



Approved by City Council on June 5, 2017

## **City Council Budget Workshop Meeting Monday, May 8, 2017**

### **Call to Order**

Mayor Merrifield called the meeting to order in the Council Chambers, Franklin City Hall at 6:00 p.m.

### **In Attendance**

Councilor Clarenbach, Councilor Ribas, Councilor Moquin, Councilor Barton, Councilor Giunta, Councilor Desrochers, Councilor Wells, Councilor Zink, Councilor Dzujna, City Manager Dragon and Mayor Merrifield.

Salute to the Flag was led by Councilor Giunta.

### **BUDGET REVIEW – SCHOOL PRESENTATION**

School Board Chair Dow gave a brief history of this budget. He explained the budget began back in January when Superintendent LeGallo had his administration present their budgets to him. Their budget came in at \$16,004,262.87 and Superintendent LeGallo cut \$430,894.68 which brought it to \$15,573,368.19. The budget was then presented to the finance committee and then to the school board for additional cuts and those cuts came in at \$210,104.68. On March 20 the school board approved a budget of \$15,363,063.39 which was a \$58,678.39 or .04% increase over last year. On May 1 the City Manager presented the city budget with a school recommendation of \$14,955,808.00 and after that meeting Superintendent LeGallo and School Board Chair Dow decided to revise their budget and come in at the City Manager's request. On May 3 the school board met and reluctantly approved a budget of \$14,955,808.00 as they all took a pledge to not present a budget that would cut teachers. The budget that Superintendent LeGallo will bring forward will still cut three (3) teachers but the school board realized they needed to do something in good faith.

Superintendent LeGallo handed out five (5) different documents. Councilor Desrochers asked about the projected revenue sheet as it seems to have a \$259K discrepancy from the \$732,218 that he believes is going to the school board. City Manager Dragon stated \$413,498 is a transfer from the city that is one part of the adjustments made last year to make the budget work. The project revenues of \$473K were in City Manager Dragon proposed budget as a recommendation. Superintendent LeGallo stated he believes the remainder of the money is in the district appropriation line of about \$750K. Superintendent LeGallo thanked all school board members, administrators and staff.

Superintendent LeGallo went through the power point presentation – Projected Revenue Sheets Slide, Budget Summary Slide, Quick Facts Slide, Enrollment Slide, How is money spent Slide, Per Pupil Expenditures Slide, Beginning Teacher Salaries Slide, Average Teachers' Salaries Slide.

Superintendent LeGallo spoke about the expenditures handout and it is shown by function and obj. code. Mayor Merrifield asked if this was the current year or the proposed budget. Superintendent LeGallo stated it is the proposed budget of \$14,955,808.00. He stated that with this proposed budget they will have to lay off three (3) teachers in addition to the teachers who are leaving due to enrollment. He stated they are hoping the fund balance comes in more than they have projected so they could bring the teachers back.

Superintendent LeGallo stated he was looking for some type of motion this evening so he doesn't have to lay off the fifteen (15) other teachers. Councilor Desrochers stated that maybe this is a non-public meeting question, but is one of the teachers the woodshop/electricity teacher. Superintendent LeGallo stated he can't answer as it is a personnel matter. Councilor Clarenbach interjected and stated that is outside of the Council's purview. The council doesn't have any say of who they retain and who they don't that is the school board's decision. The council has a dollar amount they approve and the school makes the decision as they are the elected officials that govern the school district. Mayor Merrifield stated that it is not proper to use the term layoff right now as it is just a notification that they may not have a contract. Councilor Desrochers stated that there are trades coming up with Winnisquam and he wants to make sure none of this jeopardizes that before he approves a budget. Mayor Merrifield asked Councilor Desrochers if he would be satisfied with an action that the council accepts the minimum school district support that City Manager Dragon proposed. Councilor Desrochers stated yes.

School Chair Dow stated that as long as they know there are anticipated funds coming based on the proposal that the City Manager Dragon has put forth in her proposal as they have the May 12 deadline for notifying teachers.

Councilor Clarenbach stated he appreciated City Manager's Dragon work but once again it is one time money like last year. We have to figure out how to reeducate our kids and shake up how we are educating our kids. With constant declining enrollment and less revenue coming from the state annually the school can't continue to sustain itself in our current product. School Board, Councilors, parents, teachers, citizens all have to find a way to do a different model of education as we are not solving the problem and need to find a way to change our path. School Board Member Dow stated that they will be having further meetings with the Commissioner of Education as he offered his services and Franklin will reach out. He stated that he agrees and something needs to change and working with the state something has to give. After the budget process the school board plans on moving forward with meeting with the COE, looking at how to bring in more revenue and looking at classes. Councilor Clarenbach stated he felt that the work that was done during the Joint Finance Committee meetings didn't

get into the hard decisions that have to be made. The full council needs to be engaged with the school board as we are one community and the eighteen (18) of us are the ones who make the decisions in how the funds of the city are spent. The biggest challenge is to get everyone together and how to best move forward.

Superintendent LeGallo asked to re-clarify if it was one time money. City Manager Dragon stated some of it is and some of it isn't, it's a combination. Mayor Merrifield asked what was available under the tax cap. City Manager Dragon stated that some of it was corrections, \$82,160 was allocated to the beginning budget number for the school and that is not one time, take the one time revenue of \$120K and transfer it to the capital reserve acct and then get a note for the roof and move the money in the capital reserve acct to school operating of \$423K.

Councilor Dzujna asked if the Commissioner of Education got back to them at all about using state and federal funds in innovative ways and Superintendent LeGallo stated no. Mayor Merrifield stated he would follow up and try to get those answers.

Councilor Zink stated that the projected grants is a different number than what was given. Superintendent LeGallo stated that the 21<sup>st</sup> Century Grant is not in there because they just got that grant. Councilor Zink asked is it the \$14M we are looking at not the \$16M and City Manager Dragon stated that is correct. There is something budgeted this year from last year and Superintendent LeGallo stated that it is the SAU as Franklin is now its own district.

***Motion made by Councilor Zink to move that the Franklin City Council recommend \$14,955,808.00 per the City Manager's suggestion to approve the school budget, seconded by Councilor Desrochers.***

Councilor Ribas stated that is the full budget but should the motion be for the \$473K instead. Mayor Merrifield stated that it should be for the full amount. Councilor Ribas stated it should say "they should have not less than" wording in there. Mayor Merrifield asked Councilor Zink about the wording and she stated she thought so and Mayor Merrifield stated not less than.

***All in favor of the not less than the figure; motion passes.***

Councilor Wells commented that he appreciated that they are two (2) months ahead of last year. Mayor Merrifield also thanked them for all the documentation, cooperation and professionalism. School Board Chair Dow gave a shout out to Susan Hallett-Cook and Amanda Bergquist for the ton of time they had spent on this. Councilor Desrochers also thanked the school board for their cooperation this year vs. last year. Councilor Dzujna also thank them as last year the council took a lot of heat for the per pupil cost and this year with the grants in the budget it looks a lot better.

School Board Chair Dow stated they will continue to look for funding for \$180K so they can bring those teachers back.

***Mayor Merrifield took a five (5) minute recess at 6:41 pm.***

***Mayor Merrifield continued the meeting at 6:52 pm.***

City Manager Dragon stated that on Saturday, June 24 there will be a warm water release and it is the only other planned date. Mill City Park would like to hold a fundraiser event in the downtown. These types of one-time events can be approved through a small subcommittee consisting of the City Manager, Police Chief, Park & Rec Director and Fire Chief. They have meet with Mill City Park and will require one or two officers for detail on bikes, it won't require an ambulance since the event is close. This type of event is out of the norm for the downtown so the City Manager Dragon wanted to have a conversation with the council first. The event is boats, bikes and beer. The bike portion would be riding from Franklin Falls to Bow St. and then through the paths to the boats. The boats would race down to Trestle View Park where they would be pulled out and then there would be music and a beer tent in Marceau Park. Inspector Bodien has reviewed the layout and depending on the tent size they would have to get a tent permit. They are estimating about 200 people but could be larger as there is an event in Tilton as well. There will be a food truck and are also coordinating with the stores. The same people that came to the event at the ski area will probably be the same people and more that will come to this event. The funds raised will go towards the engineering costs that they have been raising for. There is an EDA application grant going in for engineering costs that requires a match and the funds raised will go towards that match. If it is successful it will probably become an annual event. City Manager Dragon stated that she would like to waive the administration portion of the police detail so we are not making money.

Councilor Dzujna asked if this is going to be a triathlon type event. City Manager Dragon stated yes and they are really marketing to the millennials and the beer piece is for after the event. Councilor Barton asked if this is going to be contained and City Manager Dragon stated yes they have to follow the state laws on the beer containment and there will be a permit that the city will have to sign off as landowner.

***Motion made by Councilor Clarenbach to move for approval of the request for the permit to service alcohol in Marceau park and the request for police officers to be at the expense rate only. Seconded by Councilor Dzujna.***

Councilor Dzujna asked if the beer has to be in a specific spot and City Manager Dragon stated yes it has to stay in the park and there will be people at both entrances to monitor.

***All in favor; motion passes.***

Mayor Merrifield addressed the councilors regarding the letter that he distributed regarding his departure from the Mayor's office. He stated the he didn't see this ending this way but the state made it clear that he can't do both. His resignation will be as of Thursday at noon. Attached is a directive from City Solicitor Attorney Fitzgerald and this is the last meeting with

Mayor Merrifield being mayor he offered if the council wished to fill the vacancy. Councilor Dzujna stated that we will miss him very much.

***Councilor Dzujna nominated Tony Giunta as interim mayor until January 2018, seconded by Councilor Barton.***

***Councilor Zink nominated Scott Clarenbach as interim mayor until January 2018, seconded by Councilor Moquin.***

***Councilor Giunta got 3 votes and Councilor Clarenbach got 4 votes; Councilor Clarenbach is interim mayor.***

Mayor Merrifield stated it has been the honor of his life to service in this role as mayor and has enjoyed his twenty-five (25) years of service to the City of Franklin.

***Motion to adjourn made by Councilor Desrochers, seconded by Councilor Clarenbach. All in favor; meeting adjourned at 7:05 p.m.***

Respectfully Submitted,

Lauraine G. Paquin