



**City Council Budget Workshop Meeting
Monday, June 13, 2016**

Call to Order

Mayor Merrifield called the meeting to order in the Council Chambers, Franklin City Hall at 6:02 p.m.

In Attendance

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

Absent

Councilor Boyd.

Salute to the Flag was led by Councilor Dzujna.

Mayor Merrifield mentioned that since they haven't heard the school's budget yet he is going to strike Item II from tonight's agenda.

Agenda Item I – BUDGET REVIEW – OUTSIDE AGENCIES

I. UPPER MERRIMACK RIVER LOCAL ADVISORY COMMITTEE – pg 81

Nita Tomaszewski highlighted a few points regarding the letter presented. She spoke towards the water quality and monitoring. They are asking for \$250 from Franklin and they do ask for money from other towns/cities as well. They did sponsor an intern from Franklin this past year who did a wonderful job putting their data together.

II. FRANKLIN OUTING CLUB – pg 81

Kathy Fuller stated she represents the Outing Club and has been treasurer for a number of years. She wanted to thank the Mayor and City Council's support as they would not continue to operate if the City did not fund the Liability and Workers Comp. Insurance. This past year they did not operate one lift for even part of one day, it was a terrible winter. They are hoping to get a full refund of the Workers Comp. Insurance but that usually doesn't come until November or December. They are in there 55th year of operation and maintain a membership of between 30-50 families and the volunteer efforts maintain the t-bar and rope tow. A new septic system

will be installed and it will be at no cost to the Outing Club or City as it is being donated. Annually the Winter Carnival book does offset the Winter Carnival costs.

In July they will have a 9-hole Frisbee Golf opening. The Snowmobile Club has been having fundraisers with the Outing Club as they would like the garage to go in once the septic is in. The trails are used year round. They took over the fishing derby this year and felt it was very successful. A handicapped ramp was installed this year by Home Depot volunteers and their materials.

Councilor Dzujna wanted to thank them for their work there. He stated he heard that if they don't open the State has to come in and retest everything. Kathy stated it is two years but they do come annually to inspect their lifts. She stated because they have been in existence longer than any other ski area, and there are no all-volunteer ones left, they didn't have to pay for a license this year. Next year they will pay it and then they will be grandfathered in. City Manager asked that when they rent out for events are they requiring a certificate of insurance. Kathy stated she makes sure the City is on there as well.

III. AMERICAN RED CROSS – None

IV. GRANITE STATE ANIMAL LEAGUE (FRANKLIN ANIMAL SHELTER) – pg 72

Tom Seymour, President, and Jeff Roker, Asst. Treasurer, spoke to the Council. He stated that at the end of 2015 the Board of Directors had 13 very dedicated individuals. The mission of this board is to care for all of the City of Franklin's abandoned, neglected, abused and unwanted cats and dogs. 2015 was a very good year for the shelter and signature fundraising events like St. Valentine's Day raffle, 5K run/walk, Concert for the Animals and Paws in the Park was their focus.

Animal placements rose 87% over the previous year, daily costs of operations rose 17% and veterinary costs dropped by 17%. The net ordinary income is \$17,278 and there is \$28K in the capital campaign fund. The BOD from a strategic planning session in 2014 stated that the capital campaign is a major need for the shelter itself. Some of these funds are for updating the cat crates and dog kennels to a more modular system to be moved into any type of configuration at any time. These upgrades have cost to date \$20K.

They have expanded their services to Northfield and Hill to accept their surrenders. They have renewed their contract with Petco in Gilford as their cats are on display in their store and a lot of cats are adopted by doing this.

They are asking for level funding again this year so that will leave them to fundraise the remaining 56%. City Manager Dragon asked if they considered a set fee with Northfield and Hill for their surrenders. Jeff stated that they stayed away from animal control contracts and they are not taking in their strays. They are taking in surrenders from their residents for a fee. City

Manager Dragon asked if he has asked the other cities for donations to their capital campaign. Jeff stated that you prefer to move the animals and not make money on them. City Manager Dragon asked that if the fees barely offset the costs, why take in the surrenders from other communities if it doesn't help offset the cost of the budget. Tom stated there is capacity that they are not filling and it allows a broader exposure which brings in more money from donations.

Councilor Barton asked if there a significant reason for owner surrenders and strays. None other than as they gain visibility they gain activity. Councilor Giunta stated our budget is very tight and you should have that number then add some to it when you adopt out the animals so that the City of Franklin is not subsidizing this. Tom added if they did that then they would not adopt out any animals as they would not be competitive. Councilor Giunta stated that he was saying that the communities that bring in the strays subsidize what it costs us to adopt them out. Jeff stated we are a business and we do look at all dollars and they are spent wisely. Tom stated that in 2014 they did increase their prices.

V. FBIDC – pg 81 Jim Aberg spoke and stated they are asking for level funding of \$45K of which they give back to the city \$6K for their space. The past year they have worked with Permacity Life, who has purchased 7 properties with the bank that back stopped these loans. Director Lewis got a grant in which we hired a Downtown Coordinator, Niel Cannon. Niel has applied for \$500K tax credits through CDFA. Those credits would be awarded over two years and used for façade improvements for any building owned by a non-profit and that building owner would have to match the grant with 50% equity. Franklin Savings Bank has pledged \$100K in additional funds against those matching grants. There have been conversations with others and feel they may step forward as well. We should hear something around Aug 9 or 10 if we were awarded those tax credits.

They have raised \$3K for the flower project initiative. Councilor Dzujna volunteers his time by bringing the baskets to the growers and coordinates the watering and without that it wouldn't get done. Councilor Zink asked if they had a plan for the buildings by the VFW. Jim stated they had a plan and Permacity was going to buy the auto parts store and the building attached to Al's Pizza. FBIDC has a contract with Nano's pizza, 169, and it is contingent on finding a tenant. However there are major mold issues with that building that will most likely prohibit them from moving forward. It is going to cost more than what they have.

City Manager Dragon stated that's why this relationship works so well is that they brainstorm on what ideas may work within the City. Like with the Caio Pasta property and Lenny's property next door she will talk with FBIDC and how to deal with clean up but that is another area we are focused on.

Counselor Desrochers stated if you tear down the pizza place you can get more parking for the auto parts store and green space. Jim stated it is a good idea as there is a patio behind it that overlooks the water.

VI. COMMUNITY ACTION PROGRAM TRIP CENTER – None

VII. CAREER FIREFIGHTERS ASSOCIATION – None

VIII. COMMUNITY ACTION PROGRAM (CAP) – pg 72 Gail Lyman spoke about asking towns/cities they service to help support and they support 8 towns out of the Franklin center. The federal share this year is going to be lower. CAP area center does things to allow people to stay in their homes longer like fuel assistance, state wide electrical discount program, neighbor helping neighbor, back rent, security deposits and they do things the City doesn't do. By supporting this program you are helping the war on poverty. City Manager asked what the federal share amount is. Gail stated last year it was 61% and this year it is 54%.

IX. CONSERVATION COMMISSION – pg 86 Roy Gilbreth stated they normally ask for level funding but due to fee increases from the state and they are hoping for an increase to cover that. There is a lot of activity at the lake with people getting their boats out of the water. They are also looking into the Emerald Ash Borer. Roy went to a seminar in Concord. The Emerald Ash Borer cannot be stopped and anticipate every ash tree in Concord will be gone in 10 years. There are two things that you can do one is systemic – which you treat trees for \$100-\$150 each annually. The second option is to use parasitic wasps and you place them and when they hatch they eat the Emerald Ash Borer but they won't get all of them. It is in Franklin and in 2015 the wasps were released in Northfield. In Franklin the majority of ash trees are in wetlands and there are only about 5 trees in downtown that are worth saving at about \$1K a year. The commission is looking at possibly getting a grant but not sure where that will go.

Algonquin Power is looking to put a fish path where Stevens Mill used to be. Trout unlimited is to put boards in the streams and that will be happening. There is no anticipation of cutting in the forests. Councilor Clarenbach asked about the funds from the Great Gaines Forest can be diverted to the Emerald Ash Borer. Roy stated the funds are to be for the indigent but not sure as there is also an agreement with the City for plantings of \$1200 a year. Councilor Starkweather asked what they are doing with the boards. They are putting boards in to raise the water to create ripples that will create more oxygen in the streams for the fish. City Manager thanked them for working together and looking into the Emerald Ash Borer item.

X. FRANKLIN HISTORICAL SOCIETY – pg 81 Leigh Webb stated they are asking for level funding and since moving to their permanent home the amount of articles is flowing in. Sheet protectors are what they are needing to purchase. The larger the sleeve the more it costs. To display properly, handle without damaging, to archive and store them properly this is what they need. He stated that about 30% of the items are done properly and that is what the budget is going to purchase this year. They won't last as long if not stored properly.

Councilor Clarenbach asked if it is best where it is stored and how it is stored for the library's properties. Leigh stated that he hopes the Library of Trustees will address the problem.

Councilor Dzujna asked if they need to be temperature controlled. Leigh Webb stated in an ideal world yes but with our resources you have to do the best that you can.

XI. FRANKLIN VNA – pg 72 Nick Johnson asked the council for level funding of \$26,945 as they too are facing restrictions and the insurances are paying less and less every year. For medicare they are in the 3rd year of a 2% reduction. They have responded by cutting expenditures by \$130K and the employees are not getting a standard 3% raise. They do ask for funding from seven other towns but Franklin is there home town. Councilor Giunta stated he knows how tough it is to not give that 3% raise and you are not alone in that. Councilor Clarenbach asked if their operating losses are offset by endowment money. Nick stated they do have some prior year money saved that is helping. Medicare used to pay more but now it is making it very hard. It is not endowment money or board restricted funds. Councilor Starkweather asked if Obamacare is working for them. Nick stated it is not helping as it is making sure you have money but it doesn't mean it pays more.

XII. LAKES REGION PLANNING COMMISSION – City Manager Dragon stated it is as good as you make it, take advantage of the programs they offer and access the funds they get. For the City Manager Dragon it is about accessing the funds.

Agenda Item II – OVERALL BUDGET REVIEW and changes by the Council

Stricken from agenda at beginning of meeting as they need to hear school's budget presentation.

Agenda Item III – FY17 CONTINUING RESOLUTION

City Council to consider adopting Resolution #12-16 to allow the City to expend like appropriations until the FY17 budget is adopted.

Motion: Councilor Desrochers move that the Franklin City Council adopt Resolution #12-16 to allow the City to expend like appropriations until the FY17 budget is adopted. Motion seconded by Councilor Dzujna.

RESOLUTION #12-16

A Resolution relating to payment of necessary accounts payable and payroll in fiscal year 2016.

In the year of our Lord, Two Thousand Sixteen,

WHEREAS, The City Council of the City of Franklin has not adopted a Budget for Fiscal Year 2017, which will begin July 1, 2016, and

WHEREAS, The City Council of the City of Franklin wishes that all necessary accounts payable and payrolls be paid during the month of July 2016, now

THEREFORE, BE IT RESOLVED THAT, The City Council of the City of Franklin does hereby authorize payment of like FY2016 expenditures for both accounts payable and payroll and further authorizes the City Treasurer to draw necessary drafts as approved by the City Manager/Superintendent up to the time that the 2017 Fiscal Year Budget is adopted by a roll call vote.

Roll Call:

Councilor Clarenbach	<u>yes</u>	Councilor Dzujna	<u>yes</u>	Councilor Barton	<u>yes</u>
Councilor Starkweather	<u>yes</u>	Councilor Wells	<u>yes</u>	Councilor Boyd	<u>abs</u>
Councilor Desrochers	<u>yes</u>	Councilor Giunta	<u>yes</u>	Councilor Zink	<u>yes</u>

All in favor; motion passes.

Agenda Item IV – OTHER BUSINESS

City Council to consider the minutes of the May 9th and May 16th, 2016 Budget Workshop City Council Meetings.

Motion: *Councilor Giunta move that the Franklin City Council consider the minutes of the May 9th and May 16th, 2016 Budget Workshop City Council Meetings. Motion seconded by Councilor Clarenbach.*

All in favor; motion passes.

City Council to consider removing from the table Map/Lot: 096/407/000.

Motion: *Councilor Clarenbach move that the Franklin City Council remove from the table Map/Lot: 096/407/000. Motion seconded by Councilor Barton.*

All in favor; motion passes.

Motion: *Councilor Clarenbach moved that the City of Franklin accept the tax deeds on the following parcels: Map/Lot: 096/407/000. Motion seconded by Councilor Dzujna.*

All in favor; motion passes.

City Manager Dragon spoke about ADA issues at Thompson Hall, owned by Congregational Church of Franklin, replacement of locking mechanism on exterior door, modification of existing ramp/entrance and location of hand railing. This will allow us to use the space for voting for the next fifteen (15) years. The cost is estimated to be \$5,000.

Councilor Clarenbach asked if there is anything in here for insurance to protect the church from suit during polling hours. City Manager Dragon stated we can get them a certificate of insurance for these times.

Motion: Councilor Clarenbach moved that the City of Franklin approve the proposed Memorandum of understanding with the Congregational Church to make improvements necessary for elections at Thompson Hall and authorize the Mayor or the City Manager to sign the agreement. Motion seconded by Councilor Desrochers.

Councilor Dzujna asked if the work is being done by the City. City Manager Dragon stated yes. Councilor Wells asked do we know what kind of ADA requirements will be in 15 years and who will be responsible. City Manager Dragon stated we would not but we do have protection in existing building and existing use and look to make modifications as we look forward. Councilor Wells asked would we be responsible. City Manager Dragon stated we would not. In the future if we were cited with any issues it would brought back to the Council.

All in favor; motion passes.

City Manager Dragon stated that originally the Withdrawal Committee sent the withdrawal plan to the Education Committee and that meeting was scheduled for June 16 but that meeting has been postponed until the July meeting so that both district attorneys can meet and come to agreement on district assets.

City Manager Dragon talked about the road proposals project. They did get proposals and they are ready to award to GMI Asphalt, who was the lower bidder and they are moving their business to Franklin. R&D Paving was sent a letter as they were very upset that they didn't get the project.

City Manager Dragon updated the Council on the Sober House. Their Pro Bono lawyer proposed a zoning ordinance change but it is not suitable as there are a lot of issues with it. The NH Fire Marshal went out and did a separate inspection and they agree with the Franklin Fire Dept & Code Enforcement Office about the life safety issues.

Councilor Desrochers asked why the Superintendent is presenting to the State as he was not part of the committee and he is against withdrawing and the committee voted to withdraw. City Manager Dragon stated that it is part of his role whether he is against it or not he has to present what the committee voted on.

Mayor stated that he believes that we are going to have several meetings to come to agreement on the school budget and the July meeting is not realistic but are up against a time crunch with July 27 deadline. Councilor Clarenbach agreed July 5 is out of reach and we need to meet three times a week if necessary. Councilor Desrochers agreed as well that July 5 is out of reach. Councilor Giunta asked will they work with us. Councilor Dzujna agreed we need to meet and get the school side working together.

Motion to adjourn made by Councilor Giunta, seconded by Councilor Clarenbach. All in favor; meeting adjourned at 8:31 p.m.

Respectfully Submitted,

Lauraine G. Paquin