

Approved by City Council on June 3, 2019



**Special City Council Meeting Minutes  
May 13, 2019, 6:00 PM  
City Hall Council Chambers**

**Call to order**

Mayor Giunta called the meeting to order in Council Chambers at 6:01PM

**City Council in attendance:**

Mayor Tony Giunta, Councilor Jo Brown, Councilor Scott Clarenbach, Councilor Bob Desrochers, Councilor George Dzujna, Councilor Kathy Rago, Councilor Ted Starkweather, Councilor Karen Testerman, Councilor Paul Trudel.

**Others in attendance:**

City Manager Judie Milner, Finance Director Frank Lossani

**Absent:**

Councilor Vince Ribas

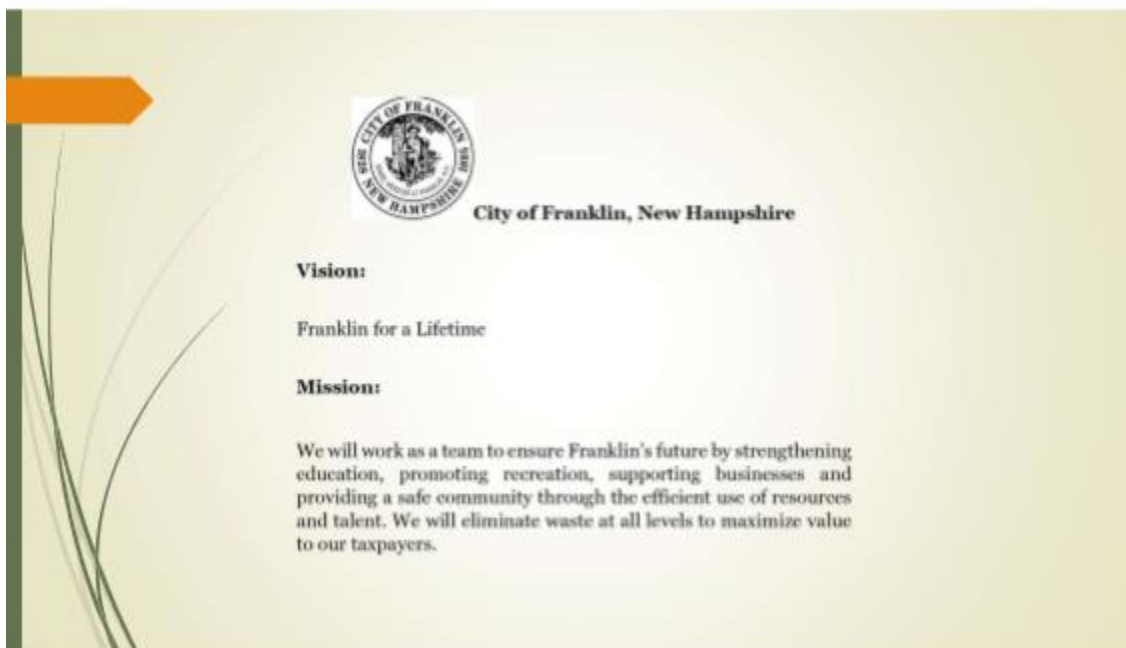
**Salute to the Flag was led by Councilor Trudel.**

Mayor Giunta welcomed everyone and stated that tonight, the City Manager will review the City side of the Budget.

City Manager Milner stated that the budget was prepared with the new vision and mission in mind. We are talking through the FY2020 General Fund Budget and is the only fund in the City supported by the taxpayers. Milner stated that the General Fund supports the Municipal Departments and the School District.

Milner stated that the School District presented their budget of \$18M on May 7<sup>th</sup> in addition to our Municipal Budget of \$12M, this totals our \$30M General Fund budget presented to the Council.

The following slides also reference the City Manager's FY20 Proposed Budget available on the City's website



Looking at the tax bill, School District Operations is \$5.5M or 36% of the total taxes received. Our portion of Merrimack County is \$1.669M, Veterans Credits are \$150K, Overlay is \$31K. Overlay is a bucket with tax bills that were sent out incorrectly or need abatements. And the taxes to support Municipal Operations are \$7.8M. The Tax Increment Finance Districts are \$101K. The break-down is \$59,834 for the Industrial Tiff District and \$41,615 for the Franklin Falls Mixed Use Tiff District. This is above and beyond what the tax rate was based on. The Town is the sum of the Veterans credits, the Overlay and the amount that offsets Municipal Operations.

Tax Increment Financing Districts are paid by the taxpayers who created that "Increment" that is not part of the tax rate so residents won't see that on the tax bill, only those residents who created that Increment.

There are a few places in this presentation where the school budget is included when reference to the taxes is made. With regards to the Tax Cap, property taxes that we can assess this year is \$15,286,893. The increase over prior year is \$306,005. This is the 1.9 CPIU plus \$22K in pick-ups. Pick-ups are items that were not in last year’s tax number.

### FY2020 General Fund Budget Taxes

Property Tax Support For:	Amount	% of total
School District Operations	5,517,785	36.1%
Merrimack County	1,669,025	10.9%
Veteran's Credits	150,125	1.0%
Overlay	31,000	0.2%
Municipal Operations	7,817,509	51.1%
Tax Increment Financing Districts	101,449	0.7%
<b>Total City of Franklin Property Tax</b>	<b>15,286,893</b>	<b>100.0%</b>

How does this look on my tax bill?		
Statewide Education	1,158,237	
School	4,359,548	
County	1,669,025	
Town	7,998,634	

<b>Increase over prior year taxes</b>	<b>\$ 306,005</b>	<b>2.04%</b>
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Tax Increment Financing Districts taxes are paid by the taxpayers in the district who have added value to that district since inception

### General Fund – Ability to Pay Taxes

History

Fiscal Year	Balance Sheet	Tax Lien		Tax Deeds		
	Delinquent Taxes at 6/30	# Intent to Lien Notices Sent	Amount of Tax Liens Executed	# Intent to Deed Notices Sent	# Tax Deeds Executed	Amount of Tax Deeds Executed
2014	629,009	325	549,470	72	12	85,270
2015	549,689	349	416,424	180	4	31,591
2016	492,570	236	393,467	164	13	84,917
2017	513,076	250	374,347	129	10	56,592
2018	404,879	233	380,630	68	11	56,517
2019	-	211	451,001	89	-	-
Not yet known						

Milner informed the Council when looking at the Tax Cap formula in the budget, the beginning numbers won't equate to last year's ending numbers for the split between the school and the municipality. The reason is because the County came in significantly under what was estimated last year as if we knew that number ahead of time. As the Council knows, we never know the County number until at least September 1<sup>st</sup> which makes budgeting a bit challenging. That savings was split between the school district and the municipality as if we knew it ahead of time. Therefore, this year's formula started a little higher than we ended with last year.

Councilor Trudel asked if the County has been trending up or down. Miller replied that it's been even over the past several years and was surprised at the decrease last year.

### General Fund – Downshifted Costs to Franklin Taxpayers

- History

	FY19	FY18	FY17	FY16
<b>School District</b>	730,599	569,199	409,331	255,261
<b>Municipal</b>	889,559	795,468	728,519	669,520
<b>Total</b>	<b>1,620,158</b>	<b>1,364,667</b>	<b>1,137,849</b>	<b>924,782</b>

- Important Note: School District downshifting reported above does NOT include lost revenues as a result of reduced enrollment

### General Fund – Downshifted Costs to Franklin Taxpayers

- Estimated Downshift for FY2020 Budget:

<b>School District</b>	997,932
<b>Municipal</b>	794,965
<b>Total</b>	<b>1,792,897</b>

- Stabilization downshifting has to be the focus of advocacy with our state legislators

For taxpayers, this equates to 2.69% on the tax rate.

## FY2020 General Fund Revenues



## FY2020 General Fund – Revenues, Other than Taxes

- Noteworthy Changes Over Prior Year
  - Masonic Lodge PILOT (pg 67)
  - Solar – PILOTs & Lease (pg 67 & 70)
  - Int & Costs Property Tax (pg67) vs. interest earnings (pg 70)
  - Motor Vehicle Registrations (pg 67)
  - Misc Tax Collector (pg 68)
  - Federal & State Revenues (pg 68)
  - Charges for services (pg 69-70)
  - Donated from non public resources (pg 71)
  - Trf from Capital Reserve Funds (pg72)
  - Other Financing Resources (pg 73)

## FY2020 General Fund Recommended Fee Changes

Ordinance 02-20 (Change to Chapter 160 of Municipal Code)

		Current Fee	Change To	New Fee
Fees to Change:	Mobile Home Annual Permit Fee	\$5.00		\$5.00
	Mobile Home Annual Reinspection Permit Fee (for failed mobile home units)	\$0.00		\$0.00
	Certified Mailings Fee (The fee shall be adjusted per any change in the U.S. Postal Service fees, with the City fee being \$0.75 above the USPS rate, rounded to the nearest tenth of a dollar.)	\$6.90		\$6.70
	Transfer Station- Residential and Commercial demo materials and asphalt shingles, per ton	\$127.00		\$128.00
Fees to Delete:	Workload Permit Joking Band of Adjustments appeal/Hearing Board Abandon Notification fee (covered under Certified Mailing fee)	\$6.00		\$0.00
Fees to Add:	Documents on a CD (includes the cost of a CD)	\$0.00		\$5.00
	Documents on a thumb drive (includes the cost of thumb drive)	\$0.00		\$05.00
Change in Fee Description:	Water final meter reading (fee to remain at \$40)		from under 2 working days notice	to all final meter readings
Change Category of Fee:	Workload Permits Application:		move to right above Multifamily/Commercial/Industrial section set up entire category "Land Use Application" & locate between "landfill filing fee" and "kennel fees"	

## FY2020 Budget Personnel

# Positions Supported By Taxpayer:	
Funded	81.85
Unfunded	2.5
# Positions Not Supported By Taxpayer:	
Water	6.15
Sewer	3.50
Grant	1
K-9's	2
<b>Total Positions</b>	<b>97</b>

## FY2020 General Fund Budget Personnel

General Fund Personnel By Department

Department	Staff Positions				
	FY2016	FY2017	FY2018	FY2019	FY2020
Assessing	1	1	1	1	1
City Clerk/Tax Collector	2.4	2.4	2.4	2.4	2.4
City Manager	2	2	2	2	2
Finance	2.5	2.5	2.5	2.5	2.5
Fire	17	17	17	19	19
Library	3	3	3	3	3
Municipal Services	15.45	15.45	15.45	17.45	17.45
Planning & Zoning	2	2	2	2	2
Police	28	28.5	28.5	28.5	28.5
Recreation	4	4	3	3	3
Welfare	1	1	1	1	1
<b>Total Taxpayer Funded Positions:</b>	<b>78.35</b>	<b>78.85</b>	<b>77.85</b>	<b>81.85</b>	<b>81.85</b>

## FY2020 General Fund Budget Personnel

Municipal Department Raise History

City of Franklin, New Hampshire Municipal Departments Raise History		
Fiscal Year	Step (2.5%)	COLA
2010	yes	0.10%
2011	yes	2.70%
2012	no	0
2013	yes	1.50%
2014	no	0
2015	yes	1.50%
2016	yes	0
2017	yes	0
2018	no	0
2019	no	1.50%

Proposed FY2020 includes step increase and COLA (1.9%)

Milner highlighted the EMS contract with Andover that resulted in revenue of \$80K and an additional pick-up in billables of \$90K which allowed the funding for two additional positions in the Fire Department which helped alleviate some of the Overtime fatigue.

Bring the Custodial services in house has saved money and has been working out really well. There are no additional positions proposed for FY2020.

Milner stated that a Municipal Class Study was done in 2014 and our pay rate was off by several dollars per hour. The City was not able to implement increases but able to keep benefits in place which helped keep employees here in the community. Due to the recession, raises were not given every year and so the pay scale is getting further and further behind. Milner continued to explain that the employees at step 12 do not receive a wage increase unless the City gives a COLA. In FY19, Milner requested a COLA so that the 1/3 of step 12 employees could receive an increase bringing them a little close to where they should be. Because of attrition this year, that 1/3 of employees is down to 21% that are at step 12. Milner also recommended a City-Wide Pay & Class Study because there are other areas as well as the School District that need to be reviewed.

FY2020 General Fund Budget  
Personnel

➤ FY2014 Pay & Class Study

Job Title	FY18 Current Pay Rate	FY20 Pay & Class New Pay Rate	Cost Variance	Number of EE's in each filled position
Communications Supervisor	\$ 18.42	\$ 19.52	\$ 1.10	1
Account Clerk	\$ 14.05	\$ 15.05	\$ 1.00	3
Heavy Equipment Operator II	\$ 15.77	\$ 17.05	\$ 1.28	4
Firefighter	\$ 16.95	\$ 18.24	\$ 1.29	6
Municipal Services Deputy Director	\$ 25.51	\$ 27.05	\$ 1.54	1
Parks/Recreation Director	\$ 25.51	\$ 27.05	\$ 1.54	1
Light Equipment Operator	\$ 13.33	\$ 14.80	\$ 1.47	3
Master Firefighter	\$ 17.88	\$ 19.52	\$ 1.64	1
Assistant Technician	\$ 16.49	\$ 18.24	\$ 1.75	1
Deputy Tax Collector/City Clerk	\$ 15.29	\$ 17.05	\$ 1.76	1
Inspection Captain	\$ 22.72	\$ 24.81	\$ 2.09	1
Firefighter Paramedic	\$ 18.68	\$ 20.68	\$ 2.00	1
Secretary	\$ 16.00	\$ 18.24	\$ 2.24	1
Inspector	\$ 20.40	\$ 22.76	\$ 2.36	1
Fire Captain Paramedic	\$ 22.43	\$ 24.81	\$ 2.38	1
Sergeant	\$ 22.43	\$ 24.81	\$ 2.38	5
Children's Librarian	\$ 14.05	\$ 17.05	\$ 2.40	1
Mechanic	\$ 15.77	\$ 18.24	\$ 2.47	1
City Clerk/Tax Collector	\$ 24.12	\$ 27.05	\$ 2.93	1
Library Director	\$ 24.12	\$ 27.05	\$ 2.93	1
Master Firefighter Paramedic	\$ 19.72	\$ 22.76	\$ 3.04	0
Welfare Administrator	\$ 19.77	\$ 22.76	\$ 2.99	1
Executive Secretary/Treasurer	\$ 18.49	\$ 20.52	\$ 3.03	1
Finance Assistant	\$ 16.49	\$ 19.52	\$ 3.03	1
Patrol Officer/Detective	\$ 18.81	\$ 22.76	\$ 3.95	12
Fire Captain	\$ 20.80	\$ 24.81	\$ 4.01	3
Secretary Police Station	\$ 13.10	\$ 18.24	\$ 5.14	1



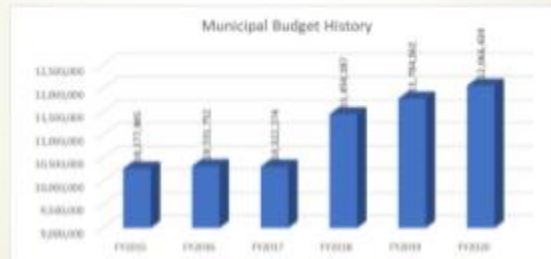
## FY2020 General Fund Budget Personnel

### Benefits

- Health Insurance (8.51% inc)
  - New Hampshire Interlocal Trust, Harvard Pilgrim Network
  - \$15 co-pay; \$100 emergency room co-pay
  - RX \$0/\$25/\$40; Deductible \$500/\$100/\$1500
  - Out of Pocket Max \$6000/\$12,000/\$12,000
- Dental (12% dec)
  - Up to \$1000 per year total benefit
  - 100% preventative, 80/20 restorative, 50/50 major
- Life, Short, Long Term Disability (9% dec)
  - 10,000 life
  - 60% pay disability (26 short; up to 60 long)

## FY2020 General Fund Budget Expenditures

### Municipal Budget History



## FY2020 General Fund Budget Expenditures

- Executive (pg82)
  - Stipend mayor & 9 councilors
  - Wages 2 FTE's
    - Manager
    - Executive Secretary
- Election, Registration & Vital Statistics (pg85)
  - Wages 2.4 FTE's
    - City Clerk/Tax Collector
    - Deputy
    - Account Clerk

## FY2020 General Fund Budget Expenditures

- Did you Know?
  - How many Motor Vehicle registrations per year are completed by the clerks office?
    - 10,000 (38 per day!)
  - Dogs?
    - 1,520
  - Water/sewer bills processed?
    - 10,800
  - Vital Records?
    - 708



FY2020 General Fund Budget Expenditures

- Financial Administration
  - Finance
    - 2.5 FTE's
      - Finance Director
      - Accountant
      - Finance Assistant
  - Assessing
    - 1 FTE
      - Assessing Tech
      - Contract
  - IT
    - Contract

Milner stated that there are three full time in Finance, .5 employee is in Water and Sewer handling invoicing, payroll, and financial statements of Water and Sewer.



FY2020 General Fund Budget Expenditures

- Did you know?
  - Finance Office Number of:
    - Grants administered?
      - 10
    - Capital leases administered?
      - 3
    - Accounts payable invoices processed?
      - 7512
    - Independent Boards accounting processes?
      - 2
    - Benefits [City sponsored, involuntary, voluntary] administered?
      - 28

**FY2020 General Fund Budget Expenditures**

- Legal (pg92)
  - Outside legal on retainer
- Planning & Zoning (pg95)
  - 1.8 FTE's
    - Planning & Zoning Director & Special Projects Coordinator
    - Administrative Secretary (32 hours per week)
- Did you know?
  - What does special projects coordinator mean?
  - Number of permits processed
    - 234

**FY2020 General Fund Budget Expenditures**

- Buildings, Insurance, Other (inserted page, pg96)
- Did you know?
  - How many buildings do the MSD Buildings & Grounds department maintain?
    - 8 (13,641 square feet)
  - How many acres of beach, parks, forest, parking lots does the Building and Grounds department maintain?
    - 613

**FY2020 General Fund Budget Expenditures**

- Did you know?
  - # of towns serviced by our dispatch center?
    - 6
  - # of officers patrolling on each shift?
    - 3
  - Day of the week most fire/rescue calls occur?
    - All
  - Time of day most fire/rescue calls occur?
    - Noon – 6pm

Milner stated that the PD Budget History has been flat. To keep the reporting apples to apples, a couple of years ago, Debt Service was moved down to Debt Service.

The image contains two presentation slides with a light green background and a dark green vertical bar on the left. Each slide features an orange arrow pointing right. The top slide lists expenditures for Admin and Investigations, while the bottom slide lists expenditures for Patrol, Dispatch, and Police Station.

### FY2020 General Fund Budget Expenditures

- Admin (pg101)
  - 3.5 FTE's
    - Chief
    - Lieutenant
    - Chief's Secretary
    - 1/2 time Patrol Secretary
- Investigations (pg 102)
  - 5 FTE's
    - Prosecutor
    - Detective Sergeant
    - (2) Detectives
    - Secretary

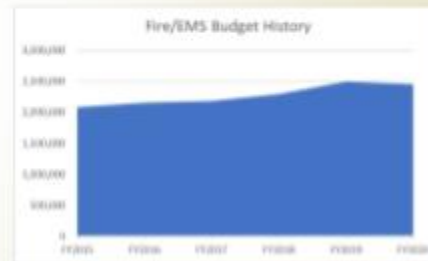
### FY2020 General Fund Budget Expenditures

- Patrol (pg103)
  - 14.6 FTE's
    - 4 Sergeants
    - 10 Patrol Officers
    - 1 part time patrol officer
- Dispatch (pg104)
  - 5 FTE's
    - Communications Supervisor
    - 4 Communications Specialists
- Police Station (pg105)

Milner stated the decrease is due to a change in Personnel. There was a bit of turnover in dispatch this year but believe the right people are in place now.

## FY2020 General Fund Budget Expenditures

- Public Safety - Fire



## FY2020 General Fund Budget Expenditures

- Fire Admin (pg108)
  - 3 FTE's
    - Chief
    - Deputy
    - Chief's Secretary
- Fire Dispatch/Alarm (pg111)
- Emergency Management (pg113)
- Building (pg113)



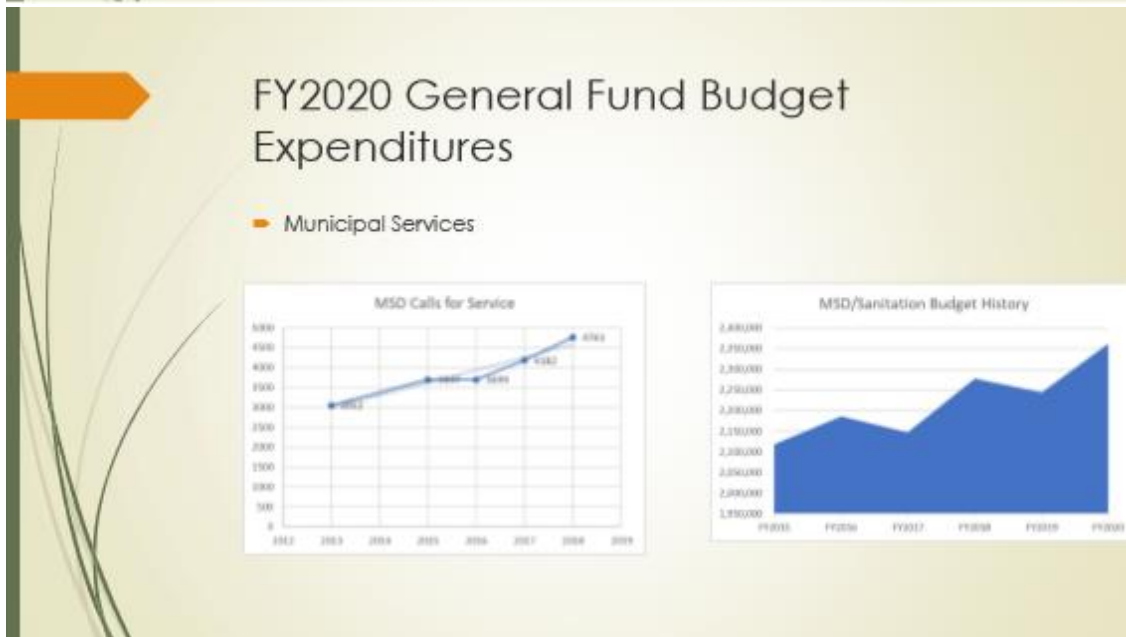
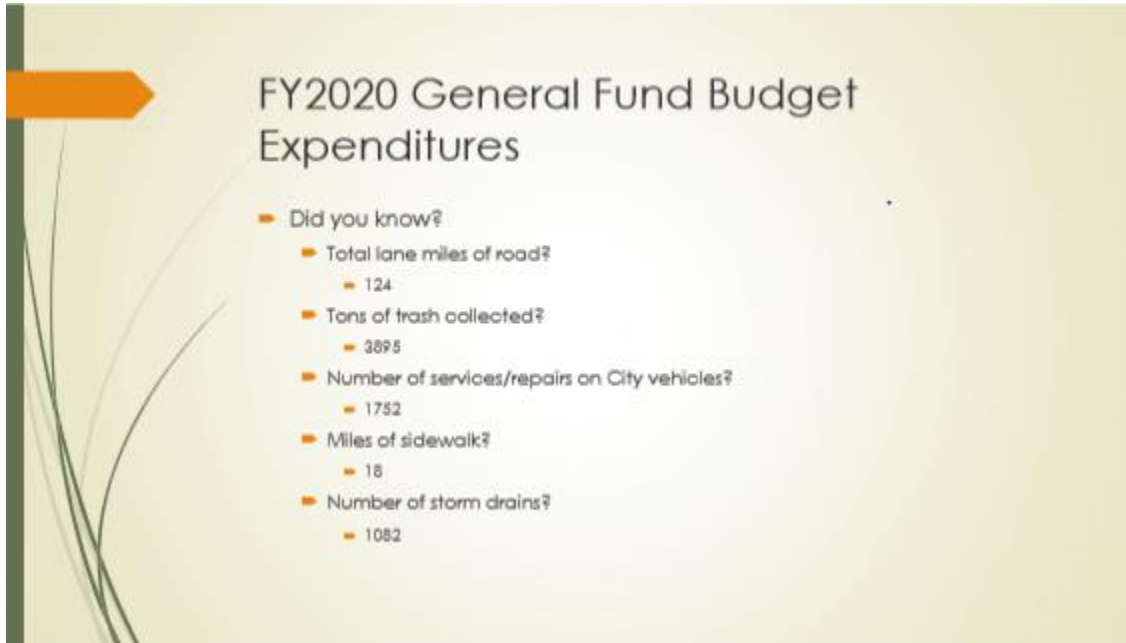
## FY2020 General Fund Budget Expenditures

- Suppression (pg109)
  - 14 FTE's
    - (1) Captain Paramedic
    - (3) Captains
    - (2) Firefighter/Paramedics
    - (2) Master Firefighters
    - (1) Master Firefighter/Paramedic
    - (1) Firefighter/AE/IT
    - (4) Firefighters
  - Code Enforcement (pg110)
    - 2 FTE's
      - Inspection Captain
      - Inspector



## FY2020 General Fund Budget Expenditures

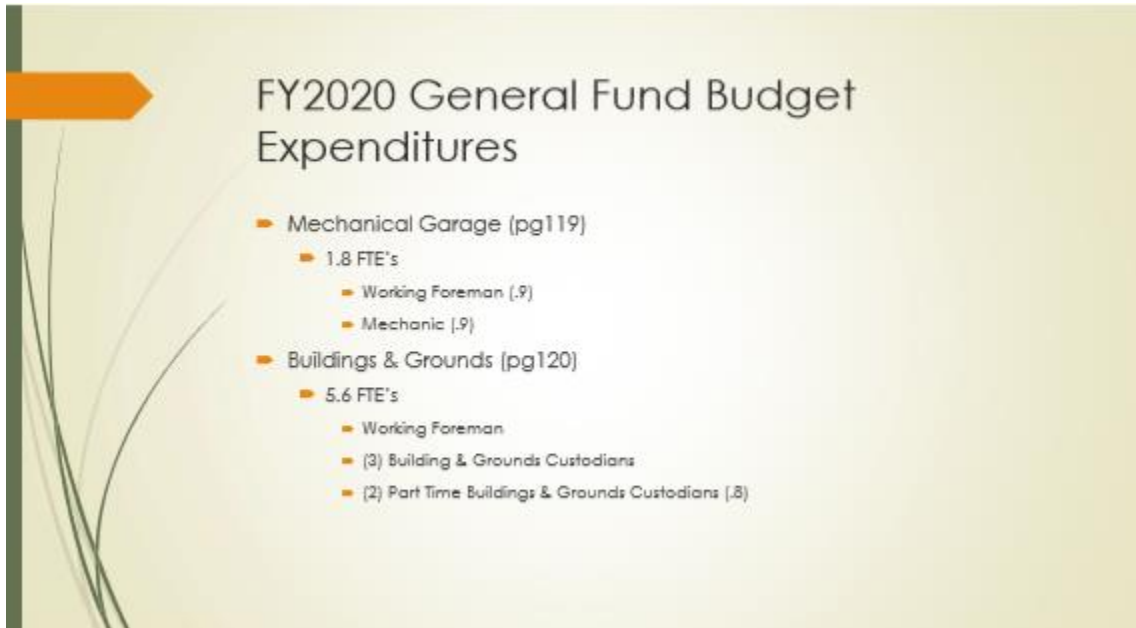
- EMS/Rescue (pg112)
  - Call company
  - EMS/Rescue OT for FTE's included in suppression
  - Increase due to parts and repairs of ambulances, rescue vehicle and boat



Milner brought notice to the increase in calls for service. From 2013-2018 it rose 56%. This department has an unfunded position that is critically needed and cannot get the funding back in. They do a great job with the limited amount of resources available to them. The spikes in the MSD budget history is when the state appropriated one-time highway funding. This year's increase in MSD is mostly due to the aging fleet of vehicles. The City Council reviewed the Mechanical Garage Line which shows \$140K expended in vehicle parts. The City is looking at Lease Contracts that will rotate out vehicles every year and make the same payment for 20 years. The placeholder is under debt service.

Councilor Starkweather commented to Mayor Giunta that two of the large plow trucks were second hand when the City purchased them and just going downhill from then.

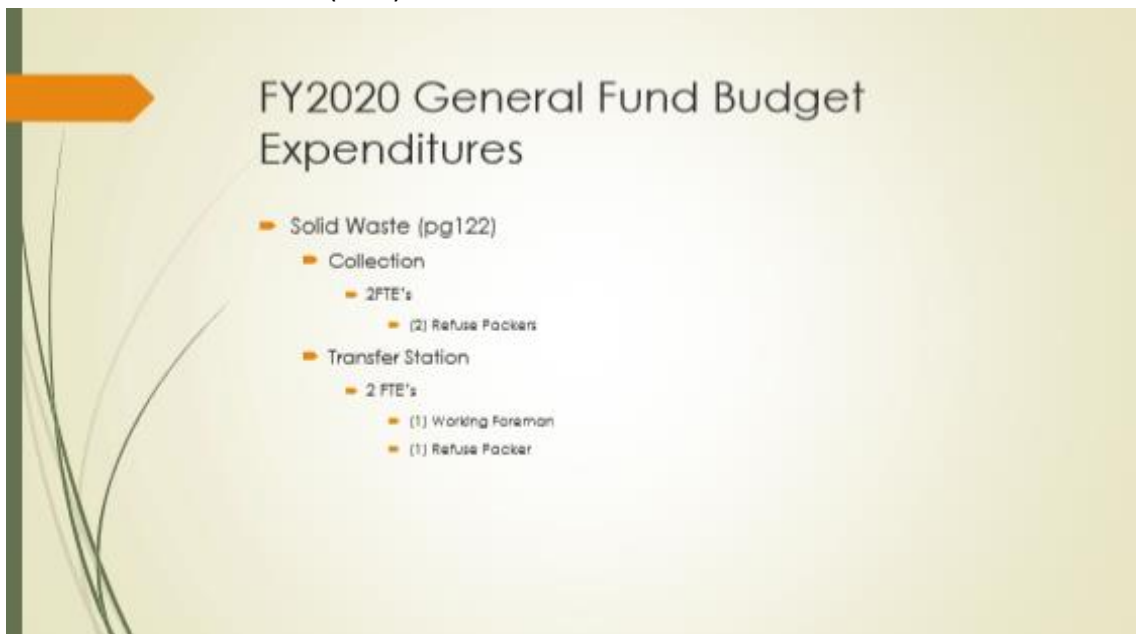




FY2020 General Fund Budget Expenditures

- Mechanical Garage (pg119)
  - 1.8 FTE's
    - Working Foreman (.9)
    - Mechanic (.9)
- Buildings & Grounds (pg120)
  - 5.6 FTE's
    - Working Foreman
    - (3) Building & Grounds Custodians
    - (2) Part Time Buildings & Grounds Custodians (.8)

For the Department of Revenue which sets our tax rate, require us to place Buildings and Grounds is under Parks and Recreation. However, in our Budget, it's under the Municipal Services Department. In the summary, it will be found under Park's and Recreation. The Summary is what drives the reports for the tax rate setting and done by the Department of Revenue Administration (DRA) standards.



FY2020 General Fund Budget Expenditures

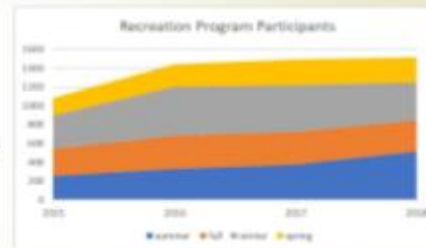
- Solid Waste (pg122)
  - Collection
    - 2FTE's
      - (2) Refuse Packers
  - Transfer Station
    - 2 FTE's
      - (1) Working Foreman
      - (1) Refuse Packer

## FY2020 General Fund Budget Expenditures

- Health & Welfare (pg125)
  - Outside agencies – level funded
  - Mayors Drug Task Force – 100% grant funded
  - Welfare
    - .75 FTE
      - Administrator (30 hours)
    - Level funded assistance

## FY2020 General Fund Budget Expenditures

- Recreation (pg132)
  - 2.8 Year Round FTE's
    - Director
    - Event Supervisor
    - Part Time Event Supervisor (32 hours)
  - Remaining staff is seasonal
  - 61% offset by revenues



## FY2020 General Fund Budget Collaboration

- Expenditures included in the municipal budget for school district:
  - School resource officer, DARE
  - Traffic control
  - Mediation (teen court)
  - Salt & sand
  - Emergency preparedness drills/training
  - School safety inspections
  - Fire Chief participates in school emergency management team
  - Ball fields (Odell & Daniel) including lining of outfield
  - Meeting space
  - Child care for some events
  - AM Gate open for traffic flow from/to FMS

## FY2020 General Fund Budget Expenditures

- Outside Agencies (pg135)
- Economic Development (pg135)
- Debt Service (pg136)
- Capital Outlay (pg136)
- Special Revenue (pg138)
  - Library
    - 3 FTE's
      - Director
      - Children's Librarian
      - Library Assistant
- Capital Reserve (pg138)



Milner stated that she made one change to one of the Event Supervisors was schedule for 39 hours per week but worked consistently over 40 hours per week so a change to full time was made. According to health care, if she looks full time, she is full time.

Under Economic Development, we rolled Neil Cannon, Downtown Coordinator into the budget last year @ \$50K. The City had previously received two USDA grants for him and that was all we could obtain. He is well worth his weight in gold and has brought in several million dollars from outside funding into our Downtown. He is in the budget again because we are moving forward with the White-Water Park, Stevens Mills, and Opportunity Zones. Mr. Cannon is key in all of those projects.

Video Marketing is planned and \$5K is allocated specifically for this which will also target “pitch” videos for investors.

FBIDC is level funded but the revenue for their rent was removed. The NET is an increase of \$6K because they are no longer paying rent as revenue. Jim Aberg has stepped up working with the Downtown Group and working with Neil Cannon. Milner stated that she is very appreciative of his work.

Debt service is \$55,630 which represents the Police Station bond that expired in Fiscal Year 18.

Capital Outlay had to be zeroed out in order to come under the tax cap.

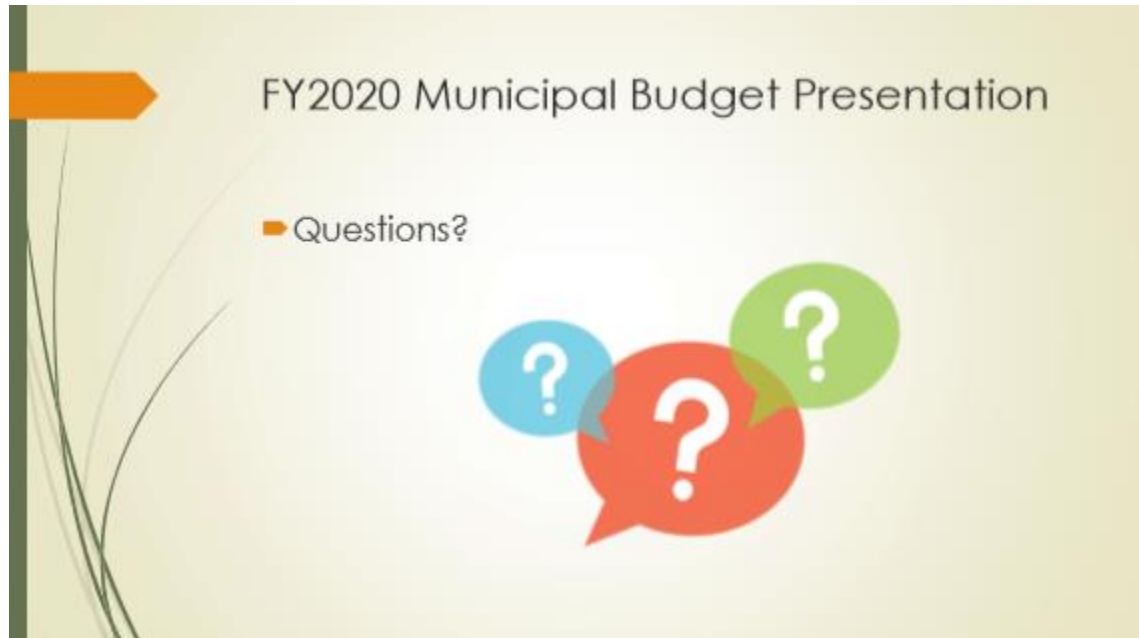
Milner reviewed a change over in the Water Department. We’re having a very difficult time finding a water foreman that holds a water license because we pay so far under what every other water foreman in the state pays. Our last water foreman left for another community making \$5.00 more an hour.

## FY2020 Other Funds

- Water rate from \$6.53 to \$6.65 (pg76)
- Sewer (pg149)
  - 3.1 FTE's
    - 1 Heavy Equip Operator II
    - 1 Light Equip Operator
    - .45 MSD Admin
    - .25 Finance
    - .3 Clerks
    - .1 Mechanical Garage
  - 1925 Customers
- Sewer rate from \$6.96 to \$7.00(pg77)

## FY2020 Other Funds

ORDINANCE #01-20			
AN AMENDMENT TO THE FRANKLIN MUNICIPAL CODE			
In the Year of our Lord, Two Thousand and Nineteen;			
Be it ordained by the City Council of the City of Franklin New Hampshire, that the Franklin Municipal Code, Chapter 160, Fees, 160-1, Fees charges for service by the City of Franklin Water/Sewer Departments be changed as follows:			
	Current Fee	Change To	New Fee
Water Commodity Charge Per 100 cubic feet	\$ 6.53		\$ 6.65
Sewer Disposal Charge Per 100 cubic feet	\$ 6.96		\$ 7.00
Fee to be effective July 1, 2019, by roll call vote.			



Mayor Giunta thanked City Manager Milner for her hard work and asked the Council if anyone had questions.

Councilor Dzujna asked if the two new team members in the Fire Department. Fire Chief Mike Foss replied stating that it has helped to some degree with call backs. There is an increase in overtime as a result of adding the Andover contract which began on August 1st however the two new positions were not filled until mid-September. 25% of calls are now second calls where prior, 1 or 2 firefighters had to come back in to handle the calls.

Councilor Trudel referenced the uptick in the MSD calls on page 16, does the City know what types of calls these are? City Manager Milner replied that MSD is currently working on a manual work order system. We are looking at a better system to install so it's not so manual. MSD Director Brian Sullivan stated that there are a lot of walk-ins, repetitive calls for small items, many for pot holes this year, and different infrastructure type service calls. Road grading and road repair. The new system will help prioritize and better handle the calls.

Councilor Dzujna wanted to know what can be done to help with the fatigue factor for the Police and Fire Departments. Fire Chief Foss stated that adding staffing would be key. Police Chief Goldstein stated that he agrees with Chief Foss and also stated that the department isn't working to exhaustion anymore but toward extinction. We are killing ourselves. In the PD, the suicide rate exceeds the death rate. Last year there were 4 police officer suicides in New Hampshire. Goldstein agreed that staffing would help with fatigue and has done a study on how many would be needed. He would need a whole additional shift of officers to make a significant difference.

Councilor Trudel commented that there was a scatter diagram showing the types of crimes in the City and asked Chief Goldstein if that type of information was still being tracked. Chief Goldstein responded yes; it is. City manager Milner directed the Council to page 98 where there is a similar scatter diagram.

Mayor Giunta stated that there was still time to review these numbers and asked if there were any more questions. He stated that City Manager Milner did a fantastic job walking through the presentation. Applause was provided to the City Manager.

City Manager Milner stated that this budget does meet the Tax Cap.

**Motion – Councilor Rago moved that the Franklin City Council set a public hearing for Monday June 3<sup>rd</sup> at 6:00pm in Council Chambers regarding Resolution 01-20 relating to the FY2020 Budget.**

**Seconded by Councilor Testerman.**

Mayor Giunta asked if there was any discussion.

City Manager Milner stated that there is an adjustment on Resolution 01-20 on the School side and should probably amend the resolution so it balances to the presentation they provided last week. Milner reviewed the changes on the Placeholder for Feder Grants in the amount of \$1.697M. The School District's actual grant is \$450K less than that number due to Project Aware. The \$75K was added as revenue from the charitable foundation for the Project Aware Project. Milner stated that the foundation hasn't officially given that money to the school, she spoke to Tracy Fowler and is confident it will occur so Milner is comfortable with the increase in revenues. In addition, the encumbrance mentioned last week, is mostly their energy project not going on-line July 1<sup>st</sup>. The energy project pays for itself through its savings. The payment isn't due until the 2020 budget however most of the savings occurred over this past winter. This was the encumbrance for debt service and should be in Use of Fund Balance. School Business Administrator Jefferson Braman agrees with this change.

The number that will change is the Appropriation to \$15,757,339. The General Operations Estimated Revenue will change to \$9,387,803. The Use of Fund Balance will change to \$851,751 for a total of \$15,757,339. This is also under the Tax Cap. These numbers will be reflected for the Public Hearing.

Councilor Rago and Councilor Testerman approve of the number adjustments and the motion to move to public hearing.

Councilor Starkweather asked if the numbers include the new CBA for the schools. Milner replied that it does.

**All in Favor. None opposed. Motion PASSED.**

**Motion – Councilor Rago moved that the Franklin City Council set a Public Hearing for Monday June 3, 2019 at 6:00PM in Council Chambers on Ordinance 01-20 relating to FY2020 Water Commodity and Sewer Disposal Rates.  
Seconded by Councilor Brown.**

Mayor Giunta asked if there was any discussion. There was none.

**All in Favor. None opposed. Motion PASSED.**

**Motion – Councilor Rago moved that the Franklin City Council set a Public Hearing for Monday June 3, 2019 at 6:00PM in Council Chambers on Ordinance 02-20 relating to FY2020 Chapter 160 Fee Changes.  
Seconded by Councilor Brown.**

Mayor Giunta asked if there was any discussion. There was none.

**All in Favor. None Opposed. Motion PASSED.**

**City Manager Milner read Resolution 01-20.**

### **Resolution 01-20**

**A resolution relating to Appropriations and Estimated Revenues for Fiscal Year 2020.**

**In the Year of our Lord, Two Thousand and Nineteen.**

**THEREFORE, BE IT RESOLVED**, by the City Council of the City of Franklin, New Hampshire, that the following appropriations and revenues be made for Fiscal Year 2020:



**MUNICIPAL DEPARTMENTS**

**APPROPRIATIONS:**

<b>General Operations (MS-232):</b>	
General Government	\$1,711,933
Public Safety	5,775,530
Highways & Streets	1,466,205
Sanitation	896,492
Health	192,362
Welfare	143,565
Culture & Recreation	1,109,931
Conservation & Development	105,000
Debt Service	369,801
Capital Outlay	0
Interfund Operating Transfers Out	295,620
Transfer to School District	0
<b>Total General Operations Appropriations</b>	<b>\$12,066,439</b>
<b>Other Funds:</b>	
Parks & Recreation Appropriations	\$15,500
Outside Police Detail Appropriations	10,354
Water Appropriations	1,813,821
Sewer Appropriations	1,592,268
Capital Projects Appropriations	0
Pass Through Grant Appropriations	20,000
<b>Total Municipal Appropriations</b>	<b>\$15,518,382</b>

**ESTIMATED REVENUES:**

<b>General Operations (MS-434):</b>	
City Revenues General Fund	\$4,224,638
Use of Fund Balance	0
Interfund Operating Transfers In	24,292
Local Taxation	7,817,509
<b>Total General Operations Estimated Revenues</b>	<b>\$12,066,439</b>
<b>Other Funds:</b>	
Parks & Recreation Estimated Revenues	\$15,500
Outside Police Detail Estimated Revenues	10,354
Water Estimated Revenues	1,813,821
Sewer Estimated Revenues	1,592,268
Capital Projects Estimated Revenues	0
CDBG Grant Estimated Revenues	20,000
<b>Total Municipal Estimated Revenues</b>	<b>\$15,518,382</b>

**SCHOOL DEPARTMENT**

**APPROPRIATIONS:**

General Operations	\$15,757,339
Food Service	0
<b>Total School Department Appropriation</b>	<b>\$15,757,339</b>

**ESTIMATED REVENUES:**

General Operations	\$9,387,803
Transfer From Municipal	0
Use of Fund Balance	851,751
Transfer From Capital Reserve Fund	0
Food Service	0
Local & State Taxation	5,517,785
<b>Total School Estimated Revenues</b>	<b>\$15,757,339</b>

**MERRIMACK COUNTY**

Estimated Tax to be Raised	\$1,669,025
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**INDUSTRIAL PARK TAX INCREMENT FINANCING DISTRICT**

Estimated Tax to be Raised	\$59,834
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**FRANKLIN FALLS MIXED USE TAX INCREMENT FINANCING DISTRICT**

Estimated Tax to be Raised	\$41,615
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**VETERAN'S CREDITS**

Estimated Tax to be Raised	\$150,125
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**OVERLAY**

Estimated Tax to be Raised	\$31,000
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Councilor Testerman asked City Manager Milner what would happen if the School didn't receive the \$75K from the Charitable Foundation. Milner replied that the line would be zeroed out and the School would have to make adjustments on their side.

Councilor Clarenbach stated that there should be a Public Hearing to transfer the \$850K from the Fund Balance to the Schools. City Manager Milner responded that the City has always allowed the school to use their Fund Balance under them every year under this method so they can use what is left.

Councilor Dzujna commented on how difficult it is for all the City's departments and the Council appreciates all their hard work.

Mayor Giunta mentioned that he has been on NHPR stating how much he appreciated the hard-working departments of our City. One of the youth government students asked the Mayor what he thinks of Franklin. Mayor Giunta's reply was that he thinks this is the greatest City in State of New Hampshire.

Councilor Testerman in regards to Councilor's question regarding a public hearing on Fund Balance transfers, she asked if the Charter states how it needs to be handled.

Mayor Giunta responded that as long as it's in the Resolution format and going through this process, outside of this process, we get a bite at the apple once a year, then it needs to come back to the Council every time. City Manager Milner stated that as part of the Resolution, it is appropriated to them.

**Motion to adjourn was made by Councilor Clarenbach. Seconded by Councilor Desrochers.**

**All in Favor. Motion PASSED.**

**Meeting adjourned at 8:30PM.**

**Respectfully Submitted,**

**Audrey Lanzillo**