier during the initial period of service. While Berlin is closer to getting this service than it has been at any time since the early 1970's, the final decisions have yet to be made.

SUMMARY

After many years of planning and pursuing the necessary administrative details that proceed construction, this was the year that construction actually began in some of the Community Development Department's major projects. As such it was a very rewarding year.

Jeffrey H. Taylor
Community Development Director



BERLIN CITY PLANNING BOARD REPORT

PLANNING BOARD MEMBERS

The State of New Hampshire's planning enabling legislation assigns the following basic responsibilities to local planning boards:

1. To publish a municipal master plan and plan and promote public interest in and understanding of it.
2. To make investigations and recommendations relating to the planning and development of the municipality.
3. To consult with and advise public officials, agencies and citizens with regard to carrying out the master plan and the development of the municipality.

During the past year, the Berlin City Planning Board met monthly in pursuit of the above responsibilities. Significant accomplishments included:

1. Continued involvement in the James C. Cleveland Bridge project, including the June 27, 1981 groundbreaking.
2. Continued review of the development of plans to revitalize the downtown business district, with construction to begin in the fall of 1981.
3. Initiated a program of cooperation with the Berlin Water Works to identify needed improvements to Berlin's water system, including: a gravel-packed well, a 2MG storage tank, a new river crossing, and an ongoing leak detection program.
4. Continued consideration of the remaining, unconstructed portions of the East Side Arterial, particularly in the Napert Village and Upper Hutchins Street areas.
5. Continued work with the developers of St. Regis Academy (completed March 1981) and Androscoggin Valley elderly housing projects to ensure their successful development.
6. Reviewed proposals for relocation of New Hampshire Route 115 and recommended one proposal to the New Hampshire Department of Highways.

During the coming year, the City Planning Board will continue to plan the future of Berlin and make recommendations for orderly, well-planned, long-range development. The Board meets at City Hall the first Thursday evening of each month.

Romeo Boulanger, Chairman
Nicholas Darchik
Mark Hamlin
Donald Sloane
Richard Vaillancourt
Norman Morin

Alternate Members

Carol Couture
Henry Cote
Leo Montminy
Associate Members
Richard Poulin
Leo Ouellet
Lucien Dupuis
Roger Charron
Arthur McGuire
Donald Borchers
Sylvio Laplante

Ex-Officio Members

Richard Payeur
Maurice Wheeler
Michael Donovan



Public Library

LIBRARIAN'S REPORT

July 1, 1980-June 30, 1981

ACTIVITIES DURING THE YEAR

SUMMER READING PROGRAM:

"Lippy the Hippo" was the theme of the summer reading program. The children fed the hippo a piece of grass with each completed project. One hundred and six children registered and forty-seven completed the program. A party was held for those completing the program. Pastries made by the staff, munchkins and punch were served. Each child received their completed "Lippy the Hippo", a magnetic disguise game and a balloon. A film entitled "Perils of Pauline" was shown at this time.

CHILDREN'S BOOK WEEK

Twenty four classes visited the library during the weeks of Oct. 27 to Nov. 7, 1980, in observation of Children's Book Week.

ART MONTHS

The art program was held during the months of March and April. Seventy-three registered and twenty-eight entries were received. The theme of the program was "Know your United States". Seven entries were chosen as being outstanding and multi-colored pens were given to those participants.

STORY HOUR

Story Hour was held during July and August on Thursday mornings.

FILM PROGRAM

Films were shown every Wednesday afternoon from September thru June. The average attendance ranged from 25 to 30.

NATIONAL LIBRARY WEEK

Fine forgiveness week held in April every year.

LIBRARY SERVICE TO HANDICAPPED

Helped charter a trip to Concord for a special program for the handicapped.

ARTIFACTS

Special OPEN HOUSE was held in September for the opening of the Mt. Jasper artifacts room.

TRAINING AND SCHOOLS

Assistant Librarian enrolled in a ten week course held at Plymouth State College in Programs and Services for Adults and Young Adults.

Respectfully submitted,
Inez Hamlin, Librarian

BOARD OF TRUSTEES

Roberta Blais, Chairman
Nathalie Savchick
Lorraine Rivard

CIRCULATION

Adults	Juvenile	Total
39,707	17,637	57,444

LIBRARY RESOURCES

	Adult	Juvenile	Total
Total at Year End	22,289	11,465	33,754
Total of Borrowers' Cards in Library	7,973	3,409	11,442

Public Welfare

WELFARE DEPARTMENT REPORT

The following figures indicate the amount of cases and persons assisted by this department for the fiscal year of 7/1/80 to 6/30/81.

Category	Cases	Persons	Families	Singles
Direct Assistance	169	379	95	74
Aid Furnished to Veterans and Their Families	37	114	27	10
Board & Care	8	8	-	8
Transfers to the County	19	39	8	11
Old Age Assistance	9	9	-	9
Aid to Permanently and Totally Disabled	23	23	-	23
Intermediate Nursing Care	41	41	-	41
Totals	306	613	130	176

This department administers aid to the needy of the City according to the State of New Hampshire laws. In addition, the department counsels and refers applicants to other appropriate agencies for assistance.

Respectfully submitted,
Maurice A. Belanger
Overseer of Public Welfare





major component of our 1980-81 services. Major resurfacing, re-lining and resealing efforts were made on Community Field Park basketball court, tennis courts and tennis practice area. New lights and underground wiring were installed at the Community Field Park tennis courts. New fencing, re-lining, grading and seeding gave Community Baseball Fields a facelift. Our manpower was reinforced this year by the addition of a temporary CETA crew working with the Recreation and Parks Superintendent and maintenance crew on such projects as drainage work, building renovation and brushcutting at the Nansen 12th St. Ski Area as well as major road maintenance at Jericho Lake Park and the highly successful Co-Operative Bank Park project.

During 1980 and 1981, the Department continued its effort to work in cooperation with other area groups to provide leisure activities. Co-sponsorship of programs with such groups as the Berlin Kiwanis Club and the Nansen Ski Club were major assets to many programs. The Adult F.U.N. Program and the Annual Special Olympics were successful due to the cooperation of the North Country Association for Retarded and Handicapped Citizens. During this year, we have also worked in cooperation with such businesses as the Coca-Cola Bottling Company and the Berlin Co-operative Bank to provide even more comprehensive leisure opportunities; as exemplified by the highly successful Co-Operative Bank Park Project, the Coke Paw, Pedal and Paddle Race and the Nissen's Great River Raft Race.

The year 1980-81 was one of challenge for the Berlin Recreation and Parks Department. Up against local and national budget cuts as well as the constantly increasing cost of providing recreation services to the general public we met our challenge head on and were successful. We look forward, perfectly aware, of a future of constant monetary constraints. Yet, we are certain to maintain many of the existing services as well as branch out into more areas of public-cooperative recreation. With an awareness of the public's needs and requests in the area of leisure services, a concern to economize, a drive for even more cooperative programs with area businesses; we are certain the Berlin Recreation and Parks Department will continue to meet the growing leisure needs of our community.

Respectfully submitted,
The Berlin Recreation and Parks Department
 Mitchell A. Berkowitz, Superintendent
 Laura Lee Viger, Interim Director

RECREATION AND PARKS DEPARTMENT REPORT

The Recreation and Parks Department continued to provide Berlin residents with a diverse range of activities and programming during the July 1980-June 1981 fiscal year. Living within our budgetary guidelines, services were continually provided to a challenging community.

Our traditional programming efforts proved successful during the past year. The spring season was punctuated by numerous area businesses competing in the successful Anything Goes Competitions. Jericho Lake Park revenues increased, exciting summer playground programs and such leagues as Babe Ruth Baseball and Little League provided an exciting summer. As we moved indoors during the fall months, there was an upsurge of such programs as Macrame, Calligraphy and Creative Printing meeting the needs of our adult participants. And with winter, many participants joined us inside for such activities as Aerobic Dance, Men's and Youth Hockey, Volleyball, Basketball and Slimnastics.

In the area of special events, crowds were delighted by the Annual Gong Show, the 3rd Annual Halloween Haunted House and the Annual Family Christmas Bonfire. Attempting to break new ground, we also saw participants enjoying a new Christmas Fair program. As always, we look forward to discovering and offering even more interesting programs to Berlin residents.

Parks maintenance and improvements, as in the past, was a



BERLIN FIRE DEPARTMENT REPORT

The Fire Department is responsible for the protection of persons and property from fire. This includes fire prevention as well as fire fighting. The department is also responsible for electrical services and needs of all other city departments including the schools.

The total number of full time personnel is twenty-five including the two electricians. In addition there are twenty call men.

The department operates eleven vehicles: four pumpers, one ladder truck, one tank truck, one jeep, one electrical utility truck, one bucket truck, the chief's car and the fire prevention car.

The following is a brief summary of Fire Department activities from July 1, 1980 to June 30, 1981.

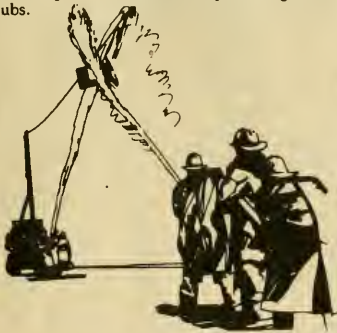


Dwellings
Stores
Factories
Garages
Brush & Dumps
Vehicles
False Alarms
Inspections
TOTALS

	Dwellings	Stores	Factories	Garages	Brush & Dumps	Vehicles	False Alarms	Inspections	TOTALS
July	5	1	2	2	4	2	5	9	30
August	5	1	3	0	1	5	13	9	37
September	4	1	2	0	2	1	8	15	33
October	13	4	2	2	1	2	10	14	48
November	13	3	2	4	0	2	3	10	39
December	23	0	3	0	1	3	4	14	48
January	35	1	3	2	5	3	7	15	71
February	19	2	5	3	1	6	2	6	44
March	20	2	1	0	0	4	9	5	41
April	15	2	2	1	23	1	15	1	60
May	5	2	0	0	14	2	12	3	38
June	2	1	1	0	13	4	16	2	39

The above does not include: Training Runs, Service Calls, and Fire Drills.

Other Department Activities: Inspection of Foster Homes, New Construction, Day Care Centers, Elderly Housing, Factories and Private Clubs.



POLICE DEPARTMENT REPORT

July 1, 1980 to June 31, 1981

The function of the Police Department is to prevent crime, apprehend those who have committed criminal acts and bring them before the courts. This department is also charged with enforcement of the laws and ordinances of the City, and control of traffic. Some of the departmental activities during the year include.

Complaints Investigated	1,035
Escorts, Banks, Post Office, etc.	41
Auto Accidents, Investigated	402
Railroad Cars checked	8
Animal Calls	29
Door Found Unlocked - Owner Notified	146
Emergency Blood Run	7
Complaint on Dogs	248
Dog Summonses	14
Deaths Investigated	3
Fires Reported	1
Messages Delivered	14
Equipment Escorts	39
Assistance Given	53

Investigation of Crimes:

Assaults, Aggravated	2
Other Assaults	23
Burglary - Breaking and Entering	36
Auto Thefts	27
Drugs	44
Larceny	156
Malicious Damage	197
Murder	1
Robbery	1
Violation of Motor Laws	802
Driving While Intoxicated	53
Violation of Liquor Laws	6
Disorderly	25
Bad Checks	5
Interfering with Police Officers	1
Criminal Mischief	19
Criminal Threatening	12
Harassment by Phone	5
Criminal Trespass	5
Total Traffic Arrests, Including Summonses	802
All Other Arrests, Held for Prosecution	282

Public Health

HEALTH DEPARTMENT REPORT

Annual Report 1980-1981

INSPECTION SERVICE OF THIS DEPARTMENT

Zoning (see following page)
Housing (see following page)

MEDICAL-CLINICAL SERVICES

Number of office visits 782
Number of office patients 599

IMMUNIZATIONS GIVEN DURING THE YEAR

Oral Polio Vaccine 226
D.T.P. injections 225
Measles, Mumps, Rubella Vaccine 38
Measles Vaccine 1
Mumps Vaccine 3
T.B. Test 97
T.B. Mantoux Tests 14

CLINIC ATTENDANCE RECORD

Monthly immunization clinic 264
Handicapped Children's Clinic 133
Cardiac clinic 19
Flu Shots 265

PUBLIC HEALTH NURSING

Number of home nursing visits 2354
Number of home nursing patients 950
Number of Home Health Aide visits 711
Number of ambulance calls in contract area 771
Number of ambulance calls outside contract area 123
Number of school nursing visits 147
Number of school inspections by nurse 282
Number of children referred to State Agencies 22
Number of adults referred to State Social Agencies 10
Number of defects found at school 147

SPECIAL SCHOOL TESTING PROGRAMS

Maico hearing tests and retests 321
Eye test 107

Respectfully submitted,

Board of Health

Edouard M. Danais, M.D.
Phillip Tremblay, Pharmacist
Louise Marquis, R.N.

Health Officer

Robert A. Delisle

HOUSING INSPECTOR REPORT

July 1, 1980 to June 30, 1981

Moderate Rehab.	8 bldg.-32 rental units
Subsidy Loans	18
Rooming House Permits	31
Inspections upon Complaints	38
Student Housing	25
Units Inspected	198
Violations found	27
Violations corrected	26
Condemnations released	3
Units condemned	48
Progress inspections	26
Rooming House Units	110
Structures inspected	213

This report includes inspections conducted for the Berlin Housing Authority under the Section 8 Program and inspections for the Community Development Department in regards to home improvement and the upgrading of neighborhoods within defined areas in the City.

Norman G. Rollins
Housing Inspector

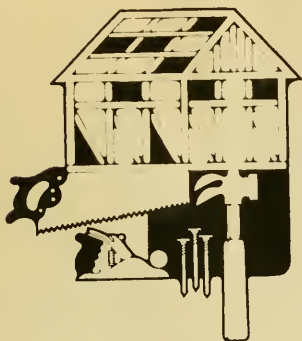
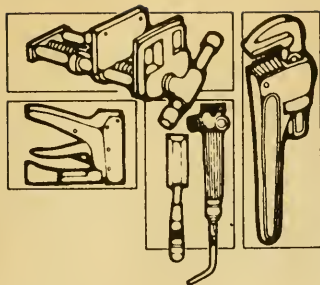
BUILDING INSPECTOR'S REPORT

July 1, 1980 to June 30, 1981

Permits Issued	Type	Estimated Cost
6	NEW Homes	\$ 190,200
15	Garages & Carports	37,345
121	Residential Alterations	363,300
15	Residential Additions	51,700
12	Residential Demolitions	
5	Commercial Buildings	94,900
4	Commercial Additions	152,600
11	Commercial Alterations	148,500
3	Commercial Demolitions	
0	Industrial Alterations	
3	Industrial Buildings	387,000
1	Industrial Additions	38,000
0	Industrial Demolitions	
7	Swimming Pools	18,995
21	Signs	16,268
30	Siding	94,880
1	Plumbing	3,150
182	Electrical	414,894
437	Totals	\$2,013,232

This report excludes estimated cost of construction projects at James River Corp.

POLLUTION CONTROL DEPARTMENT REPORT



Berlin Pollution Control has been operating since July 31, 1979. The wastewater flow to the plant has been increasing steadily as the street construction is completed. Presently the flow is at 1,500,000 gallons per day. The City of Berlin has a well-designed plant, both architecturally and operationally. There have been no major upsets in operation.

There are two agencies overlooking the operation of the plant, the Environmental Protection Agency, a federal agency; and the New Hampshire Water Supply and Pollution Control Commission, a state agency. The City's treatment plant must comply to a discharge permit that is written by these agencies.

Six people operate and maintain the facility. The crew has attended several technical work sessions and are enrolled in a correspondence course. All of the courses are highly technical and upon completion a certificate is awarded. Five people are now licensed by the State of New Hampshire in the waste water field. These licenses range from Grade 1 to Grade levels. The crew at the facility is the major contribution for proper operation and maintenance. They have acquired the proper "know how" that is needed to operate this complex system in an orderly and efficient manner.

The Pollution Control Department has reduced and/or modified several areas of energy savings. For example:

- A. Several modifications have been made to the aeration system. This resulted in a savings of \$1000 per month.
- B. Night thermostats and temperature controllers have been adjusted to reduce oil consumption.
- C. The state has allowed us to stop adding chlorine to the effluent during winter months. This will result in savings of chemicals and energy.
- D. Use of Public Service computer sheets helps in lowering high power demands on a daily operation.

ENGINEERING OFFICE

GENERAL

The Pollution Control Department was established in 1978. The department was created because of the additional administrative work required in operating and maintaining the treatment plant and its collection system. In addition to managing the treatment plant, the department is involved in the following tasks. The Engineer's Office designs or reviews and supervises various construction projects; provides related technical assistance to other departments; manages the sewer billing program; manages the municipal building energy program; prepares, files, and maintains City maps and new construction drawings; and manages and monitors the Street Opening Permit Program.

Since the establishment of the department, the Engineer's Office has spent a majority of its time on the sewer project. Accomplishments in the above areas during the past year are listed below.

SEWER PROJECT

Much of the department's time in 1981 was spent on the sewer project. This past year saw a majority of the original sewer project work completed. To allow this work to be completed, contractors that were unwilling to return to work this spring were terminated.

Because these contractors were terminated, the City was then able to retain new contractors which completed all the pipe work on Contracts #3, #5 and #6. In addition to completing this pipe work, much of the final paving and sidewalk repair work was also completed on these contracts.

All of the work which was completed after the original sewer contractors were terminated must be documented and organized to be used in future litigation to define the City's cost of completing

ZONING BOARD REPORT

Public Hearing Held	5
Appeals filed	10
Variations granted	8
Variations denied	2

ZONING BOARD MEMBERS

Richard Poulin, Chairman
 John Scarinza, Vice Chairman
 Harvey Blais, Secretary
 Ernest Guay
 Denis Morin

ALTERNATE MEMBERS

Robert Boulanger
 Ronald Goudreau
 Roland Lamontagne

Fernand Villeneuve
 Building Inspector

BERLIN WATER WORKS REPORT

Between July, 1980 and June 30, 1981, water entering the water distribution system exceeded 1,282 million gallons.

During this fiscal City year, Mayor and Council instructed the Water Commissioners to raise funds from its customers to cover the cost of annual principal and interest payments due on the Bond for the Androscoggin Water Treatment Facility. The Commissioners informed Mayor and Council that the March 1, 1981 interest payment would not be paid by the Water Works, however, all future payments on the Bond would be paid for by charging its water customers an assessment fee based upon water consumption, commencing with the April, 1981 water bills. Payment on the Bond for year 1980 was paid by City taxes.

The annual running water program to prevent freezing of service lines was started on December 16, 1980 and ended on April 15, 1981.

Frozen water mains and service lines was a severe problem during the winter season and became an emergency when it was necessary to obtain assistance from the Littleton, N. H., Water and Light Department who furnished a thawing machine, pick-up truck and one man. Local contractors were retained to assist in thawing frozen mains. A thawing machine was rented from a local contractor. Outside labor was acquired by use of off-duty Policemen and Firemen. Assistance was provided by the Gorham Water Department and the City of Berlin Public Works Department. Thawing of water service lines was provided to 566 customers compared to 268 for the previous winter season. Customers on Cascade, Hamlin, Clark, Hill, Bridge, and Carroll Streets and on Pershing, Gordon, First and Second Avenues as well as Third Ave. Extension were without water for up to eight weeks when two inch water mains froze in these service areas. Customers whose service lines could not be thawed out were provided with a temporary water connection to a neighbor's by garden hose. Water Works supervisory and union personnel deserve special recognition for the long hours worked daily on a continuous basis during the freeze-up period.

In January, 1981, due to peak demands for water associated with the running water program and freeze-ups, it became necessary to chop holes in the Androscoggin River ice and pump water from the river into the Treatment Plant filters to meet the high demands for water.

Joint meetings between Mayor and Council, City Planning Board and the Water Commissioners during the Spring of 1981 resulted in the establishment of short and long term goals for major Water Works capital improvements and resulted in an appropriation of \$350,000 for fiscal year 1982.

Water Works crews were kept busy during the summer and fall of 1980 by sewer construction contractors. Services provided were tracing of water lines, assistance to repair broken mains, service lines, valves and shut-offs.

A twelve inch water main extension was installed in the Spring of 1981 by Water Works crews along East Milan Road beginning at the Industrial Park drive entrance and stopping in front of the James River Barn. The project was partially paid for by BEDCO funds, City of Berlin funds and donated Water Works labor and equipment.

Starting with the July 1980 quarterly water bill, water rates were increased in 1980 by 25 percent for water and 20 percent for fire protection.

Estelle J. Bell, a Water Works Employee for over ten years retired from the Water Works in April of 1981. Debra M. Page was hired to replace Estelle. Lynne Lessard was hired in September of 1980 to fill a vacant office position.

The following served on the Board of Water Commissioners during the period of this report:

Donald E. Borchers, Chairman John S. Sullivan
Gerard E. Payeur, Clerk Richard E. Demers

Respectfully submitted,
Albin D. Johnson, P.E.
Superintendent & Chief Engineer



the original sewer project work. The Engineer's Office at present spends the majority of its time gathering this data and other forms of data which will be used in future litigation on the sewer project.

SEWER BILLING

The City's first sewer bills were sent out in January of 1980. The sewer billing process is a result of much cooperation between the Berlin Water Works and the Berlin Pollution Control Department. The April sewer bill of 1981 was the last quarterly sewer bill the City sent out. Starting in May of 1982, the City will be mailing out one sewer bill per year. The switch to an annual billing process will allow the City to minimize the extensive preparation and collection time required by the quarterly sewer billing process.

A summary of the 1981 sewer billing data is as follows:

Billing Date	Warrant	Average Bill Amount	Number of Abatements
October, 1980	103,398.59	\$29.97	33
April, 1981	97,434.97	\$28.24	25

OTHER PROJECTS AND PROGRAMS

1. **Wood Street Extension.** The City Engineer's Office designed the extension of Wood Street between Maynesboro Street and Hutchins Street. The design was used by this office to obtain a crossing permit from the Boston and Maine railroad to allow the extension of Wood Street.

2. **Street Opening Permits.** The Engineer's Office drafted alterations to the Street Opening Permit Ordinance which was passed in August of 1981. The new Street Opening Permit Program allows the City to collect monies from the applicant to pay for an adequate paving repair of the excavation area. This new program will allow the City to maintain the present condition of the newly overlaid streets.

3. **Technical Assistance.** The Engineer's Office provided technical assistance to the Community Development Department on various portions of the Downtown Revitalization Project.

Respectfully submitted,
Larry Wagner
Acting City Engineer

PUBLIC WORKS DEPARTMENT

The Public Works Department purchased a new International 4-wheel drive truck with wing and plow and a new sidewalk plow with a rear mounted sand spreader.

Spring and fall clean-up weeks produced 143 calls.

2332 tons of salt were used this past winter. 150 sand and salt containers are placed throughout the City at steep grades and intersections.

The department assisted in the demolition of the Y.M.C.A. Bridge resulting in a great saving to the City.

The City purchased 772 tons of hot top and cold patch.

The sanitation department continued to do an excellent job.

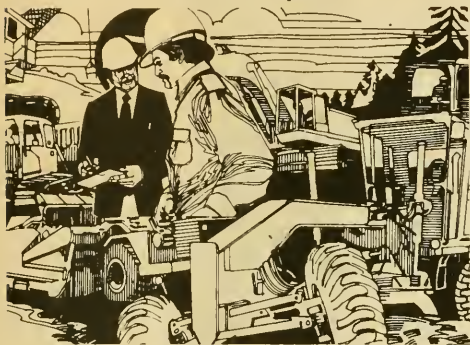
Many hours were spent aiding the Berlin Water Works Department thawing water lines.

The department is continuing to practice energy saving.

Twenty-five (25) catch basins were repaired or rebuilt and seventy-five (75) new manholes were installed.

352 linear feet of sewer lines were replaced.

570 linear feet of drain lines were replaced.



BERLIN HOUSING AUTHORITY REPORT

MODERATE REHABILITATION

Implementation of the Berlin Housing Authority's newest assisted housing program (the Moderate Rehabilitation program) was initiated on May 28, 1980. By year's end, 26 of the 49 units allocated to Berlin had been placed under agreement and owner proposals representing an additional 32 units were under review. The average rehabilitation expenditure for the first 26 housing units put under agreement was in excess of \$3,650 per unit.

The target date for placing all 49 units under contract with private owners is November of 1981.

ST. REGIS HOUSE

Also in 1980, the Authority contracted with the St. Regis Housing Partnership to manage the apartment housing which will become available for occupancy upon completion of the conversion/rehabilitation work underway at the former St. Regis Academy. Designed specifically for the elderly, St. Regis House will contain 42 apartments, laundry rooms and an elevator. Each apartment in the four-story building will be furnished with a range and refrigerator. To be eligible for rental assistance at St. Regis House, elderly families may not have annual incomes in excess of the following limits: one person, \$10,400; two persons, \$11,900.

It is expected that the complex will be ready for tenancy by March of 1981.

ASSISTED HOUSING NOTES

*With the addition of six existing housing (EH) units during 1980, the number of units in the Authority's three assisted housing programs now totals 236. Of these, 55 are traditional public housing units (units owned, managed and maintained by the Authority), 132 are Section 8 EH units and 49 are Section 8 Moderate Rehabilitation (MR) units. All 55 public housing units are for the low-income elderly. Of the 181 Section 8 units, 94 are designated for occupancy by lower-income, non-elderly families and 87 are set aside for elderly households.

*During 1980, the City Health Department inspected 136 housing units and found that 23 of them did not meet the EH program's quality standards. Needed repairs were made by the owners of all but four of the 23 units.

*The average housing assistance payment made monthly to private landlords on behalf of lower-income households participating in Berlin's EH program is \$129. (A housing assistance payment represents the difference between the gross rent being charged for a dwelling unit and that portion of the rent which an assisted family is required to pay.)

*On the average, the Authority pays 3/5 of the total shelter costs of those households participating in the EH program and, at present, is making housing assistance payments to private owners at an annual rate of some \$204,000.

BHA Commissioners, 1980
 Robert R. Morin, Chairman
 Clarence M. Welch, Vice-Chairman
 Romeo Blouin
 Romeo Boulanger
 Albert Drouin

PUBLIC HOUSING/SECTION 8 balance sheet (as of December 31, 1980)

ASSETS

Cash		
General Fund	\$ 48,588	
Petty Cash	\$ 100	\$ 48,688
ACCOUNTS RECEIVABLE		414
ADVANCES - REVOLVING FUND		1,572
INVESTMENTS		
General Fund		27,000
Security Deposits Fund		3,480
DEBT AMORTIZATION FUNDS		
HUD Annual Contributions		
Receivable		86,005
DEFERRED CHARGES		
Prepaid Insurance		4,331
LAND, STRUCTURES & EQUIPMENT		<u>1,297,186</u>
TOTAL ASSETS		<u>\$1,468,676</u>

LIABILITIES & CAPITAL

LIABILITIES		
Accounts Payable		\$ 7,069
Notes Payable		1,061,000
Accrued Interest Payable		58,203
Payments in Lieu of Taxes		797
Prepaid Annual Contributions		22,850
Prepaid Rents		<u>938</u>
TOTAL LIABILITIES		\$1,150,857
CAPITAL		
Operating Reserves	\$ 50,613	
Cumulative HUD Annual Contributions (net)	267,206	
TOTAL CAPITAL		<u>\$317,819</u>
TOTAL LIABILITIES AND CAPITAL		<u>\$1,468,676</u>

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

We have examined the financial statements of the various funds and the general long-term debt account group of the City of Berlin, New Hampshire for the year ended June 30, 1981, listed in the foregoing table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The financial statements of the Cemetery Trust Funds were not examined by us, or other certified public accountants, and are not included in the accompanying financial report. The financial statements of the Berlin Water Works are examined and reported upon separately by other certified public accountants and, accordingly, are not included in the accompanying financial report. The City has not maintained records of the cost of its general fixed assets and, accordingly, a statement of general fixed assets, required by generally accepted accounting principles, is not included in the accompanying financial report.

Budgetary control over certain grants accounted for in the Special Revenue Funds is maintained on the basis of the fiscal periods of the grants. Accordingly, a Statement of Revenues, Expenditures and Encumbrances - Budget and Actual for those Special Revenue Funds for the year ended June 30, 1981 is not presented as required by generally accepted accounting principles.

As set forth in Note 12 to the financial statements, the City is a party to various legal actions for substantial amounts with contractors and engineers in connection with the construction of a wastewater treatment system. The ultimate liability resulting from these matters cannot be reasonably estimated 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 and third paragraphs of this report and subject to any adjustments to the financial statements which may result from ultimate resolution of the uncertainties referred to in the fourth paragraph of this report, the financial statements of the various funds and the long-term debt account group of the City of Berlin, New Hampshire referred to in the first paragraph present fairly the financial position of those funds at June 30, 1981 and the results of operations of such funds and the changes in financial position of the Industrial Development and Park Authority and Sewer Fund for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year except for the capitalization of interest in the Sewer Fund, with which we concur.

The financial statements referred to in the foregoing opinion appear on pages 3 to 26, inclusive, in this report. Our examination was made primarily for the purpose of forming an opinion on these basic financial statements, taken as a whole. The other data included in this report on pages 27 to 31, inclusive, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Portland, Maine
September 18, 1981

Coopers & Lybrand

CITY OF BERLIN, NEW HAMPSHIRE
ALL FUND TYPES AND GENERAL LONG-TERM DEBT ACCOUNT GROUP

BALANCE SHEETS

June 30, 1981

	Governmental Fund Types			Proprietary Fund Type	Account Category
	General Fund	Special Revenue Funds	Debt Service Fund	Enterprise Funds	General Long-Term Debt
Assets:					
Cash	\$ 71,820				
Certificates of deposit	2,254,510		\$ 948,015		
Taxes receivable - delinquent	435,986				
Taxes receivable - current	46,834				
Accounts receivable	255,913			\$ 88,505	
Interest receivable	19,955			43,256	
Other receivables	(70,260)			(15,000)	
Allowance for estimated uncollectibles					
Due from federal and state governments		\$188,315		1,666	
Mortgage note receivable (Note 6)		143,269	\$19,290	12,859	
Net investment in direct financing lease (Note 6)	100,180		1,114,081		
Due from other funds	219,150				
Due from Berlin Water Works	6,103				
Prepaid expense				6,270	
Inventory			193,090		
Advanced payment on construction costs				143,975	
Total current assets				215,504	
Investment property (Note 6)				830,393	
Net investment in direct financing lease (Note 6)				459,134	
Property and equipment				22,805,322	
Wastewater treatment facility (Note 7)				(848,721)	
Accumulated depreciation					
Amounts available in Debt Service Funds					\$ 19,290
Amounts to be provided for retirement of general long-term debt by:					
City			\$19,290		4,849,690
State		\$331,584			3,391,020
Total assets and amounts available and to be provided for retirement of general long- term debt	<u>\$3,340,171</u>	<u>\$331,584</u>	<u>\$19,290</u>	<u>\$23,605,607</u>	<u>\$8,260,000</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
ALL FUND TYPES AND GENERAL LONG-TERM DEBT ACCOUNT GROUP
BALANCE SHEETS, Continued

	Governmental Fund Types		Capital Projects Funds	Proprietary Fund Type		Account Group General Long-Term Debt
	General Fund	Special Revenue Funds		Debt Service Fund	Enterprise Funds	
Liabilities:						
Federal aid anticipation notes payable (Note 9)			\$ 3,080,777		\$ 27,669	
Accounts payable	\$ 102,276	\$ 18,192	1,276,719		5,000	
Retainage payable			148,015			
Deferred revenue	73,500					
Notes payable and current portion of long-term debt	285,054		15,903	77,392	12,008	
Unmatured interest expenses	435,290					
Taxes collected in advance	1,237,210	50,506	39,430	49,674		
Due to other funds						
Total current liabilities				171,723		
General long-term debt payable (Note 10)				970,638		\$8,260,000
Total liabilities	2,133,320	68,698	3,516,304	1,142,361		8,260,000
Fund Equity:						
Contributed capital					22,473,001	
Accumulated deficit					(9,755)	
Fund balances:						
Reserved for encumbrances	205,224					
Reserved for appropriations carried forward	285,848	143,126				
Reserved for subsequent years' expenditures (Note 11)	517,390					
Unreserved:						
Designated for debt service				\$19,290		
Designated for capital projects	198,389	119,760		239,223		
Undesignated	1,206,851	262,886		19,290		
Total liabilities and fund equity	\$3,340,171	\$331,584	\$3,755,527	\$23,605,607		\$8,260,000

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
 ALL GOVERNMENTAL FUND TYPES

STATEMENTS OF REVENUES, EXPENDITURES, OPERATING TRANSFERS
 AND CHANGES IN FUND EQUITY

for the year ended June 30, 1981

	<u>General Fund</u> (Note 3)	<u>Special</u> <u>Revenue Funds</u>	<u>Debt Service</u> <u>Fund</u>	<u>Capital</u> <u>Projects Funds</u>
Revenues:				
Local:				
Property taxes	\$4,950,706			
Resident taxes	73,440			
Other taxes	27,782			
Licenses, permits and fees	244,727			
Charges for services	84,836	\$ 126,943		
Interest income	305,520	18,329		
Fines and forfeits	21,533			
Other revenues	12,196	8,355		\$ 129,053
Total local	<u>5,720,740</u>	<u>153,627</u>		<u>129,053</u>
State shared revenues and grants	2,292,762	302,021	\$ 385,231	349,078
Federal:				
Federal entitlements and grants		<u>1,126,983</u>		<u>2,349,239</u>
Total revenues	<u>8,013,502</u>	<u>1,582,631</u>	<u>385,231</u>	<u>2,827,370</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
ALL GOVERNMENTAL FUND TYPES

STATEMENTS OF REVENUES, EXPENDITURES, OPERATING TRANSFERS,
AND CHANGES IN FUND EQUITY, Continued

	General Fund (Note 3)	Special Revenue Funds	Debt Service Fund	Capital Projects Funds
Expenditures:				
Current:				
General Government	\$ 1,534,132	\$ 259,055		
Public safety	1,154,393	218,000		
Highways and streets	841,164	116,137		
Health	113,421	93,602		
Welfare	153,589			
Culture and recreation	200,370	46,523		
School department	3,582,344	662,998		
Debt Service:			\$ 705,000	
Redemption of serial bonds			468,835	
Interest on serial bonds				\$ 173,890
Interest on federal aid anticipation notes		52,727		2,201,309
Capital outlays				46,770
Legal expense				45,701
Bad debt expense				
Total expenditures	7,579,413	1,449,042	1,173,835	2,467,670
Excess (deficiency) of revenues over expenditures	434,089	133,589	(788,604)	359,700
Operating transfers:				
Transfers in	6,899		617,144	180,292
Transfers out	(617,144)	(187,191)	170,325	
Transfer from Berlin Water Works				
Total operating transfers	(610,245)	(187,191)	787,469	180,292
Excess (deficiency) of revenues over expenditures and operating transfers	(176,156)	(53,602)	(1,135)	539,992
Fund equities, beginning of year	1,358,007	316,488	20,425	723,675
Equity transfers in (out)	25,000			(35,000)
Fund equities, end of year	\$ 1,206,851	\$ 262,886	\$ 19,290	\$ 1,228,667

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL

for the year ended June 30, 1981

	Budget (Note 3)	Actual Over (Under)	Actual Over (Under)	Budget (Note 3)	Actual (Note 3)	Actual Over (Under)
Revenues:						
Taxes:						
Property tax	\$4,950,706	\$4,950,706		\$	\$	\$
Resident tax	73,440	73,440				
Other taxes	1,913	1,913				
	<u>5,026,059</u>	<u>5,026,059</u>				
Licenses, permits and fees:						
Vehicle permits	235,000	232,164	\$ (2,836)	370,000	336,171	(33,829)
City clerk fees	8,000	1,887	(1,113)	18,327	18,327	-
Dog licenses	2,000	1,520	(480)	23,000	49,461	26,461
Beano licenses	2,000	2,875	875	175,000	256,060	81,060
Junk licenses	100	20	(80)	4,000	25,019	21,019
Boat licenses	4,500	1,140	(3,360)		280	280
Restaurant licenses	200	1,230	1,030	2,628	9,074	6,446
	<u>251,800</u>	<u>245,836</u>	<u>(5,964)</u>	<u>592,955</u>	<u>694,392</u>	<u>101,437</u>
Intergovernmental revenue:						
Business profits tax	1,285,232	1,285,233	1	9,204,940	9,319,881	114,941
Rooms and meals tax	182,423	182,423	-			
Interest and dividends tax	162,780	162,780	-			
Savings bank tax	58,881	58,882	1	35,000	35,000	-
Railroad tax	4,020	4,021	1	46,800	46,800	-
National forest land tax	22,100	25,171	3,071			
School department subsidies	371,059	448,117	77,058	81,800	81,800	-
School grants - federal and state	319,753	232,189	(87,564)			
School - cafeterias	375,228	287,956	(87,272)			
Debt service subsidy	65,447	65,447	-			
Highway department subsidy	59,550	59,550	-			
Welfare department state funds	385,750	385,750	-	9,286,740	9,401,681	\$114,941
Wastewater - state - bond	385,231	385,231	-	881,456	881,456	-
Water bond	46,500	46,500	-	<u>\$10,168,196</u>		
	<u>3,239,126</u>	<u>3,243,952</u>	<u>4,826</u>			
Charges for services:						
Cemetery Trusts						
Rent				750	1,500	750
Health department				1,500	2,249	749
Public works department				40,000	58,289	18,289
				<u>22,750</u>	<u>24,019</u>	<u>1,269</u>
District court fines and forfeits				65,000	86,057	21,057
				<u>30,000</u>	<u>23,585</u>	<u>(6,415)</u>
Other:						
General revenue sharing						
Antirecession Fiscal Assistance				370,000	336,171	(33,829)
Interest on delinquent taxes				18,327	18,327	-
Interest on investments				23,000	49,461	26,461
Uncommitted taxes				175,000	256,060	81,060
Parks and recreation concessions				4,000	25,019	21,019
Other				2,628	9,074	6,446
				<u>592,955</u>	<u>694,392</u>	<u>101,437</u>
Total revenues				9,204,940	9,319,881	114,941
Transfers from other funds:						
City's share of Vocational funds				35,000	35,000	-
Industrial Development and Park Authority Fund				46,800	46,800	-
Total transfers from other funds				81,800	81,800	-
Total revenues and transfers from other funds				9,286,740	9,401,681	\$114,941
Transfer from fund balance				881,456	881,456	-
				<u>\$10,168,196</u>		

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL, Continued

	Budget (Note 3)	Actual (Note 3)	Encumbrances	Actual and Encumbrances Over (Under)
Expenditures and encumbrances:				
General government:				
Mayor and city council	\$ 10,700	\$ 7,452		\$ (3,248)
Administration	269,663	258,482	\$ 1,963	(9,218)
Elections	10,950	8,855		(2,095)
City hall and other buildings	51,051	31,994	550	(18,507)
District court	23,475	23,270		(205)
Insurance	71,750	68,235		(3,515)
County tax	371,449	371,449		-
Interest on short-term borrowing	10,000	98,751		(10,000)
Discounts and abatements	96,750	549,038	64,575	2,001
Miscellaneous personnel costs	573,771	569,038		39,842
Contingent	20,000	16,955		(3,045)
Sundry	38,200	31,992		(6,208)
	<u>1,547,759</u>	<u>1,466,473</u>	<u>67,088</u>	<u>(14,198)</u>
Public safety:				
Police department	608,620	577,776	14,257	(16,587)
Fire department	589,586	595,513		6,127
Street lighting	97,200	144,388		17,188
Ambulance	63,000	41,310		(1,690)
Special Programs	21,596	23,289		1,693
	<u>1,379,802</u>	<u>1,372,276</u>	<u>14,257</u>	<u>6,731</u>
Highways and streets:				
Public works department	1,008,945	826,994	2,550	(179,401)
Capital improvements	130,500	10,246	1,502	(128,998)
Town road improvement	10,246	16,908		-
Airport	16,920	97,094	1,562	(33,325)
Pollution con.trol	131,981	951,242	5,614	(341,736)
	<u>1,298,592</u>	<u>1,092,484</u>	<u>11,228</u>	<u>(206,108)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, TRANSFERS AND ENCUMBRANCES -
BUDGET AND ACTUAL, Continued

	Budget (Note 3)	Actual (Note 3)	Encumbrances	Actual and Encumbrances Over (Under)
Expenditures and encumbrances, continued:				
Health	\$ 115,717	\$ 112,569	\$ 328	\$ (2,820)
Welfare	161,222	153,589		(7,633)
Culture and recreation:				
Recreation and parks	140,919	137,738	1,405	(1,776)
Library	65,278	64,284		(994)
Education:	206,197	202,022	1,405	(2,770)
School department	4,238,272	3,982,490	116,532	(139,250)
Total expenditures and encumbrances	8,947,561	8,240,661	205,224	(501,676)
Transfers to other funds:				
Debt Service:	720,000	720,000		
Serial bonds	500,635	500,635		
Bond interest				
Total transfers to other funds	1,220,635	1,220,635		
Total expenditures, encumbrances and transfers to other funds	\$10,168,196	9,461,296	\$205,224	\$ (501,676)
Excess of expenditures and transfers over revenues and transfers		\$ 59,615		

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
 GENERAL REVENUE SHARING FUND
 STATEMENT OF REVENUES AND EXPENDITURES
 BUDGET, ENCUMBRANCES AND ACTUAL

for the year ended June 30, 1981

	Budget	Expenditures	Encumbrances	Actual Over (Under)
Police	\$120,000	\$109,000		\$(11,000)
Fire	120,000	109,000		(11,000)
Public Works	<u>130,000</u>	<u>118,171</u>		<u>(11,829)</u>
	<u>\$370,000</u>	<u>\$336,171</u>		<u>\$(33,829)</u>

Amounts above are included in the General Fund Statement of Revenues, Expenditures, Transfers and Encumbrances - Budget and Actual on pages 7-10 of this financial report.

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
 ENTERPRISE FUNDS
 BALANCE SHEETS
 June 30, 1981

ASSETS		Sewer Fund	Total
Accounts receivable	\$ 16,562	\$ 71,943	\$ 88,505
Allowance for estimated uncollectibles		(15,000)	(15,000)
Accounts receivable - BIDD	43,256		43,256
Net investment in direct financing lease (Note 6)	1,666		1,666
Inventory (Note 7)	12,855	6,270	12,654
Other assets		6,419	6,419
Total current assets	<u>74,343</u>	<u>69,632</u>	<u>143,975</u>
Investment property (Note 6)	215,504		215,504
Net financing lease (Note 6)	830,393		830,393
Property and equipment	459,134		459,134
Wastewater treatment facility (Note 7)	(7,707)	22,805,322	22,805,322
Less accumulated depreciation	<u>1,457,324</u>	<u>21,564,308</u>	<u>(2,014,648)</u>
Total assets	<u>1,571,667</u>	<u>22,033,940</u>	<u>23,605,607</u>
LIABILITIES AND RETAINED EARNINGS			
Accounts payable	22,390	5,259	27,649
Other liabilities and accrued	8,030	3,978	12,008
Retainage payable	5,000		5,000
Notes payable and current portion of long-term obligations	77,392	11,466	88,858
Due to General Fund	<u>36,208</u>	<u>20,703</u>	<u>56,911</u>
Total current liabilities	151,020	20,703	171,723
Long-term obligations	970,638		970,638
Total liabilities	<u>1,121,658</u>	<u>20,703</u>	<u>1,142,361</u>
Fund equity:			
Contributed capital	22,234,793		22,234,793
Reserve for depreciation	(819,414)		(819,414)
Less amortization			
City's contributions	457,042	21,415,379	21,415,379
	497,012	960,910	1,057,624
Retained earnings (accumulated deficit)	<u>(67,003)</u>	<u>37,248</u>	<u>(29,755)</u>
Total fund equity	<u>450,009</u>	<u>22,013,237</u>	<u>22,463,246</u>
Total liabilities and fund equity	<u>\$1,571,667</u>	<u>\$22,033,940</u>	<u>\$23,605,607</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY
STATEMENT OF NET COST TO CARRY PROPERTIES
AND ACCUMULATED DEFICIT

for the year ended June 30, 1981

Expenses:	
Interest on general obligation bonds	\$ 31,800
Interest on long-term borrowing	23,288
Contribution to BEDCO	66,938
Utilities	1,361
Depreciation	7,707
Other	<u>5,583</u>
Total carrying cost	<u>136,677</u>
Revenue:	
Payments in lieu of taxes	17,544
Rent	34,860
Interest on mortgage receivable	1,408
Interest on net investment in direct financing lease	40,156
Other	<u>15,186</u>
Net cost to carry properties	<u>108,154</u>
Accumulated deficit, beginning of year	(28,523)
Accumulated deficit, end of year	<u>(18,480)</u>
	<u>\$(47,003)</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
INDUSTRIAL DEVELOPMENT AND PARK AUTHORITY
STATEMENT OF CHANGES IN FINANCIAL POSITION

for the year ended June 30, 1981

Uses of financial resources:	
For operations:	
Net cost to carry properties	\$ 28,523
Less expenses not requiring working capital - depreciation	(7,707)
Increase in net investment in direct financing lease	222,969
Additions to property	459,134
Reduction of long-term obligations	<u>42,212</u>
Total uses of financial resources	<u>\$745,131</u>
Sources of financial resources:	
Reduction in investment property	225,910
Contributions to capital	10,000
Decrease in mortgage note receivable	1,666
Proceeds from long-term obligations	480,100
Decrease in working capital	<u>27,455</u>
Total sources of financial resources	<u>\$745,131</u>
Changes in elements of working capital:	
Increase (decrease) in current assets:	
Accounts receivable	16,513
Other receivables	43,726
Mortgage note receivable, current portion	(3,001)
Current portion of net investment direct financing lease	<u>1,397</u>
	<u>56,165</u>
Increase (decrease) in current liabilities:	
Accounts payable	22,390
Current portion of long-term obligations	20,292
Notes payable	50,600
Other liabilities and accrued expenses	(3,970)
Retainage payable	5,000
Due to General Fund	<u>(10,692)</u>
Decrease in working capital	<u>83,620</u>
	<u>\$ 27,455</u>

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
SEWER FUND

STATEMENT OF CHANGES IN FINANCIAL POSITION
for the year ended June 30, 1981

Revenues:		
User charges	\$ 195,592	\$ 497,253
Expenses:		
Depreciation	430,840	(430,840)
Salaries and wages	112,115	
Plant supplies	10,196	
Fuel and oil	84,558	
Utilities	5,575	
Accounting and collections	12,809	
Bad debt	692,865	
Other	497,253	
Operating loss		230,000
Nonoperating expense:		
Interest expense - general obligation bonds	212,160	2,066,598
Operating transfer from General Fund	709,413	2,066,598
Net loss	(212,160)	66,413
Add depreciation on fixed assets acquired by grants, entitlements, and shared revenues externally restricted for capital acquisitions and construction that reduces contributed capital	420,060	
Decrease in retained earnings	77,213	
Retained earnings, beginning of year	114,461	25,195
Retained earnings, end of year	\$ 37,248	(106,165)
Contributed capital, beginning of year	20,099,431	(14,346)
Contributions to capital in aid of construction	2,066,598	6,419
Contributions from City and State	230,000	(88,871)
Depreciation on fixed assets acquired by grants, entitlements, and shared revenues externally restricted for capital acquisitions	(420,060)	(4,304)
Contributed capital, end of year	\$ 21,975,989	3,978
		(22,132)
		(22,458)
		\$ (66,413)

The accompanying notes are an integral part of the financial statements.

Uses of financial resources:
From operations:
 Net loss

Less expenses not requiring working capital in the current period - depreciation

Repayment of capital - general obligation bonds
Addition to wastewater treatment facility

Sources of financial resources:
Contributions to capital in aid of construction
Contributions from City and State
Decrease in working capital

Changes in elements of working capital:
Increase (decrease) in current assets:
 Accounts receivable, net
 Unbilled revenue
 Inventory
 Other assets

Increase (decrease) in current liabilities:
 Accounts payable
 Other liabilities and accrued expenses
 Due to General Fund

Decrease in working capital

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
STATEMENT OF CHANGES IN GENERAL LONG-TERM DEBT PAYABLE AND INTEREST

June 30, 1981

	Original Issue	Int. Rate %	Maturity Date	Balance, July 1, 1980	Principal		Principal Payments		Interest		
					Balance, July 1, 1980	Principal Payments	Principal Balance, June 30, 1981	Due 1982	Subsequent Years	Paid July 1, 1980 to June 30, 1981	Due 1982
General Obligation Serial Bonds											
School Bonds Outstanding:											
School building - 1971	\$ 2,250,000	4.8	1990	\$1,250,000	\$125,000	\$1,125,000	\$125,000	\$1,000,000	\$ 57,000	\$ 51,000	\$ 204,000
School building - 1971	950,000	5.7	1990	550,000	50,000	500,000	50,000	450,000	29,925	27,075	115,425
School building - 1971	3,200,000			1,800,000	175,000	1,625,000	175,000	1,450,000	86,925	78,075	319,425
Public Improvements Bonds											
Outstanding:											
Public Improvements - 1966	300,000	4.0	1986	90,000	15,000	75,000	15,000	60,000	3,600	3,000	6,000
Public Improvements - 1972	100,000	4.75	1982	20,000	10,000	10,000	10,000		950	475	
	400,000			110,000	25,000	85,000	25,000	60,000	4,550	3,475	6,000
Fiscal year change bonds - 1976	2,000,000	5.375	1985	1,400,000	200,000	1,200,000	200,000	1,000,000	69,875	59,125	134,375
Wastewater treatment facility bond - 1978	4,540,000	5.2	1998	4,080,000	230,000	3,850,000	230,000	3,620,000	212,160	200,200	1,593,800
Water filtration plant bonds - 1976	1,770,000	6.2	1995	1,575,000	75,000	1,500,000	100,000	1,400,000	95,325	89,900	607,600
	\$11,910,000			\$8,965,000	\$705,000	\$8,260,000	\$730,000	\$7,530,000	\$468,835	\$430,775	\$2,661,200

The accompanying notes are an integral part of the financial statements.

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

A summary of significant accounting policies employed in preparation of the financial statements follows:

Fund Accounting

Financial activities are recorded in the individual funds and the account group described below, each of which is deemed to be a separate accounting entity. A statement of general fixed assets as of June 30, 1981 is not presented as records of their cost are not maintained.

General Fund

Transactions related to resources obtained and used for delivery of those services traditionally provided by a municipal government, which are not accounted for in other funds, are accounted for in the General Fund. These services include, among other things, general government, public safety, highways and streets, health, welfare, culture, recreation and schools.

Special Revenue Funds

Transactions related to resources obtained and used under certain federal and state grants and entitlements and from other sources upon which restrictions are imposed, are accounted for in Special Revenue Funds. Examples of funds included are the Community Development Block Grants, General Revenue Sharing, Antirecession Fiscal Assistance and Comprehensive Employment and Training Act funds.

Debt Service Fund

Transactions related to resources obtained and used for the payment of interest and principal on general long-term debt are accounted for in Debt Service Funds.

Capital Projects Funds

Transactions related to resources obtained and used for the acquisition, construction or improvement of major capital facilities are accounted for in Capital Projects Funds. Such resources are derived principally from proceeds of general obligation bond issues and from federal and state grants. Included at June 30, 1981 are principally the Wastewater Treatment and South Bridge Projects.

1. Summary of Significant Accounting Policies, continued:
Enterprise Funds

Transactions related to the acquisition, development and disposal of industrial land and facilities are accounted for in the Industrial Development and Park Authority Fund. Transactions related to the Wastewater Treatment facility are supported in part by user charges and accounted for in the Sewer Fund.

General Long-Term Debt Group of Accounts

Unmatured long-term general obligation bonds payable are accounted for in the Long-Term Debt Account Group.

Basis of Accounting

The accounts of the General, Special Revenue, Debt Service and Capital Projects Funds are maintained and reported on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues and assets are recognized when measurable and available to finance operations of the year, and expenditures and liabilities are recognized when obligations are incurred from receipt of goods and services, when assessments are made by the state or, in the case of judgments and claims against the City, when there is a probability that such judgments and claims will result in liabilities, the amounts of which can be reasonably estimated. Materials and supplies are considered expended when purchased and inventory is not reflected in the financial statements except in the Sewer Fund.

Interest on long-term general obligation bonds payable is recognized when it becomes payable. The City follows the policy of recording property and resident taxes on the accrual method and other General Fund revenue, such as motor vehicle permits, on a cash basis. Interest income is recorded as receivable and revenue as earned. Federal revenue sharing assistance is recorded as receivable and revenue as the entitlement occurs. Federal and state reimbursement type grants are recorded as receivables and revenue as the related uses of financial resources are recorded.

The accounts of the Enterprise Funds are maintained and reported on the accrual basis of accounting.

Continued

CITY OF BERLIN, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS, Continued

1. Summary of Significant Accounting Policies, continued:

Basis of Accounting, continued

Capital expenditures of the Industrial Development and Park Authority Fund are recorded as investments, at cost, which is not in excess of net realizable value, held for subsequent sale.

General obligation bonds supported by general revenues are obligations of the City as a whole and not its individual constituent funds. Accordingly, all unamatured obligations which are backed by the full faith and credit of the City are accounted for in the General Long-Term Debt Account Group.

General obligation bonds of the City issued for capital investment of the Sewer Fund is included in the General Long-Term Debt Account Group and is reflected as contributed capital of the Sewer Fund.

2. Budgetary Accounting and Encumbrances:

General governmental revenues and expenditures accounted for in the General Fund, Debt Service Fund and Community Development Grants, General Revenue Sharing, Antirecession Fiscal Assistance and Comprehensive Employment and Training Act Special Revenue Funds, are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the City's operations.

Appropriations in such funds are encumbered upon issuance of purchase orders, contracts or other forms of legal commitments. Even though certain goods and services have not been received, the transactions are accounted for as a use of budgeted appropriations in the year that the commitment is made.

3. Reconciliation of General Fund Revenues and Expenditures:

General fund revenues and expenditures reported in the Statement of Revenues, Expenditures, Transfers and Encumbrances - Budget and Actual are 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, Operating Transfers and Changes in Fund Equity as follows:

	<u>Revenues</u>	<u>Expenditures</u>
Statement of Revenues, Expenditures, Operating Transfers and Changes in Fund Equity	\$8,013,502	\$7,579,413
School Grants and Cafeteria - reported in Other Programs	520,145	520,145
Special Revenue Fund	336,171	336,171
General Revenue Sharing - reported in Special Revenue Fund	-	-
Amounts included in appropriated fund balance and reserved for encumbrances, beginning of year, net	18,332	(3,588)
Payroll accrual included for generally accepted accounting principles	-	(59,621)
State's share of Wastewater Treatment facility general obligation bonds reported in Debt Service	385,231	385,231
Transfer from Industrial Development and Park Authority Fund - reported in Debt Service Fund	46,800	46,800
Transfer from Sewer Fund - reported in Debt Service Fund	46,500	46,500
Operating transfers	-	-
- Equity transfers	35,000	-
Statement of Revenues, Expenditures, Transfers and Encumbrances - Budget and Actual	\$9,401,681	\$9,461,296

Continued

CITY OF BERLIN, NEW HAMPSHIRE
 NOTES TO FINANCIAL STATEMENTS, Continued

6. Industrial Development and Park Authority, continued:

The mortgage note receivable bears interest at 7% and is repayable in quarterly principal installments of \$1,667, plus interest, to 1981.

4. Retirement Costs:

Substantially all employees of the City participate in the State of New Hampshire Retirement System. Under this plan, police and firemen contribute 9.3% of annual compensation and all other employees contribute 4.6%. The City's contribution is based upon an actuarial valuation of the State plan as of June 30, 1979, and has been set at 7.61% of annual compensation for police, 8.36% for firemen, 1.92% for teachers, and 2.74% for all other employees. The City's contribution rate provides for normal cost annually and for amortization of past service cost over 20 years. The amount, if any, of the excess of vested benefits over pension fund assets for the City is not available. Employees of the Public Works Department and certain Recreation Department personnel are covered under a City sponsored plan. The value of vested benefits in excess of the assets of this plan was approximately \$228,000 at September 1, 1979 the date of the latest actuarial valuation. Annual cost includes amortization of prior service costs over periods of 20 (State plan) to 30 (City plan) years. Additional disclosures required by Statement No. 36 of the Financial Accounting Standards Board have not been made as the information is not available. The City's policy is to fund pension costs accrued. Pension expenditures of the General Fund for the year were approximately \$213,429 for the State plan and \$30,537 for the City plan.

5. Sick Pay:

City employees may accumulate sick leave in amounts ranging to a maximum of 60 to 100 days and are entitled to a 50% to 100% lump-sum payment upon retirement. Teachers may accumulate a maximum of 80 sick leave days and are entitled to 60 days payment upon termination or retirement after completing 10 years of employment. The City records the cost of sick leave only when payments are made. The accumulated sick leave at June 30, 1981 is estimated to be approximately \$993,663.

6. Industrial Development and Park Authority:

The Industrial Development and Park Authority was established July 15, 1974, pursuant to Chapter 26 of the Laws of 1974. The Authority was reestablished on September 11, 1975 under the provisions of RSA 162-6, for the purpose of acquisition, development and disposal of industrial land and facilities.

Investment property is carried at cost, which approximates net realizable value. The investment property is being held for sale and, accordingly, depreciation has not been provided. Land Rental income may be received until the property is sold. Land and buildings represent property held for rental purposes. The buildings are being depreciated over 35 years.

Minimum Lease Payments
\$ 80,400
92,400
98,400
109,200
111,000
<u>1,068,648</u>
<u>\$1,560,048</u>

The Industrial Development and Park Authority has long-term debt payable of \$390,000. These bonds are 8% bonds issued in 1974 for an original value of \$450,000. As of June 30, 1981 the requirements for principal and interest in future years is as follows:

June Ending June 30,	Principal	Interest	Total
1982	\$ 15,000	\$ 30,600	\$ 45,600
1983	15,000	29,400	44,400
1984	15,000	28,200	43,200
1985	20,000	26,800	46,800
1986	20,000	25,200	45,200
1987-1991	123,000	98,600	223,600
1992-1996	<u>180,000</u>	<u>38,000</u>	<u>218,000</u>
	<u>\$390,000</u>	<u>\$276,800</u>	<u>\$666,800</u>

In addition, the Industrial Development and Park Authority has long term mortgage obligations of \$595,638 payable to BEDCO (see Note 13). These obligations are at 6% interest and have various repayment schedules up to fifteen years. As the properties become leased, lease payments will be assigned to BEDCO until the outstanding mortgage balances have been repaid.

7. Sewer Fund:

The Sewer Fund was established on January 21, 1980 to develop, implement and administer a system of user charges to assure that each recipient of wastewater treatment services pays a proportionate share of costs of operation, maintenance and capital recovery.

Continued

NOTES TO FINANCIAL STATEMENTS, Continued

8. Capital Projects Funds Transfers:

The School Building - Vocational fund, a Capital Project Fund, was established at July 1, 1978 and included \$484,312 received from the State of New Hampshire as reimbursement for conversion of the approximately 19,000 square feet of Berlin High School floor space into an area vocational center for the communities of Berlin, Gorham and Groveton. The remaining balance of \$281,752, unless appropriated by the City Council for other purposes, must be used to retire the related School Building - 1971 general obligation serial bonds.

Operating transfers to the South Street Bridge Project represents an operating transfer from the Community Development Block Grants Special Revenue Fund.

9. Federal Aid Anticipation Notes:

Capital Projects Funds federal aid anticipation notes were issued at various times during the year. Various interest rates due on October 1, 1981, August 1, 1981, the maximum amount outstanding was \$1,080,777, the average amount of monthly borrowings was \$1,596,000 and the average interest rate was approximately 9.08%.

The City has changed from quarterly to annual billings of sewer charges. The first annual billing will relate to fiscal year 1982. Sewer users were not charged for the period January 1, 1981 to June 30, 1981.

Inventory is stated at the lower of cost or market with cost determined by the first-in, first-out method.

The wastewater treatment facility is stated at cost. Expenditures have been recorded in the Wastewater Treatment Capital Project and capitalized in the Sewer Fund including approximately \$138,000 of interest costs.

10. General Long-Term Debt Payable:

General obligation bonds outstanding of \$1,200,000 issued to finance a fiscal year-end change authorized under Chapter 172 of the Laws of 1975 and general obligation bonds of \$3,850,000 issued to finance the wastewater treatment facility and the Industrial Development and Park Authority general obligation bonds of \$390,000 under Chapter 26 of the Laws of 1974, are not includable in the net indebtedness of the City for the purpose of determining the City's legal borrowing limitation.

The wastewater treatment facility general obligation bonds are guaranteed by the full faith and credit of the State of New Hampshire. The State has agreed to subsidize \$3,989,433 of the original bond issue in installments when due.

General obligation serial bonds payable include \$1,500,000 Berlin Water Works bonds which are intended to be repaid from revenues of the Water Works.

As of June 30, 1981, general obligation debt service serial requirements for principal and interest in future years are as follows:

Years Ending June 30,	Principal	Interest	Total
1982	\$ 730,000	\$ 430,775	\$ 1,160,775
1983	720,000	391,940	1,111,940
1984	720,000	353,580	1,073,580
1985	720,000	315,220	1,035,220
1986	720,000	276,860	996,860
1987-1991	2,575,000	918,500	3,493,500
1992-1996	1,625,000	370,000	1,995,000
1997-1998	450,000	35,100	485,100
	<u>\$8,260,000</u>	<u>\$3,091,975</u>	<u>\$11,351,975</u>

11. General Fund - Fund Balance Reserved for Subsequent Years' Expenditures:

The fund balance in the General Fund at June 30, 1981 was reserved in the amount of \$517,390. The balance will be utilized for normal operating expenses.

12. Contingencies:

The City is a defendant in three lawsuits initiated by contractors claiming damages of approximately \$7,000,000 in connection with the construction of the wastewater treatment system. All three suits involve allegations of defective contract specifications and damages and losses that result therefrom. The City has filed a \$15,000,000 claim for damages against an engineering firm related to the same project. All of the litigation is at the preliminary discovery phase and because of the existing uncertainties, the eventual outcome of these contingencies cannot be predicted. The ultimate liability, if any, with respect to them cannot be reasonably estimated and therefore, no liability has been recorded in the financial statements. The City's management, including its General Counsel are unable to determine if the results of these matters will have a materially adverse effect on the City's financial position.

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.

13. Related Party Transactions:

The City participates in the operations of the Berlin Airport Authority, which is organized as a separate legal entity under the laws of the State of New Hampshire. The Authority is administered by a Board, the majority of whose members are appointed by the Mayor.

The Berlin Economic Development Council, Inc. (BEDCO) is a nonprofit corporation formed in June 1979 to receive, administer and set policy for EPA Title IX Long-Term Technical Assistance Funds. The mayor, two councilmen and a city employee are members of a seven-person Executive Committee. BEDCO has loaned \$621,590 to the Industrial Development and Park Authority during the year ended June 30, 1981.

FINANCE DEPARTMENT

City Comptroller Aline Boucher and her staff are responsible for thousands of financial transactions each year. Financial records are maintained by this department for the City's annual budget in excess of \$10 million. Also maintains records for all other funds as per audit as reflected in this Annual Report. In addition this department administers all insurance programs for the City and the School system.

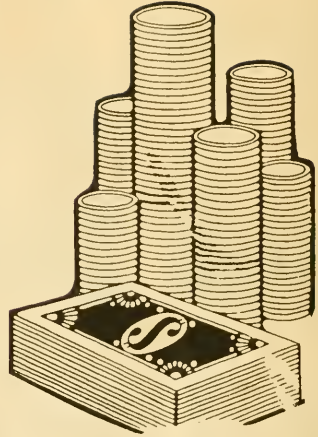
Mrs. Aline Boucher

City Comptroller

COLLECTION DEPARTMENT

City Collector, L. Laurier Rousseau and his staff are responsible for the collection of property, resident and all other taxes, as well as sewer user fees and all other general revenues totalling in excess of \$10,000,000.

L. Laurier Rousseau
City Collector



CONDITION YELLOW

No Parking Permitted on the following streets:

City of Berlin Ordinance 7:412.2

Condition "yellow", no parking on selected city street, will be instituted by the Public Works Dept. through the local radio stations. No parking on the following "Condition Yellow" streets:

Alpha Street-Burgess Street to Champlain Street
Berwick Street-Hillsboro Street to Burgess Street
Burgess Street-Berwick Street to Alpha Street
Cascade Street-Western Avenue to Gordon Street
Cates Hill Road-Riverside Drive to Coos County Nursing Home
Champlain Street-Alpha Street to Merrimack Street
Charron Avenue-Petrograd Street to Hill Street
Church Street-Portland Street (north to Dead End)
Cole Street-Green Street to Mason Street
Columbia Street-Hutchins Street to Forbush Avenue
Coolidge Street-Second Avenue to First Avenue
Coos Street-Unity Street to Hutchins Street
Corbin Street-Western Avenue to Gordon Street
Denmark Street-Pine Island Avenue to Twelve B Street
East Mason Street-Main Street to Hillsboro Street
East Milan Road-Hutchins Street to town line
Eighth Street-Main Street to Finland Street
Enman Hill Road-Kent Street to dead end
Exchange Street-Pleasant Street to Main Street
Finland Street-Eighth Street to Highland Park Avenue
First Avenue-Coolidge Street To Mink Street
Forbush Avenue-Lancaster Street to dead end
Gauthier Street-Hutchins Street to Dutil Street
Glen Avenue-Green Square to town line (Gorham)
Goebel Street-Merrimack Street to East Mason Street
Gordon Avenue-Cascade Street to Corbin Street
Grafton Street-Hillsboro Street to Kent Street
Granite Street-Mason Street to York Street
Green Street-Second Avenue to Pleasant Street
Green Street-square
Haskell Street-Third Avenue to Second Avenue
High Street-Portland Street to Main Street
Highland Park Avenue-Poplar to Twelve B Street
Hill Street-Third Avenue to Charron Avenue
Hillsboro Street-East Mason Street to Grafton Street
Hillsboro Street-Strafford Street to Berwick Street
Hillside Avenue-Second Avenue to Presidential Avenue
Hutchins Street-Coos Street to East Milan Road
Jericho Road-To West Milan Road
Kent Street-Forbush Avenue to Grafton Street
Laurel Street-Third Avenue to Second Avenue
Madigan Street-Second Avenue to Third Avenue
Madison Street-Willow Street to dead end
Main Street-Green Street to Riverside Drive-parking after plowing
Mannering Street-Second Avenue to Third Avenue
Mason Street-Main to Granite Street
Mechanic Street-Main Street to Pleasant Street
Merrimack Street-Champlain Street to Goebel Street
Mink Street-Western Avenue to First Avenue
Mt. Forist Street-Third Avenue to Pleasant Street
Pershing Avenue-Rheims Street to Hutchins Street
Petrograd Street-Charron Avenue to Sixth Avenue
Pine Island Avenue-Riverside Drive to Denmark Street
Pleasant Street-Glen Avenue to Main Street-parking after plowing
Poplar Street-Hillside Avenue to Highland Park Avenue
Portland Street (lower)-Willow Street to Madison Avenue
Portland Street-High Street to Church Street
Providence Avenue-Riverside Drive to St. Vincent de Paul
Rheims Street-Wood Street to Pershing Avenue
Riverside Drive-Main Street to Cates Hill Road
Rockingham Street-Grafton Street to Coos Street
School Street-Mason Street to Third Street
Second Avenue-Green Street to Hillside Avenue
Sixth Avenue-Petrograd Street to Wight Street
Spring Street-School Street to Hillside Avenue
Strafford Street-Hillsboro Street to Burgess Street
Third Avenue-Laurel Street to Wight Street
Third Avenue Ext.-Hill Street to Haskell Street
Third Street-Main Street to School Street
Twelfth Street Bridge-Riverside Drive to Hutchins Street
Twelve B Street-Denmark Street to Highland Park Avenue
Unity Street-East Mason Street to Coos Street

West Milan Road-Wight Street to compact line
Western Avenue-Cascade Street to Mt. Forist Street
Wight Street-Third Avenue to West Milan Road
Willard Street-School Street to High School
Willow Street-Granite Street to Lower Portland Street
Wood Street-Hutchins Street to Rheims Street
York Street-Pleasant Street to Granite Street

* Any vehicle parked on a street listed above during a condition yellow or red (all streets) will be tagged and towed away at the owner's expense. 7:414

Berlin Public Schools, Berlin, New Hampshire

School Calendar, 1981-1982

School
Days

Calendar

Sun. Mon. Tues. Wed. Thur. Fri. Sat.

16

SEPTEMBER

		1	2	3	4	5	
6	7	8	9	10	11	12	
13	14	15	16	17	18	19	
20	21	22	23	24	25	26	
27	28	29	30				

21

OCTOBER

				1	2	3	
4	5	6	7	8	9	10	
11	12	13	14	15	16	17	
18	19	20	21	22	23	24	
25	26	27	28	29	30	31	

18

NOVEMBER

1	2	3	4	5	6	7	
8	9	10	11	12	13	14	
15	16	17	18	19	20	21	
22	23	24	25	26	27	28	
29	30						

17

DECEMBER

		1	2	3	4	5	
6	7	8	9	10	11	12	
13	14	15	16	17	18	19	
20	21	22	23	24	25	26	
27	28	29	30	31			

20

JANUARY

					1	2	
3	4	5	6	7	8	9	
10	11	12	13	14	15	16	
17	18	19	20	21	22	23	
24	25	26	27	28	29	30	
31							

15

FEBRUARY

	1	2	3	4	5	6	
7	8	9	10	11	12	13	
14	15	16	17	18	19	20	
21	22	23	24	25	26	27	
28							

23

MARCH

	1	2	3	4	5	6	
7	8	9	10	11	12	13	
14	15	16	17	18	19	20	
21	22	23	24	25	26	27	
28	29	30	31				

School
Days

Calendar

Sun. Mon. Tues. Wed. Thur. Fri. Sat.

17

APRIL

					1	2	3
4	5	6	7	8	9	10	
11	12	13	14	15	16	17	
18	19	20	21	22	23	24	
25	26	27	28	29	30		

20

MAY

							1
2	3	4	5	6	7	8	
9	10	11	12	13	14	15	
16	17	18	19	20	21	22	
23	24	25	26	27	28	29	
30	31						

18

JUNE

			1	2	3	4	5
6	7	8	9	10	11	12	
13	14	15	16	17	18	19	
20	21	22	23	24	25	26	
27	28	29	30				

185

JULY

					1	2	3
4	5	6	7	8	9	10	
11	12	13	14	15	16	17	
18	19	20	21	22	23	24	
25	26	27	28	29	30	31	

AUGUST

1	2	3	4	5	6	7	
8	9	10	11	12	13	14	
15	16	17	18	19	20	21	
22	23	24	25	26	27	28	
29	30	31					

VACATIONS & HOLIDAYS

Sept. 4	Orientation Day
Sept. 7	Labor Day
Sept. 8	Total Staff Orientation
Sept. 9	First Day of School
Oct. 23	Teachers' Convention
Nov. 11	Veterans' Day
26-27	Thanksgiving Recess
Dec. 24 - Jan 1	Christmas Recess
Feb. 22 - 26	Winter Vacation
April 26 - 30	Spring Vacation
May 31	Memorial Day Celebrated
June 24	Last Day of School

