



Approved as amended by City Council on December 4, 2017

City Council Workshop Meeting November 14, 2017

Call to Order

Interim Mayor/Councilor Clarenbach called the meeting to order in the downstairs meeting room, Franklin City Hall at 6:02 p.m.

In Attendance

Councilor Ribas, Councilor Moquin, Councilor Barton, Councilor Giunta, Councilor Desrochers, Councilor Wells, Councilor Zink, Councilor Dzujna, Acting City Manager/Finance Director Milner and Interim Mayor/Councilor Clarenbach.

Salute to the Flag was led by Councilor Wells.

Acting City Manager/Finance Director Milner stated that the tax rate she gave out last week has changed based on an error the Assessors made on the MS-1 regarding the retained values TIF at the Industrial Park. The assessor included the value of the retained TIF in the tax setting value and that is not supposed to happen. It would equate to finding \$38,000 in the current budget and would go forward starting the tax cap off \$38,000 lower for the next budget cycle. She spoke to Department of Revenue Administration (DRA) and asked if that is to be on the MS1 and they confirmed that it is not. DRA stated they can roll back the rate and we could resubmit a new MS1 and reset the rate tomorrow. Acting City Manager/Finance Director Milner stated she always sets the rate for herself so she knows what it should be, sometimes off by a penny, which is around \$25.56 and .11 cents more than the rate she gave them last week and that was due to the TIF issue and an error on a property they included which was not taxable. A new rate should be out tomorrow and tax bills will still go out Monday or Tuesday. This is the earliest the tax rate has been set in the last nine (9) years.

Interim Mayor/Councilor Clarenbach stated they were lucky they hadn't been mailed yet. Acting City Manager/Finance Director Milner stated she asked the City Clerk/Tax Collector to verify the warrant and she was having trouble verifying and that is when the error was noticed. Knowing we had a new assessor and the previous assessor made this mistake but at that time it was \$4k and we couldn't let it go this time.

Councilor Dzujna asked if we had any problems with the TIF downtown. Acting City Manager/Finance Director Milner stated that one doesn't have additional value yet.

Agenda Item I.

Firefighter Personnel, Police Sergeants and Parks and Recreation Director regrades.

Acting City Manager/Finance Director Milner thanked Councilor Zink for her email and it made her realize where the disconnect is. She stated she was going back to fiscal year 2014 as most of the councilors weren't here when this study was done. The wage scale in many organizations has grades that hold positions and have a start value and an end value. The City of Franklin has twelve (12) steps

as you can have as many different steps as you want. It states a position is a grade of one of the numbers and the duties of that position get a salary range of what corresponds to that number. Entry level employee's usual start at step 1 and as they gain experience they will get a merit increase and move to the next step. In the 90's the steps were not capped. To move from this you get promoted or if the person is doing more you look to regrade, give COLA, etc. That is what a wage and class schedule is. On page 51-56 in your budget this year is this wage and class schedule. The schedule starts at series 1000 and then goes to series 2000 adding longevity for ten (10) years of service and adds \$500 or .24 cents an hour and is added on to series 1000. There is a series 3000 and that is for twenty (20) years of service and adds \$1000 or .48 cents an hour and is added on to series 1000. The feds changed the overtime rules and non-union wage schedules so having this in the hourly rate is perfect. MSD and PD have a different wage schedule as those are unions. Along the way corrections have been made to some grades and ½ grades were created and that has made some positions too close to each other.

The city has a number of budgeted positions to fill and two (2) positions remain unfunded. There are also several seasonal, call firefighter and call pool police dispatch help. The city can't hire outside the position listing. The wage and classification scale is old so the city manager has the flexibility to start positions at a higher rate. The city manager can also do promotions that go to an open position. A regrade is done by the council and is done as needed. Demotions are done by the city manager. Step increases are a budget item and if not then no steps are allowed. COLA increases are a budget item by the council. The union contract has to be ratified by the council. Contract employee is the city manager and that is ratified by the council.

Acting City Manager/Finance Director Milner stated they hired a firm to do the pay and class study and that firm spoke to all department heads, employees, city manager and looked at the benefits. It looked at communities similar and the firm came back with this pay and class study. The grades were changed and at that time the council asked the city manager and Acting City Manager/Finance Director Milner to come up with a plan but to implement this was going to cost around \$1.2M. The council stated to address positions going forward. Management meets regularly during the budget season addresses it at the time it becomes an issue. They have addressed MSD, Fire/PD secretaries, assessing tech, P/Z secretary, MSD union regrades. The PD Union, patrol and detectives, everyone at a step 12 got a signing bonus. Planning & Zoning Director was renamed to special projects coordinator and PD Sergeants were increased by steps in that grade. The accountant in finance office was regraded, department heads in grade 22 were regraded by adjusting the range, and the library director was addressed by the trustees, as they determine that position, and gave a stipend this year of 3.7% which is a step and cola. The city manager range is changing with the new hire. This pay and class is already five (5) years old so they will have to move this methodically.

Acting City Manager/Finance Director Milner stated the current issue is firefighters, captains, and suppression have been identified as critical because two (2) firefighters have left for other towns that pay \$5 to \$6 more an hour plus benefits. This is an issue due to the succession plan we had for retiring firefighters these were people who were to replace them but now they are no longer with us. The calls they go on are terrible and we need to recognize them and this is the biggest nonunion department. The total increase for the firefighters is \$36,324. Councilor Zink asked if this is annual or

additional this year. Acting City Manager/Finance Director Milner stated this is an annual cost and this year it is a little bit over ½ the amount.

Acting City Manager/Finance Director Milner stated the second issue is police sergeants as many are hitting the top step. In the study sergeants are to be in the same pay grade as fire captain/paramedic. She is asking to move them by adjusting the grade for a \$18,869 annual cost.

Acting City Manager/Finance Director Milner stated the parks and recreation director is under classed and has changed in scope. She supervises difficult employees, as they are seasonal, which tend to be younger and not as dedicated. She has taken the program from being 79% taxpayer funded to 40% taxpayer funded. She has created relationships with people and organizations from the outside and has the best relationship with the school district. She has brought in over \$1M in grants and has grants coming in as we move forward. The total annual cost is \$8,813.

Acting City Manager/Finance Director Milner stated the total of those three (3) items is a \$63,606 which the council put in the city manager's contingency line last week. She stated these are far from perfect but it is a step in the right direction.

Councilor Desrochers stated it would be foolish not to do this as we have given the school \$1.2M over the last two (2) years and we can't give to one and not the other. We can't afford to lose people and then have to spend money to retrain. We really don't want a union fire department.

Councilor Dzujna stated that Acting City Manager/Finance Director Milner did a great job going back. Even though the city doesn't have a lot of money but we need to do something to show we are trying.

Motion: ***Councilor Barton motioned to accept the recommendations as brought forth by Acting City Manager/Finance Director Milner. Seconded by Councilor Desrochers.***

Councilor Wells stated this is lopsided and would like to see the firefighters get more of a raise and decrease the parks and recreation director.

Interim Mayor/Councilor Clarenbach stated originally the resolution was set that they were giving \$102K and now we are giving \$94K to the school fund and he voted no on that motion. He feels like they are diverting funds and these are his challenges. The council are leaders of the community and they still need to provide a good education to the students. The funding at the schools is going to continue to dwindle with less support from the state.

Councilor Ribas questioned the ad hoc nature of how it gets decided the categories of who gets raises over time. He would prefer if there was a plan in place in who gets raises when rather than this ad hoc way. He asked for these three was this the process for them. Acting City Manager/Finance Director Milner stated it was talked about in the budget process last year. It was decided to wait until they had sustainable money and when that was had it was decided to move forward. Councilor Ribas stated the original didn't have the parks and recreation director and now it does. Acting City

Manager/Finance Director Milner stated she can't talk about the original. Acting City Manager/Finance Director Milner stated she added the park & recreation director as she felt that was the right thing to do and she wanted the new class study done for that position as it has dramatically changed since 2013 and we are still moving in the right direction with that position.

Councilor Desrochers clarified that with this the school will get \$8K less and if that is going to break the school we are in serious trouble. We need to retain people as how much will it cost to train new people as they won't come here with our pay scale.

Councilor Zink stated she had three (3) questions she was going to ask in succession. The document from August has a different figure by about \$10K and can someone comment on the one position classified differently, it looks like we are going to give a .65 cent raise where the pay and class study states they should get a \$3 increase and what is the plan to get to that \$3 increase and police and fire have stated they need more personnel and if we are thinking of next year or after and need to add personnel what is the fiscal impact of this. Acting City Manager/Finance Director Milner stated that the recommendation is time for a new pay and class study as this one is five (5) years old. These little changes are forward steps and it is being worked on as a group as it can't be implemented all at once. In FY19 adding personnel is on the budget plan for the fire department and it is about \$85K including wages and benefits.

Councilor Giunta mentioned being a state employee for 22 years and these pay and class studies were always talked about. When a study was done and the employees were asked what is most important to them money was 4th on the list and appreciation was 1st. He stated that the council appreciates everything that they do and the employees are very important to the council and they will continue to work to do better but this is the best they can do right now. He thanked them for everything they do.

Six (6) in favor and Two (2) against and One (1) abstained; motion passes.

Motion: Councilor Giunta moved that there is a need for a non-public session per 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. Motion seconded by Councilor Desrochers.

Roll Call:

Councilor Barton	<u>yes</u>	Councilor Dzujna	<u>yes</u>	Councilor Ribas	<u>yes</u>
Councilor Clarenbach	<u>yes</u>	Councilor Giunta	<u>yes</u>	Councilor Wells	<u>yes</u>
Councilor Desrochers	<u>yes</u>	Councilor Moquin	<u>yes</u>	Councilor Zink	<u>yes</u>

All in favor; motion passes.

Entered nonpublic session at 6:48 p.m.

Motion: Councilor Giunta moved that the Franklin City Council leave nonpublic session and return to public session. Motion seconded by Councilor Ribas.

All in favor; motion passes.

Public session reconvened at 8:21 p.m.

Motion: Councilor Desrochers moved that the Franklin City Council seal the minutes because it is determined that divulgence of this information likely would render a proposed action ineffective. Motion seconded by Councilor Giunta.

Roll Call:

Councilor Barton	<u>yes</u>	Councilor Dzujna	<u>yes</u>	Councilor Ribas	<u>yes</u>
Councilor Clarenbach	<u>yes</u>	Councilor Giunta	<u>yes</u>	Councilor Wells	<u>yes</u>
Councilor Desrochers	<u>yes</u>	Councilor Moquin	<u>yes</u>	Councilor Zink	<u>yes</u>

All in favor; motion passes.

Acting City Manager/Finance Director Milner stated the recruiter is looking to come the second week in December so they need to come up with a date. After discussion it was decided to do the 12th or 14th depending on what the recruiter can do.

Motion: Councilor Dzujna moved that the Franklin City Council allow councilor elect Trudel to attend the hiring process for the city manager. Motion seconded by Councilor Ribas.

Acting City Manager/Finance Director Milner stated the December meeting is to narrow the candidates down to five (5). The recruiter will then do all the checks for those candidates and those candidates will come in January for two (2) days for the interview process.

Motion to adjourn made by Councilor Ribas and seconded by Councilor Giunta. All in favor; meeting adjourned at 8:28 p.m.

Respectfully Submitted,

Lauraine G. Paquin