



**City Council Meeting Minutes
Monday, May 15, 2023 - 6:00 p.m.
Council Chambers, City Hall**

Council in attendance: Mayor Jo Brown, Councilor Jay Chandler, Councilor Leigh Webb, Councilor Bob Desrochers (via telephone), Councilor George Dzujna, Councilor Ted Starkweather (via telephone), Councilor Valerie Blake, Councilor Vince Ribas, Councilor Paul Trudel and Councilor Olivia Zink

Absent: None

Others in attendance: City Manager Judie Milner, City Department Heads, Municipal Resources Carol Granfield and members of the public.

Mayor Brown called the meeting to order in Council Chambers at 6:02 p.m.

Salute to the Flag was led by Councilor Blake.

Mayor Brown turned the presentation over to Milner to start.

Milner stated that they are starting off with the Pay & Class study, which is in Appendix 7 of the City Manager's Budget Proposal packet and started the slide show.

FY2024 City Manager's
Budget Proposal
Monday, May 15 2023

Milner had the team give introductions with Finance Director Gaudette and Library Director Sargent being absent at this meeting.

FY2024 Manager's Budget Proposal – Professional Staff

Judie Milner, City Manager		
Finance Director		Esaundra Gaudette
City Clerk/Tax Collector		Michelle Stanyan
Fire Chief		Michael Foss
Library Director		Robert Sargent
Municipal Services Director		Justin Hanscom
Planning/Zoning Director & Special Projects Coordinator		Seth Creighton
Police Chief		David Goldstein
Recreation Director		Krystal Alpers

The below slide gives an overview of the topics being discussed at this budget meeting. The specific department review's will be presented at the next budget meeting.

FY2024 Manager's Budget Proposal – May 15 2023 Review

- Pay & Classification Study
- Payroll & Benefits
- Gross Budget Summary
- Taxes
- Revenue Review
- Expenditure Review:
 - Executive, Legal, Insurance & Other
 - Outside Agencies, Economic Development
 - Debt Service, Capital, Operating Transfers Out

In FY23 there was an appropriation made towards this study and they did choose Municipal Resources, Inc. The project leader is Carol Granfield and her bio is in the packet. She will be giving a brief overview next and will be able to answer any questions afterwards.

FY2024 Manager's Proposed Budget – Pay & Classification Study

- FY2023 Appropriation for Study
- RFP – 4 respondents
- Municipal Resources Inc (MRI)
- Carol Granfield – Project Leader for MRI

- Ms. Granfield – Pay & Class Presentation

Granfield started off by saying that they did a study that evaluated all positions, union and nonunion. The last study that Franklin had done was back in 2013. At that time there were some implementations, but modifications were necessary. Right now, all municipalities have been struggling to recruit and retain employees due to wages being too low. She stated that in Franklin there is a lot of really talented staff despite the salaries that were never increased. She explained that employees were reassigned to appropriate steps with less grades. Granfield then answered questions from the council.

FY2024 Manager's Proposed Budget – Pay & Classification Study

- Implementation Strategy
 - Based on experience
 - No COLA/Steps year of implementation
 - 10% health insurance cost share
- Wage Schedules – pages 66-70
- Cost
 - Over FY2023 Payroll Projections
 - Net of increases/decreases due to attrition, benefit changes, benefit costs
 - \$673k

Milner stated that she wanted to make the Pay & Class study implementation the main focus of this fiscal year's budget. The wage scales are on pages 66 – 70 in the budget packets. They ran scenarios through the Finance Committee and decided to go with implementing the Pay & Class study and moving staff to the steps that go with their experience in their positions. For the first year there will not be a COLA or a step increase. These will need to be done after to maintain this path. There will also be an extra step now, from 12 steps to 13 steps, with the 2.5% increase in between steps. Noone will be on step 13 so that they are able to grow. The 10% health insurance cost share will also be added now.

Milner stated that everyone will be seeing an increase and all of the department heads spoke for their employees saying that they were all ok with this being implemented.

Milner then went over the next slides:



FY2024 Manager's Proposed Budget – Positions

- 94 regularly scheduled, 2 are K-9's, 1 is 100% grant funded, 2 remain unfunded (from FY14)
 - From 96 in FY2023 – combined (2) custodians into (1) custodian, eliminated Library Assistant (open position)
- (1) Recreation Program Coordinator
 - Part Time to Full Time

Title changes were based on the Pay & Class study:



FY2024 Manager's Proposed Budget – Positions

- Title Changes
 - Finance Director to Deputy City Manager/Finance Director
 - Administrative Secretary to Administrative Assistant (4)
 - Patrol Officer/Detective split to either patrol officer or detective
 - Event Supervisor to Recreation Program Coordinator
 - Welfare Administrator to Welfare Director/Community Liaison

The below positions were changed to get under the tax cap:

Position Changes included in Department Head Proposal – Eliminated by City Manager

- Change Welfare Director/Community Liaison from part time to full time
- Add (1) new Patrol Officer
- Add (1) Auto Tech to mechanical garage
- Add (6) Firefighter/AEMT
- Add (1) Deputy Planner

FY2024 Manager's Proposed Budget – Payroll & Benefits

- Payroll Expenditure Changes:
 - Health 6.9% Increase
 - Dental 0%
 - Short/Long Term Disability and Life 0%
 - No change in social security or medicare
 - Unemployment 2.2% Decrease
 - 2.3% Decrease in Worker's Compensation
 - New Hampshire Retirement System

Category	FY20/21	FY22/23	FY24/25
Employee	11.17%	14.06%	13.53%
Teacher	17.80%	21.02%	19.64%
Police	28.43%	33.88%	31.28%
Fire	30.04%	32.99%	30.35%

Revenues begin on page 91 in the budget packets and this comes from taxes:

FY2024 Manager's Proposed Budget – General Fund – Gross Budget

• Revenues

- Taxes	\$16,317,865
- Muni – Other	\$ 6,595,112
- School – Other	<u>\$17,363,417</u>
- Total	\$40,276,394

• Expenditures

- Municipal	\$16,310,755
- School	<u>\$23,965,639</u>
- Total	\$40,276,394

Revenues = Expenditures



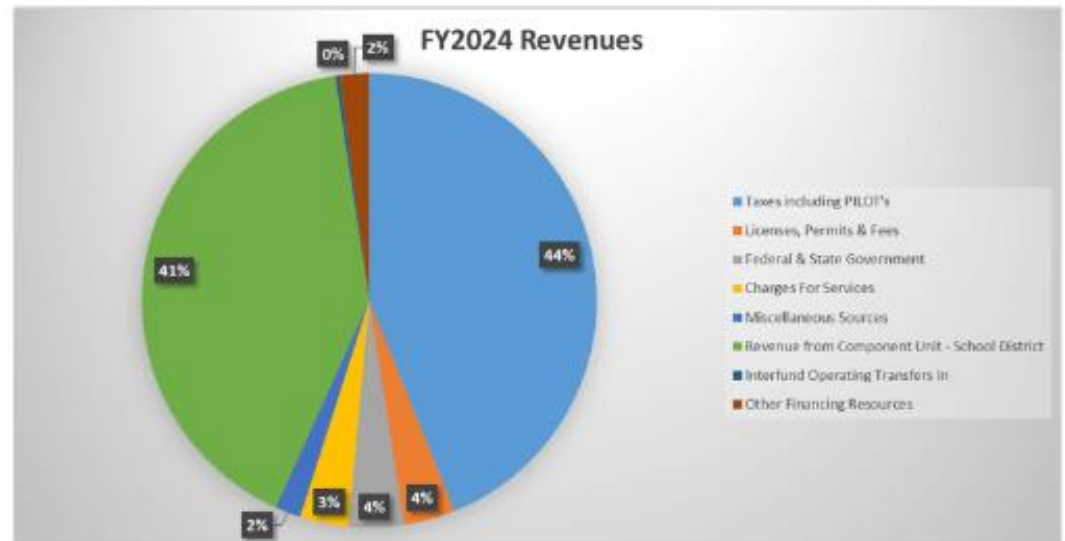
Gross Appropriation

General Fund Only Fund Supported By City Taxpayer along with Federal, State, Charges for Service and other revenues

FY2024 Manager's Proposed Budget – Taxes

Property Tax Support For:	Amount	% of total				
				How does this look on my tax bill?		
School District Operations	6,602,222	35.6%				
Merrimack County	1,931,238	10.4%		Statewide Education		1,217,843
Veteran's Credits	128,525	0.7%		School		5,384,379
Overlay	31,000	0.2%		County		1,931,238
Municipal Operations	9,715,643	52.4%		Town		9,875,168
Tax Increment Financing Districts	134,614	0.7%				
Total City of Franklin Property Tax	18,543,242	100.0%				
				Tax Increment Financing Districts taxes are paid by the taxpayers in the district who have added value to that district since inception		
Increase over prior year taxes	\$ 1,373,309	8.00%				

FY2024 Manager's Proposed Budget - Revenues



FY2024 Manager's Proposed Budget - Revenues

- Fee Changes included in revenues –
 - Ordinance 01-24 (pg. 4) – Enterprise Funds
 - Water & Sewer Rates
 - Changes in other Water/Sewer Fees – hook up, availability charges, shut offs, sprinkler systems
 - Ordinance 02-24 (pg. 5) – General & Other Funds
 - Notary & Yard Sale Fees
 - Outside Police Detail
 - Transfer Station

FY2024 Manager's Proposed Budget - Revenues

Highlights:

federal & state government (page 93-94)

dispatch fees (page 95)

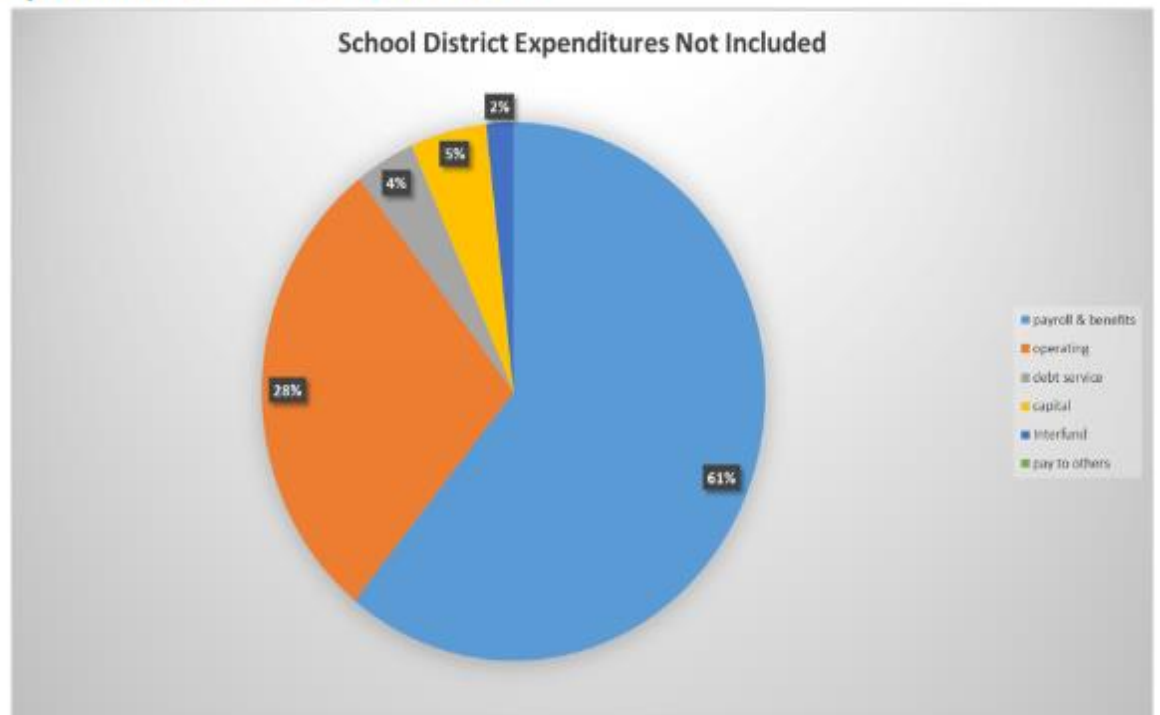
interest income (page 95)

Bessie Rowell shared costs (page 95)

operating transfers in (page 97)

other financing resources (page 97)

FY2024 Manager's Proposed Budget – Expenditure Overview



FY2024 Manager's Proposed Budget – Expenditures

- Executive (page 106)
 - City Council
 - Small increase in NHMA dues
 - City Manager
 - Nuisance Abatement
 - Contingent Grant
 - Contingency

FY2024 Manager's Proposed Budget – Expenditures

- Assessing (page 111)
- Legal (page 112)
 - City Solicitor – held retainer; additional funding for other legal staff outside retainer
- Insurance & Other (page 117)
 - Insurances other than payroll related
 - Health/Welfare (page 143)

FY2024 Manager's Proposed Budget – Expenditures

Outside Agencies (page 140, 146)

Economic Development (page 146)

FY2024 Manager's Proposed Budget – Expenditures

Debt Service (page 147)

Capital (page 147)

Operating Transfers out (page 151)

THANK YOU



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That concluded the budget presentation for this meeting and Milner stated that she has two more things to discuss.

The councilors have an item on the table regarding Healthfirst coming to the city for a CDBG grant, which they have done. The CDFA (Community Development Finance Authority) runs these grants for low- and moderate-income people and they have to run through a municipality. The municipality then sub-grants to other entities.

Healthfirst is working on an expansion and refurb project. They are going for the whole CDBG grant amount of \$500,000. The city needs to hold a public hearing on that, their relocation and anti-displacement plan and the community's economic development plan. Milner stated that she is looking for the council to set a public hearing for June since their application is due in July.

Motion – Councilor Ribas moved that the Franklin City Council sets (4) consecutive public hearings on Monday, June 5, 2023, at 6pm regarding a proposed application to the community development block grant public facilities fund for the improvements to the Healthfirst facility, the residential anti-displacement and relocation plan and the progress of the community development block grant project for improvements on city owned parcels on memorial and canal street in downtown. Seconded by Councilor Zink.

Mayor Brown asked if there was any discussion on this motion.
No discussion ensued.

All in favor. Motion PASSED.

Milner stated that her second item was in need of a nonpublic session and she was ready to enter.

Motion – Councilor Ribas moved that the Franklin City Council enter into nonpublic according to RSA 91-A:3, II (d) Consideration of the acquisition, sale or lease of real or personal property which, if discussed in public, would likely benefit a party or parties whose interests are adverse to those of the general community. Seconded by Councilor Webb.

By a roll call vote.

Roll Call:

Councilor Blake	<u>yes</u>	Councilor Desrochers	<u>yes</u>	Councilor Starkweather	<u>yes</u>
Councilor Webb	<u>yes</u>	Councilor Dzujna	<u>yes</u>	Councilor Trudel	<u>yes</u>
Councilor Chandler	<u>yes</u>	Councilor Ribas	<u>yes</u>	Councilor Zink	<u>yes</u>

All in favor. Motion PASSED

Entered into nonpublic at 8:17 p.m.

Motion – Councilor Ribas moved to leave nonpublic session and return to public session. Seconded by Councilor Chandler.

All in favor. Motion PASSED

Public Session reconvened at 8:55 p.m.

Motion — Councilor Dzujna moved to seal the minutes. Seconded by Councilor Ribas.

By a roll call vote.

Roll Call:

Councilor Blake	<u>yes</u>	Councilor Desrochers	<u>yes</u>	Councilor Starkweather	<u>yes</u>
Councilor Webb	<u>yes</u>	Councilor Dzujna	<u>yes</u>	Councilor Trudel	<u>yes</u>
Councilor Chandler	<u>yes</u>	Councilor Ribas	<u>yes</u>	Councilor Zink	<u>yes</u>

All in favor. Motion PASSED

ADJOURNMENT:

Motion to adjourn was made by Councilor Ribas and seconded by Councilor Chandler.

All in favor. Motion PASSED.

The meeting adjourned at 8:56 p.m.

Respectfully submitted,

Lisa A. Jones
Executive Secretary