

**JOINT FINANCE COMMITTEE MEETING
MARCH 31, 2011**

Call to Order

Councilor Feener called the Joint Meeting to order at 6:00 p.m. in the meeting room at the Franklin Library.

In Attendance

City – Councilor/Chair Feener, Councilor Bowers, Councilor Sharon, Finance Director Milner, Mayor Merrifield, City Manager Dragon.

School - Ms. Karen Grzelak, Chair, Mrs. Kathy Russo, Mr. Al Warner, Mr. Mike Lohmann and Business Administrator O'Neill.

School's Update on Current Budget, Current Revenues and Proposed Revenues and Update on Proposed Budget for FY12

Business Administrator O'Neill passed out a spreadsheet concerning Revenue Budget Analysis which is attached to these minutes. After receipt of some additional revenues in some of the categories, the projected budget balance for revenues for 2010-1011 is \$6,175.90. Mr. O'Neill advised that revenues will increase in the next school budget by approximately \$400,000 over current year expected receipts but because of the loss of many grants and due to increased expenditures the school is facing a 1.6 million deficit. Inquiry was made concerning salary negotiations and Mr. O'Neill advised there is no increase being considered at this time. Mr. O'Neill advised that Monday, April 4th the proposed school budget showing both revenues and expenditures will be available on line. Mayor Merrifield requested an excel version of summary budget.

Outstanding FY10 Motion (Approximately \$200,000)

Mr. O'Neill advised that the motion has not been rescinded. It was stated that Mr. Ray Yonaitis, Chair of the School Board is requesting to come before the City Council at the May, 2011 meeting to address the issue of this motion. Mayor Merrifield stated this could be addressed at the April 4, 2011 meeting under the School Board Update section.

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City's Schedule for Budget Review and Approval

Manager Dragon handed out a schedule for DY 2012 budget process which is attached to these minutes. Mayor Merrifield commented that if the State budget is not approved on time, the City should have a plan for operation.

Other Business

Director Milner advised that the City received 4 bids for auditing services and three of the bids were very close. The City and School chose the low bidder, Grzelak and Company, to provide both the City and School District with auditing services.

There were many in attendance concerning the closing of Bessie Rowell School. There was a discussion on how the closing came about as well as other alternatives were discussed by the School Board, rather than closing Bessie Rowell. However, it was felt the decision to close Bessie Rowell School had less impact than other alternatives. Mrs. Kathy Russo advised there will be an SAU Board Meeting April 4 at 6:45 p.m. and there will be more discussion on the closing of Bessie Rowell and public input can be heard as well as at the School Board meeting April 18, 2011.

Motion to adjourn made by Mrs. Kathy Russo, seconded by Councilor Bowers. All in favor, meeting adjourned at 6:55 p.m.

Respectfully submitted,

Sue E. May

Attachments

Franklin School District
Revenue Budget Analysis
2010-2011
March 31, 2011

Description	Budget 2010-2011	Actual 2009-2010	Variance Bud 2010-2011 to Actual 2009-		Updated Estimates March 30, 2011	Projected Revenue Shortfalls
			2010	2011		
DISTRICT APPROPRIATION	\$4,342,730.00	\$4,431,099.00	(\$88,369.00)		\$4,342,730.00	\$0.00
TUITION FROM OTHER LEAS IN NH	\$940,548.00	\$791,979.04	\$148,568.96		\$710,071.00	(\$230,477.00)
SPED TUITION FROM OTHER LEAS	\$160,000.00	\$98,542.97	\$61,457.03		\$37,500.00	(\$122,500.00)
INTEREST - INVESTMENTS	\$2,920.00	\$1,016.34	\$1,903.66		\$1,250.00	(\$1,670.00)
ATHLETIC RECEIPTS	\$6,000.00	\$5,579.55	\$420.45		\$6,500.00	\$500.00
RENTAL INCOME	\$14,000.00	\$10,000.00	\$4,000.00		\$10,000.00	(\$4,000.00)
SERVICES PROVIDED OTHER LEAS	\$5,600.00	\$0.00	\$5,600.00		\$15,000.00	\$9,400.00
OTHER LOCAL REVENUE	\$20,000.00	\$2,272.91	\$17,727.09		\$2,500.00	(\$17,500.00)
INSURANCE REIMBURSEMENTS	\$0.00	\$27,790.80	(\$27,790.80)		\$0.00	\$0.00
RECYCLING REVENUE	\$3,000.00	\$1,706.15	\$1,293.85		\$1,700.00	(\$1,300.00)
SALES - MRA	\$0.00	\$1,819.72	(\$1,819.72)		\$0.00	\$0.00
MRA & OTHER ARRA GRANT REIMB	\$81,080.00	\$84,251.05	(\$3,171.05)		\$96,715.90	\$15,635.90
ADEQUATE EDUCATION GRANT	\$8,506,667.00	\$8,506,667.00	\$0.00		\$8,506,667.00	\$0.00
BUILDING AID	\$181,944.00	\$254,847.15	(\$72,903.15)		\$181,944.00	\$0.00
CATASTROPHIC AID HAND.	\$252,500.00	\$267,551.93	(\$15,051.93)		\$162,505.00	(\$89,995.00)
E-RATE	\$0.00	\$0.00	\$0.00		\$77,500.00	\$77,500.00
STATE AID VOC TRANSPORTATION	\$18,500.00	\$6,182.63	\$12,317.37		\$10,000.00	(\$8,500.00)
MEDICAID DISTRIBUTION	\$242,000.00	\$271,233.47	(\$29,233.47)		\$160,000.00	(\$82,000.00)
OTHER FEDERAL REVENUE	\$6,000.00	\$0.00	\$6,000.00		\$0.00	(\$6,000.00)
FOOD SERVICE	\$698,986.00	\$654,704.26	\$44,281.74		\$675,691.00	(\$23,295.00)
	\$15,482,475.00	\$15,417,243.97	\$65,231.03		\$14,998,273.90	(\$484,201.10)
Offsets:						
Savings from SPED Trans						\$85,121.00
Reduction in SPED costs						\$125,000.00
Food Service Cost Savings						\$25,000.00
Repairs and Maint Accounts						\$70,000.00
Positions not filled						\$85,256.00
Fund Balance Transfer F/S						\$100,000.00
Projected Budget Balance						\$6,175.90

Franklin School District
Revenue Budget Analysis
2010-2011
March 31, 2011

- 1 - These are persons who are budgeted in Franklin but have been working under SAU grants.
- 2 - This amount has been adjusted to the actual amount received
- 3 - This amount has been increased based on correspondence with e-rate coordinator. Includes prior year recapture and current year.
- 4 - Savings from changes in required SPED Transportation
- 5 - This savings is from changes in the costs for some of the outside placements. We have also seen some savings in budgeted v actual benefit and other personnel costs.
- 6 - These are savings from maintenance and supply accounts.
- 7 - These are amounts to be saved through the extension of some maintenance and repairs to equipment and buildings.
- 8 - These savings are from the reduction to one SPED director and the not filling of the Secretary at the Middle School until January 2011
- 9 - The balance of the unrestricted fund balance in the food service fund is currently at \$186,000. This is a special revenue fund, so the funds can be transferred to the School department general fund without impacting the City's fund balance.



CITY OF FRANKLIN
CITY MANAGER'S OFFICE

Memorandum

TO: Honorable Mayor and City Council
FROM: Elizabeth Dragon – City Manager
CC: Department Heads
RE: FY 12 Budget Schedule
DATE: March 29, 2011

Please find below tentative dates for this FY 2012 budget process:

March 4	Preliminary Budgets due to City Manager
April 15	Capital Improvements forms due to City Manager
April 20	Department head workshop with City Manager to prepare final CIP
April 25	Outside Agency Request forms due
April & May	Individual Budget Reviews with Departments and Committees
May 12	Capital Improvements presentation to CIP committee
June 1st	Managers Budget complete
June 6 th	Council Meeting (schedule Public hearing for the budget)

Guidance needed from the Council:

- Schedule at least 5 work sessions and 1 public hearing
 - School to present their 2012 budget
 - Evaluate Charges for Services, Revenues/fines/fee updates and Municipal Services
 - Public Safety (Police & Fire), Assessing, General Government & Misc
 - Town Clerk/Tax Collector, Finance, Library, Misc, Recreation, Planning & Zoning Outside Agencies
 - Follow up questions and overall budget worksession
 - Public hearing date (for revenue/fee changes & budget)

*Currently the council chambers is available in June every day except June 1, 8th, and 22nd.

July 4th (Council meeting falls on a Holiday need to reschedule at June council meeting)
*This could also be the potential Budget hearing date.