

CITY COUNCIL MEETING

AGENDA ITEM I

**CITY COUNCIL BUDGET WORKSHOP MEETING
JUNE 11, 2012**

Call to Order

Mayor Merrifield called the meeting to order at 6:00 p.m. in the Council Chambers, Franklin City Hall. Salute to the Flag was said, led by Councilor Starkweather.

In Attendance

Councilor Clarenbach, Councilor Starkweather, Councilor Feener, Councilor Desrochers, Councilor Cournoyer, Councilor Sharon, Councilor Dzujna, Mayor Merrifield and City Manager Dragon.

Absent

Councilor Boyd and Councilor Trudel

Presentation of School District Budget

Mr. Ray Yonaitis, Chair of the School Board and advised that the budget before the Council is the budget that was presented to the full Board and approved. Mr. Mike O'Neill, Business Administrator, who will present the budget, and members of the Finance Committee are here to answer your questions, and Supt. Ward will answer any questions on the education part of the budget.

Mr. O'Neill advised that he found an inconsistency in the revenue calculation which affected about \$88 on the revenue page. The district appropriation is an increase of \$129,117 driven by a 3% CPI. Tuition, the main source for that is Hill, and he commented they are seeing more and more foreclosures in Hill so the Hill enrollment continues to decline. Interest on investments is \$1,250, athletic receipts, some funds are received, rental income is directly impacted by the removal of Tiny Twisters as they were paying \$4,000, SAU is paying \$6,000 in rent, it's really not rent but an allocation of the cost to operate the building and the SAU is paying a part of that. Mayor Merrifield asked the rent for the SAU is not going to change as a result of the reconfiguration of offices. Mr. O'Neill

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responded no and if you look at the footprint, the SAU will actually be in less space but more consolidated. Other local revenue was at \$20,000 when he began and he was not sure what the source of that was, however, they did get \$2,075. Recycling revenue, sometimes they do have items they scrap out from the metal shop, old tools. Adequacy aid it is still unknown how that is going to work out, the Legislature recently did not pass the constitutional amendment to go on the ballot which if passed would have had a positive effect on Franklin so the adequacy has been left at the same number as in the past. Building aid is consistent from year to year. Catastrophic aid throughout the year there has been discussion concerning the additional costs for the special ed students and it will result in getting more aid. Transportation, some monies are still reimbursed to pay for the bus for the students. Medicaid distribution Mr. O'Neill stated even though it would seem we are getting more students requiring services the revenues continue to decline. Food Service is budgeted to break even so revenues match expenses for the food service budget.

Councilor Desrochers commented that the Medicaid reimbursement requires paperwork be filled out correctly and he inquired if the paperwork is checked by someone prior to submission. Mr. O'Neill advised they use a third party biller who has trained employees on the newer system and also an audit was recently completed and that audit found that only 2 costs were disallowed and found we were doing a very good job and that everything was reported properly.

Mr. O'Neill referred to the Function totals and stated total regular education is down by \$245,564. Additional monies had been budgeted to cover pension costs and also changing the movement of classes at the Middle School which has resulted in the consolidation of a couple of positions and that resulted in the elimination of three positions. Health insurance increased 1.8%. Special education with an increase of \$343,365; the out of district placements continue to be a real concern. He stated they budgeted for what they know to be true and still had a 12.54% increase. \$300,000 of that is for out of district placements. Mayor Merrifield asked how many students and Mr. O'Neill stated he believes it is 13 students. Instructional Services is up by \$2,000 which are stipends. Athletics

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& Extra Curricular is the coaches, athletic director, material and supplies is increased \$6,224. Adult Education was a very good years and 17 students got their full diploma. Guidance there is a decrease. Nursing is increased and the salaries had to be adjusted to bring them in line. Psychologist is a new position which is saving about \$35,000 overall; this service was always done through contracted services but have been able to hire a qualified person and before paying about \$90,000 and now it is \$66,000.

Councilor Clarenbach asked if that came from Special Ed and Mr. O'Neill stated it will come from Other Outside Services. Program Improvement is reduced slightly, this is the section that reimburses teachers for tuition. Library & AV Mr. O'Neill stated is mainly driven by a change in personnel. Supt. Ward commented that the new librarian is also certified to teach 8 languages. IT and Computers is decreased. School Board and SAU are driven by an overall \$25,000 reduction in the SAU budget. Mayor Merrifield asked if the split between Franklin and Hill has remained stable. Mr. O'Neill responded it is pretty close. Administration is increased and Mr. O'Neill stated this is the only place in the budget where an employee has been added. The person has been taken out of the School Improvement Grant and into the operating budget. Buildings and Grounds is reduced by \$86,731 which is driven by the conversation of the boilers at the high school from oil to natural gas and a change to a different provider. Transportation is up due to concerns over fuel costs and additional special education transportation. District IT is reduced and that savings is a result of taking a hard look at how that department was staffed.

Administrative Fees and Sick Time, this is the administration for the 125 Plan and also the collective bargaining agreements allow you to get a buy out if you take no personal or sick time during the year and there are usually 3 or 4 people each year that receive that additional bonus. Building Improvements contains two projects this year, one to remove some storage tanks at the middle school. Debt Service is an overall reduction of the interest costs based on a couple years of debt payments.

A new line titled After School Enrichment Program and Mr. O'Neill stated you heard Dr. Ward state early that \$247,000 21st Century Grant was lost, and it is felt that some sort of an after school program needs to be put together. The overall General Fund Budget is proposed at \$14,388,627 which is a reduction of \$187,630 from last year. Food Service, revenues and expenditures are the same on both side at \$751,831. The bottom line budget would be \$15,140,458. Councilor Cournoyer inquired about the 21st Century Grant that the school no longer received. Mr. O'Neill advised the grant is awarded in 5 year increments and the City of Franklin received it for 15 years. This grant helps to provide after school programs and summer programs for underprivileged youths.

Councilor Desrochers inquired on Page 9 of 30 Books/Supplies-Odell and is that Odell Park and Dr. Ward advised it is a special education program at the middle school and it is referred to as an Odell Program. Councilor Desrochers inquired on Page 22 of 30 concerning the increases in the Principals' salaries at the Middle School and the High School. Dr. Ward explained the grant shown on Page 172 of the big book, Administration Salaries the \$60,000 is allocated between the 3 schools. Page 25 of 30 the custodian salary at the Middle School has increased 18% from \$99,236 to \$117,411. Dr. Ward referred to page 187 in the big book and Mr. O'Neill explained last year they were unsure as to how the staff would be allocated when all the kids were moved to Paul Smith so this year another half person to the Middle School, overall the wages are down.

Councilor Starkweather questioned on Page 9 of 30, books for Odell is it correct it is a 556% increase and Mr. O'Neill stated that they only had \$150 in that line and they looked at basically upgrading all the books and it actually only about \$1,000. On Page 28 of 30, under pupil transportation, special ed for the district and then broken down for the schools underneath, why is there one for the district and then broken down for the schools. Mr. O'Neill commented basically all the regular education transportation is charged at the District level, special ed cannot be identified by school. He further stated if the bus is a mixed bus where there are students using it from all grades or there are certain buses that are paid \$180 per day and that bus will provide in-district special ed transportation for all

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schools. If someone has to be sent to Concord and it is known they are an elementary school student then it is budgeted on that line. Page 162 in the breakdown, the IT person is apparently now going to be covered under School Board and SAU. Mr. O'Neill stated that is correct. Page 194 on the breakdown of the custodian, asbestos training and abatement. Mr. O'Neill stated on an annual basis they are required to have two people go to these trainings because there is still encapsulated in the buildings.

Councilor Clarenbach commented on Page 29 of 30 there two turn around curriculum specialists, are these grant funded or part of the budget. Mr. O'Neill stated those positions were budgeted at \$50,000 each in last year's budget and were never filled.

Councilor Starkweather inquired under Page 220, under Food Service on the breakdown, the head cooks get a \$500 stipend but for Paul Smith School apparently the head cook doesn't but the kitchen worker does. Mr. O'Neill stated that is all under the terms of the new collective bargaining agreement, certain people are at the top of the pay scale and it was negotiated that if you are at the top of the pay scale you receive a \$500 stipend.

Mayor Merrifield stated he knows individuals are identified throughout the budget detail but he asked if there is a headcount of the number of full-time and part-time employees in total. Mr. O'Neill stated he could get that information. Mayor Merrifield inquired transportation is not part of the tuition formula for Hill. Mr. O'Neill stated that is correct, Hill pays their own. Mayor Merrifield asked if there are District level costs that do contribute to the tuition calculation. Mr. O'Neill advised everything that you see at a zero level, when the MS25 form, a spreadsheet is used to allocate and try to come up with the most reasonable basis for number of students, number of special ed students for the special ed department director, and some of those would have a direct impact on the amount Hill pays and he stated that is why is always allocates in a fair manner and consistent.

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Councilor Desrochers inquired on Page 1 of 1 the School Board and SAU what is the \$727,096 made up of. Mr. O'Neill stated if you go to page 171 it will show you everything that makes that up. Mayor Merrifield commented about the SIG Grant, where is that listed, in the SAU Budget? Mr. O'Neill stated it is part of the approved SAU budget as the grants are put into the SAU budget, they go in the SAU as a revenue and expenditure so no impact. What you are looking at here is the SAU operating portion budget only. All grants are managed by the SAU.

Councilor Clarenbach stated then the grants are not part of this budget and Mr. O'Neill stated that is correct. Councilor Clarenbach stated he believes last year it was requested that a listing of the grants be provided and that was done. Dr. Ward advised that by August 1st or August 15th they should have the numbers on all the grants. Councilor Clarenbach asked what percentage of the grants are Federal monies. Mr. O'Neill responded about 95%.

Councilor Dzujna stated he knows some funds were added in for an after school program, and he asked how far will \$73,000 take towards a program. Dr. Ward commented it will take us further than most people would think because it is not grant funded a project coordinator is not needed, an oversight at each building does not have to be provided, food service does not have to be provided. She stated for all 3 schools two teachers, and two aides, four days a week, one and half hours a day for 36 weeks of school. An after school program is usually not started right away in September so if it is the end of September they might be able to add a special function teacher at certain times of the year if more assistance is needed. It won't be at 5pm or 5:30 pm every day but it should be an hour and half every day, four days a week for approximately \$63,000. Councilor Dzujna commented there is nothing for the summer and Dr. Ward stated perhaps next year something for the summer can be worked on.

Councilor Starkweather asked if it is correct that Casey Family Services is going to close. Dr. Ward stated as far as a relationship with the school, they are done, they finished at the high school last year and will finish out this year at the Middle and Paul Smith schools.

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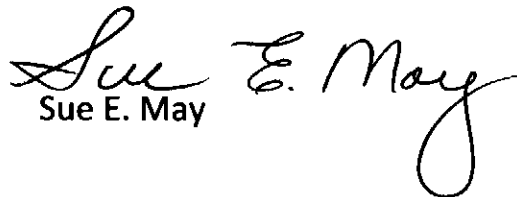
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Councilor Starkweather weather asked the addition that Casey Family put on the Middle school, what is that space going to be used for and Dr. Ward advised it will be used for pre-school.

Motion made by Councilor Desrochers to adjourn and seconded by Councilor Dzujna. All in favor, meeting adjourned at 8:00 p.m.

Respectfully submitted,


Sue E. May

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Call to Order

Mayor Merrifield called the meeting to order at 6:00 p.m. in the Council Chambers, Franklin City Hall.

In Attendance

Councilor Dzujna, Councilor Sharon, Councilor Cournoyer, Councilor Desrochers, Councilor Trudel, Councilor Starkweather, Councilor Clarenbach, Mayor Merrifield and City Manager Dragon.

Absent

Councilor Boyd

Mayor Merrifield advised with the Outside Agency presentations that he would take them in the order they are in the packet. He also advised that at an earlier budget meeting the City Council had discussed how the Animal Shelter would be addressed issue. He stated typically there are not public comments during our budget hearings; however, the Council directed that they would like to allow public comments concerning the Animal Shelter. He stated the presentations from the different groups will be heard and then public comments will be opened.

American Red Cross – no one was in attendance to speak for the Red Cross.

Community Action Program – Ms. Gail Lyman, Director of CAP in Franklin and she stated we serve 8 towns and Franklin is just one of the 8. She thanked the Council members who came to meet with her. She stated basically what they ask of their cities and towns are to help with operating costs to keep the center open. She stated their largest program is the Fuel Assistance Program which is a Federal funded program, wherein the funds get allocated down to the State level, and then the State allocates the funds to the Community Action Programs throughout the State. They also offer an Electric Program. She stated they would appreciate whatever amount such as \$10,000 that the City could contribute toward helping

CAP as she understands funds are very tight right now. She stated she did want the Council to know with reference to the Fuel Assistance Program the amount of monies that come into the Franklin; 615 applications were handled for Franklin and out of those 615 over \$457,000 went to the fuel vendors in Franklin to help keep their businesses running. She stated 80% of the people that apply for fuel assistance are on fixed income and almost 40% of those were the working core. Only 4% of the 615 household that were served were on cash assistance from the State. The majority of the people that CAP helps are the working core and the fixed income. She also stated that the other 7 communities that they serve do fund CAP.

Councilor Clarenbach inquired about the rent of \$14,400 shown in the budget. Ms. Lyman stated that is not really rent, that is how much it would cost for other space in the building and the utilities combined. Councilor Clarenbach commented CAP does not pay rent for the building. He asked is that figure an in-kind or hard dollars and Ms. Lyman stated she believes it is an estimate. Councilor Cournoyer inquired if when considering what the other communities give to CAP, has it been calculated what it is for free rent of the building that the City of Franklin gives to CAP? She responded that they do pay for the maintenance and upkeep of the building. Councilor Starkweather asked if they are still subletting part of the building to other agencies. She advised Wick is there which is part of CAP. She further stated they pay for utilities to help and Councilor Starkweather asked about square footage area and she stated yes they are.

Caring Community Network of the Twin River – No one was present to speak on behalf of CCNTR.

Career Firefighters Association – No one was present to speak.

Franklin Historical Society – Mr. Leigh Webb stated as done in the past they are requesting \$250 from the City. The funds will go toward an educational opportunity for the citizens of Franklin as well as visitors who might be using the

Rail Trail. He stated they hope to install a plaque on the Trail with educational information.

Conservation Commission – No one was present to speak.

Visiting Nurse and Hospice – Ms. Jane White, Executive Director stated she is here to request funds and she stated she knows Carol Plumb has been before the Council a number of times for the VNA & Hospice. She stated they offer many different services such as physical therapy, occupational therapy, speech therapy, home help programs and they have a Social Worker. Typically about 80% of their clients are on a day to day basis, reimbursement is received under Medicare benefit so most of the clients are elderly or disabled. She stated the primary goal is to try and keep them independent in their homes and to keep them safe in their homes. The home keeper program that they offer enable them not only to go into the home and do light housing keeping for the disabled but also do grocery shopping, picking up prescriptions or banking for them. People who are restricted to their homes this service can make a big difference for them. They have a Tele-Monitoring Program and this is where a simple monitor can be placed in the home and can daily test their heart rate, their blood pressure, pulse and weight and no reimbursement is received for this program and currently they have approximately 15 clients using the monitor. Councilor Dzujna asked what the monitoring program cost per person and Ms. White stated she does not have that figure, however, she stated they own part of the equipment and rent other parts and the total cost is \$92,000 per year. Councilor Sharon stated he just wants to thank the VNA for the great work they do in the Franklin community and if it wasn't for their efforts there would be a lot of seniors that wouldn't be able to stay in their homes.

Franklin Business and Industrial Development Corporation(FBIDC) – Councilor Dzujna commented that because he is on the Board of FBIDC he recused himself. Mr. Jim Aberg, Director wanted to recognize three members of their Board, Councilor Dzujna, Councilor Starkweather and Manager Dragon has joined the Board this past year. He stated there has been a lot better communication

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concerning details that get back to City Management and City Council. He stated this is the 17th year with the City, \$45,000 has been the level budget for the past several years and that is the request again this year. He offered some brief highlights of the last year: last spring the CDFA grant was closed on the marquee, FBIDC was awarded a fee of \$3,300 for the work done with that grant. Great feedback has been received on the marquee from the users and from the folks that read it. Last spring a ribbon cutting ceremony was taking place at Big Kat Coffee and FBIDC worked closely with NH Business Finance Authority in bringing Big Kat into the City and worked with the owners and they were so appreciate they donated \$3,000 to FBIDC for expenses. Another item FBIDC takes responsibility for is the Flower Project and raised money to buy the tractor and funds to pay the labor to water the flowers and buy the flowers and the basket and he stated that is about a \$3,500 per year. In the Industrial Park they spend most of their time talking to companies, prospects, investors, businesses that are looking to relocate. One of the issues faced last spring was a company that was looking to come into the Industrial Park that under the zoning regulations would fall under light industry and come to find out light industry is not permitted in the Industrial Park. So working with Dick Lewis in Planning and Zoning we were able to rectify that error and Fastenal Company was able to locate in the Industrial Park who was previously located in Tilton. About that same time he stated he was working with investors that bought two condo units up in the Park and after the closing American Fiberglass as a new business into the Park. He stated a lot of his time and interest has been trying to find the next owner the Isola Building, it was listed with Hart Corporation out of Philadelphia which is a national real estate company and is now listed with a different company that is also national and he stated they have worked with several potential buyers who were also users that were looking at that facility to move their operations into. The problem with that building has always been the amount of square footage for the offices which is 27,000 versus 70,000 for the manufacturing space and he stated that ratio is way out of whack. He stated he can say that the building is currently under contract to a group of investors and those investors are negotiating with a company located in Hooksett and this company would come in as a tenant with a potential purchase for manufacturing and he stated it would be great use for the building

and a great business for the City. He stated he would anticipate that by the end of the year there will be a new owner of the building. He advised Broadway Steel purchased a lot at the end of the Park but the owner has had some severe medical problems so the contract is pending and if the contract is closed they are looking to building a 5,000 to 6,000 square foot building. He stated last winter they hired Lindsay Cole as an outside consultant to conduct a holiday promotion for downtown business and this year they hope to expand the program. He stated you probably know FBIDC partnered with the City on a new website so FBIDC picked up 25% of the cost and they will continue to pick up something each month. He also advised they serve as a fiscal agent for groups that do not have their own 501C3 designation, one being Odell Park. As such money comes in to FBIDC which they is managed by FBIDC and then expend for the benefit of that organization and there is no charge for that. A \$20,000 grant will be coming in that they will manage. He advised a community survey is being offered through Survey Monkey on the Internet and after it was closed it appears there are about 125 responses. When they had received 52 responses he stated he gave one to Councilor Starkweather and City Manager Dragon. The results of the survey are published on line so the public can see the results.

Manager Dragon commented that this past year with the creation of the MOU and the change in the relationship and the additional her role as an x-officio Board member I stated it has been a wonderful change, the communication between FBIDC and the City has been greatly enhanced. We are working closely together.

Councilor Starkweather wanted it know that he is not a voting member of the Board that he is the Council Liaison for the Council and FBIDC.

Pemi River Advisory Committee - No one was present to speak from the Committee. Manager Dragon advised they did put in a request for funding and they were not included in the Manager's budget this year. She stated the reason she did not include them in the budget this year is because she advised she has been following their minutes which she stated she has been including in the

Councilors and Mayor's box. They seem to have gotten very political concerning the Northern Pass Project, the Lakes Region Planning Commission has been trying to give them guidance and suggesting to them that maybe that was not their role but they went ahead anyway and made resolutions opposing the project and even though it was a small amount of money requested, she advised she did not include it in the manager's budget.

Upper Merrimack River Local Advisory Committee – Member Mr. Tucker Noack and Ms. Dona Liolis were present and Mr. Noack stated their primary role is to make comments and suggestions when it comes to being presented with permits for any construction that pertains to or would affect the Merrimack River within the Franklin portion of the corridor. The monies requested goes toward the monitoring stations that are spread throughout the corridor of which Franklin has three. Those sites primarily monitor for increases in e.coli within the river corridor and Franklin is the only community that has three monitoring sites. We review permits for construction along the river to make sure they are acceptable with DES and within State and Federal guidelines. All their funding is provided through donations, grants, from communities along the corridor. All members are volunteers. He stated everyone is invited to Bug Night. Mayor Merrifield stated he has attended a Bug Night and it is most interesting and hard to believe all that is in the river. Mr. Noack stated they again are requesting \$250 which he believes had been the same request for a number of years. He advised their website is Merrimackriver.org.

Outing Club – No one was in attendance and Manager Dragon advised they did not submit a request for funds but it is carried forward in the manager's budget. Mayor Merrifield commented it is \$8,500 and it is for their liability insurance and workmen's comp.

Heritage Commission – No one was present to speak.

Public Comment regarding Granite State Animal League

Mr. Jeff Brewer stated he is a fairly new member to the Granite State Animal League Board and is also serving as the Treasurer. He stated Mr. Boyette is unable to be here tonight. He stated they are painfully aware that the Granite State Animal League has lost the City's confidence in the ability to manage and

run the City's Animal Shelter and understand that the City is looking at other alternatives to provide that service. He stated although the Shelter has stumbled quite a bit of time has been spent recently reformulating itself, refocusing itself and bringing its management back into focus. As you are aware, the Shelter lost its charitable organization designation. This year they successfully submitted the application back to the IRS, and have received an acknowledgement and he commented they have no reason to believe that the 501C3 won't be approved and he stated their mission is exactly what it was ten years ago. That single step will provide them with a mechanism which will allow them to do a higher level of fund raising going back to organizations, institutions, and businesses that need to be able to take a charitable deduction on their taxes. He also advised that they have been looking at their operations and finding ways to improve. They are also negotiating with vets to find ways to reduce the vet cost which is their second highest cost. They also plan to train their staff to perform injections such as for rabies. They are also looking into a contract with the Town of Hill as another method of bringing in more income. He stated their expenses are about \$6,000+ over last year and we feel that if the City will level fund the shelter that the extra expenses can be handled on their own. He stated they would like to continue to be the animal shelter for the City of Franklin. He further stated they are prepared to do whatever it takes to make this happen.

Councilor Starkweather said it was mentioned about having the staff trained to give shots to the animals, and he asked if they have anyone at the shelter now that has experience giving shots. Mr. Brewer stated they do not, they have two part-time people and they have discussed this with their current vet and have been informed there is nothing about the process that could not be easily taught. Councilor Starkweather requested Mr. Brewer elaborate on the computer program mentioned in their packet. Mr. Brewer stated there is a computer program called Shelter Pro, used for many reason but primarily used for management of shelters. He stated he believes Franklin Savings Bank, using the City as the fiscal agent, provided \$1,100 for the purchase of software and just before the beginning of May they were preparing to purchase that software but everything stopped until they know what happens on July 1st. He stated that

Software would help them manage the animals, manage our process, keep track of the shelter's costs. Councilor Starkweather ask if they have a computer to run the software. Councilor Starkweather stated in your packet of information it shows there were 135 animals taken into the shelter in 2011 and he asked if there is a breakdown as to how many cats and how many dogs. Mr. Brewer stated he does not have that information with him but his guess would be more cats than dogs and he would guess 60% would be cats, we get them as litters, cats living on the streets and the dogs come in from the Police Department or surrenders but the numbers are much smaller. Concerning the Porta Potty, the cost has been doubled and Councilor Starkweather said we keep hearing about a septic system that has been installed minus the toilet. Mr. Brewer stated he was told that sometime in the past there was a septic system installed at the building and there is running water and drains and he was told it was designed as a full septic system. Mr. Brewer commented that unfortunately the Granite State Animal League has never been able to organize significant improvements on the building so the bathroom continues to be an issue.

Councilor Dzujna asked if people that would give shots if needed, do they have to be certified and Mr. Brewer stated no, just trained by the Vet and they would also have to purchase a weight scale as the dosage is determined by the weight of the animal. A refrigerator would be provided to house the vaccines.

Councilor Cournoyer commented that \$1,000 for a telephone line seems excessive. Mr. Brewer commented this is a business line.

Councilor Desrochers commented that a couple months back the request was for \$30,000, now back to \$20,000 and as you are aware the Council is looking into other alternatives. Councilor Desrochers asked what is the shelter's bottom line for funding. Mr. Brewer responded \$20,000 is the shelter's bottom line at least for this year. He stated we may find us doing better on down the line but right now raising that extra \$6,200 is a significant hurdle for them. Councilor Desrochers stated he read the article in the Concord Monitor and he stated he doesn't know how accurate it was but they didn't have a whole lot of good to say

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about the management. Mr. Brewer commented he was interviewed for that article and is aware of the issues. At this point he stated he is very aware of the issues that were outstanding when he came on board in March. All of those things are being addressed and the only issues left for him in terms of the Shelter is whether or not he will renew the Department of Agriculture's License on June 30th. All the other issues have been resolved, they have contacted any agency that has had a problem with them and we have addressed all of them. Councilor Desrochers stated if the Council should go with Granite State at the \$20,000, how is that paid, monthly/quarterly? Mr. Brewer responded the payment have always been quarterly. Councilor Desrochers commented he wonders if Granite State will be around in 6 or 7 months. Mr. Brewer stated that is why he is here to hopefully convince you that we will be here, we have been here for 10 years and he stated the management now is much better than it was 2 years ago or even last year and we have continued to run the shelter for the City. He stated they paid most of the bills only coming up \$788 short expenses over income so despite the poor performance from a management perspective the shelter has been running every day and he stated if we are allowed to continue this coming year will be a lot better. Councilor Desrochers asked how many people are new on the management team and many are left from back years. The President, Lawrence Boyette is the oldest member; Mrs. Brewer has been on the Board since 2009 and the remainder 2010 and 2011. In the packet from the Shelter they list all the Board members. Ms. Sandy Sherman, Board Member and she stated she is here to represent and support the Shelter. She advised the biggest problems came from the former Treasurer which caused reports, etc. not to be done. She stated we welcome Mr. Brewer as our new Treasurer and we all are working very hard to make the Shelter something the City is proud of. She stated awareness is the key and they are all well aware now and moving forward. She further stated she feels the shelter is an asset to the City and we she expressed concern as to what would happen to animals without the Franklin Shelter.

Councilor Feener stated he is sitting here listening and you gave us a budget wherein you need \$30,000 from the City and now you are saying you can do it with \$20,000 and he asked where and how does the Shelter plan to make up that

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\$10,000. Mr. Brewer commented in the budget it is \$6,200. He stated they knew \$30,000 was not a realistic number, but it was just a place to start. Councilor Feener asked where will you going to get the \$6,200. Mr. Brewer stated they will do it through fund raising. We have fund raisers that we do every year and we will add some other and also when we receive our 501C3 that will help a great deal.

Councilor Cournoyer inquired about just how long animals are kept at the shelter that aren't adoptable. There is no set time as to how long a dog or cat is kept at the shelter, sometimes we look for rescues that will take them if they are non-adoptable but we try not to euthanize them down but sometimes they have to be euthanized. He stated their prime mission is to find homes for them.

Mayor Merrifield commented that the 20 minutes the City Council allocated to public comment has expired.

Councilor Dzujna commented that he knows it is hard to come here and talk about your failures and problems at the Shelter and he commended Mr. Brewer for doing so. Mr. Brewer responded the only way to heal them is to recognize them.

Ms. Ruth Bowley stated she gave her presentation on keeping the Animal Shelter where it is but possibly not being non-profit. Hiring an animal control officer part-time and as stated by Mr. Brewer maybe working with some other towns as far as getting contracts. What happens with shelter is they are grey area shelters, Hill, Tilton and Northfield are all grey area towns which means they have no contract with any other shelter. A solution to the financial problems is to contract with another local town. She stated the animal control needs to be stepped up and stated she encountered just today 12 pregnant cats in a one mile square radius of the Post Office and she stated that could be 516 cats by the end of September. Laconia or Concord is not going to come out and get those cats. She stated she worked at the Franklin Shelter and more than 65% of the animals there are cats.

She stated a part-time animal control officer could really help the situation and she realizes that the Police Department only picks up dogs. Councilor Clarenbach commented that there is a caring group of people in Franklin who continue to feed the cats which only helps to increase the population. He stated he understands people who feed the cats to trap them and have them spayed or neutered which is a good thing but most are just feeding them and that is part of our problem.

Mayor Merrifield reminded the Council they had approved only 20 minutes of public comment and that has now been doubled.

Motion made by Councilor Desrochers to hear from two more people and no more than three minutes each. Motion seconded by Councilor Dzujna. All in favor, motion passes.

Ms. Fisher, Ward Hill Road and she stated she is here to support the Animal Shelter and she stated she has given shots on her own but you do need to be certified to give rabies shots but it is possible to be certified. She stated as a volunteer and she stated she was working at the Toll Roll fund raiser at the Transfer Station and stated there is an outpouring of affection for the shelter. She stated she is willing to step up and do whatever she can to help.

Mr. Noack commented the pet owners and the pet feeders. He stated he takes his son on Saturdays to walk the dogs and the building is pretty much a mess. He recalls at one point there was some talk of revamping the building and it was just a matter of someone supplying the materials and he stated he assumes no one wanted to supply the materials. Mr. Noack commented they need to do more fund raising and get the word out there.

Mayor Merrifield stated that concludes the public comment.

Councilor Desrochers stated based on what he has heard tonight and he stated he has always been in favor of giving someone a second chance and he stated he has

a dog that was a rescue dog and he didn't like people or dogs and he stated 10 years later he still has him and he is a good hunting dog. If the Animal Shelter can do it at level funding of \$20,000, he offered the following motion:

Motion made by Councilor Desrochers to keep the Animal Shelter in Franklin, motion seconded by Councilor Clarenbach.

Councilor Dzujna commented it was good to hear the people come forth tonight and talk about the problems at the shelter and he stated we do need something in the City. He stated he has a concern about going elsewhere is the amount of time it would take from the Police Department to transport the animals.

Councilor Feener called the question, seconded by Councilor Desrochers. 4 yes votes and 4 no votes and the Mayor voted no to break the tie stating he wants the discussion to continue.

Councilor Clarenbach stated he is also in agreement in giving the Granite State Animal League a second chance and that they are not unlike FBIDC. He stated he hopes that lines of communication can be opened with a new and renewed Granite State Animal League Group; we will see a much different outcome not only for the betterment of the animals but the citizens of Franklin.

Manager Dragon stated this is an organization that is a 501C3; they should have a contract with Franklin and are not like FBIDC. FBIDC is the economic development arm of the City; the shelter is supposed to be providing a service to the City for the money that is given them. If they cannot provide that service to the City, they should not be receiving that funding. If they are not a stable organization that can provide those services then the City should not contribute to that. She stated what she wants to say to the Council tonight is she has been very supportive of this organization over the last few years working with Lawrence Boyette; we have brought them before the Council and the Council agreed to pay the electric bill when they couldn't keep the lights on; we have agreed to provide wood and materials to add onto the shelter when they wanted

to add an addition to the building; we have offered Transfer Station employees to help them with their Toll Road to raise funds; we don't charge the shelter anything for the building so they can provide services and we still pay them more than any other shelter would charge the City for the same amount of services. She stated she had been hoping and praying that the Franklin Animal Shelter could pull their act together and to be financially able to bring together a plan tonight that would make sense, they have not brought together a plan that balanced revenues with expenses; but she stated like most of you tonight that want to give them a second chance, she agrees and would like for them to have another chance because for us it most convenient not only for our Police Department but for our residents to go here in the City of Franklin. She stated she does not want to have to deal with another shelter that is out of town and have our Police Officers making trips out of Franklin; she stated that is not what she wanted from the very beginning until she was served with an ultimatum that if we did not include \$30,000 in the City budget, that they would shut their doors within six months. She stated what concerns her is tonight she did not hear the balancing of their budget, we are still relaying on the hope that they will be able to raise that additional \$6,200 to balance the budget. All the publicity that has taken place should help the shelter as most people care about animals and bring a renewed energy to the organization. So if there was ever an opportunity for the shelter to get out of the hole she stated she believes that now is the chance. She stated if the Council is willing to take that chance, she commented it would certainly make her job easier because we would not have to send our officers out of the community. But she stated she wants to make it clear that she has been hoping all along for that balance sheet balance of income and expenses so she could feel there was stability in the organization moving forward because the City of Franklin has been pulling for this organization all along whether it be through volunteers, running your grant through the City's financial office or helping with the electrical expenses because the City wants to help the residents deal with the animal population whether it be dogs or cats, we wanted to do that all along. It wasn't until we got to this point where we were forced to look at other options.

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Councilor Clarenbach commented that FBIDC is also a 501C3 as well, we also had to have a contract with them to get them back in line of expectations and we do have a contract with Granite State and would expect them to hold uphold that contract if we engage with them for this upcoming year.

Councilor Starkweather commented he would like to see the Animal Shelter remain open. They are on the right track; they are recognizing their problems and trying to get it worked out. The City has made some offers in the past and he stated he does not know who failed to follow through. He stated of the alternatives available he would like to see the Franklin Shelter remain open. He stated there might be the possibility to give them a 6-month trial period and have them come to the Council with their budget and report to the Council. Councilor Dzujna commented that he likes the idea of the 6 months agreement and asked the City Manager if the City could enter an agreement with someone else at any time or is it just a certain time. Manager Dragon commented yes you can enter into a contract at any time, but she stated she would not recommend it to be fair to Granite State, they need time. She stated her opinion is if they are going through the process to gain their 501C3 back and their other forms in place, she would give them the year and do the quarterly payments and the City is not in harms-way paying quarterly and this would give them the time they need to accomplish their goals. We can check in with them periodically and we will evaluate things and if we need look at something different for the future we will. She stated she would hope that they would tell us, why you would want to do it if you are not able to do it. She stated she knows that some of the members have put their own money into the Shelter. She stated if the Council approves staying with Granite State Animal League, she would recommend the City renew the lease for one year and we touch base with the Shelter periodically to see how things are going.

Councilor Sharon commented that he came to the meeting tonight with some doubts about this whole thing and he stated he was leaning to go in a different direction but what he has heard tonight is some real concerned people who really want to put some effort into this program and if it is possible that we could make

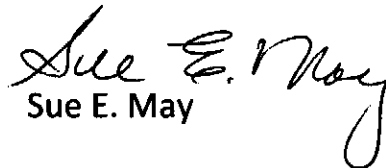
this work then it is the best thing for Franklin. He stated the only thing he would ask if that they come back before the Council in 6 months and give an update of their financial situation.

Councilor Feener stated he was going to suggest quarterly but he would go with 6 months to see how the Shelter is doing financially and what is the proposed fund raising outside of the City.

Motion to fund the Granite State Animal League at \$20,000 for one year pass by a unanimous vote.

Motion to adjourn made by Councilor Sharon, seconded by Councilor Feener. All in favor, meeting adjourned at 8:20 p.m.

Respectfully submitted,


Sue E. May

**CITY COUNCIL MEETING
JULY 9, 2012**

Call to Order

Mayor Merrifield called the meeting to order at 6:00 p.m. in the Council Chambers, Franklin City Hall. Salute to the Flag was said led by Councilor Clarenbach.

In Attendance

Councilor Clarenbach, Councilor Boyd, Councilor Starkweather, Councilor Trudel, Councilor Feener, Councilor Desrochers, Councilor Sharon, Councilor Dzujna, Mayor Merrifield and City Manager Dragon.

Absent

Councilor Cournoyer

Public Hearings

Resolution #01-13 – this resolution concerns the Appropriations and Estimated Revenues for Fiscal Year 2013. Mayor Merrifield opened the public hearing on this resolution.

Mr. Bob Lucas, Ward I and School Board Vice-Chair stated he wishes to speak on possible School budget cuts. He stated he is very concern about a possible reduction in the School Board's proposed budget request for the new budget year 2013. In recent years many people have worked very hard to improve the quality of education in this School District and overcome the reputation of being one of the poorest performing school districts in the State. All schools deserve to be supported in many ways, not just monetarily. One of those ways is through monetary support; we owe the children our support. A motion was made to reduce the proposed school budget by \$50,000 and he stated he has heard even larger numbers but he is not certain about those. He stated he is not aware of why this cut was proposed; the school budget currently stands at 4.39 million which is an increase of \$129,000 over last year. The City budget currently stands

at 9.2 million. The City has suggested that the \$50,000 comes out of the school's surplus of \$369,000 which has mostly been used for various improvements. The surplus was primarily from money saved on heating and snow plowing because of the mild winter but is not typical. The school performs the buildings and grounds improvements and maintenance. Much needed improvements were corrected such as locker rooms, road repair, etc. According to the Concord Monitor the school did not seek input from the City Council before spending the surplus so the Mayor has proposed taking back \$50,000. Have a surplus is an indicator of good fiscal management and allows improvements to be made that need to be accomplished. It is far better to have a surplus than to run a deficit and the school should not be penalized for it. Franklin spends the least amount of money per student in the entire State of New Hampshire. It is difficult to attract and retain good and/or great teachers when salaries are not competitive. Franklin has imposed a tax cap for several years; the State average of tax dollars collected by the cities of New Hampshire for use by schools is 67.21%. Franklin appropriates only 41.5%. Grant proceeds cannot be factored into long-term budget planning as they cannot be anticipated. The Concord Monitor ran an article that stated that the extra \$50,000 could be used to increase the Veterans Tax Exemption. They said \$50 to \$100 and he stated he heard another number but is not sure on that. He further stated he is a Veteran but is willing to forfeit his exemption in order to do his part in supporting the students of this school district. A six-year look back shows that school budgets have been decreased by \$487,623 while the City budget has enjoyed increases of \$1,466,000. Even though it has been a struggle, the school has lived within their budget primarily because of sound fiscal management and efficiency. He requested that the citizens and elected officials support the schools with all of the conviction they can muster. Our future and the future of the students depend on this. We want to be a community where people want to live. If we have underfunded or poor performing schools families with children may be hesitant to locate in Franklin. Money alone does not insure great schools but the truth is well-funded schools can deliver quality education. If a motion is made tonight to once again reduce the school budget and he requested that you preserve the school budget by voting against any reduction.

Mayor Merrifield commented he would like to clarify a couple of things and one being that the Mayor has proposed a \$50,000 reduction to the school budget, and Mr. Lucas stated he believes that is how it was stated in one of the news articles. Mayor Merrifield stated it was now and Mr. Lucas stated he stands corrected on that. Mayor Merrifield stated it is difficult to define budget, you can throw that term out and say the budget is x or y. He stated he believes it was said that the school budget is 4.5 million dollars and Mr. Lucas responded 4.39 million current year and Mayor Merrifield stated what that is would be the District assessment for the amount of property taxes that residents in Franklin contribute towards education but the actual budget is over 15 million, the total expenditure budget is over 15 million.

Ms. Lori Ingham, resident stated she is a substitute in the District and also a parent. She stated she does not believe the budget can be cut any further at this point; they need every penny they can get. The administrators and the teachers are working very hard to change the reputation of Franklin, to change the climate and culture that has developed over the years. She also stated although some repairs are made there are still many repairs needed. She stated she went into a classroom and the closet had mold in it because of a roof that still leaks.

Mrs. Toby, resident commented all students spend the daily majority of their lives in an educational setting and in a sense they too are veterans preparing for the great mission ahead, i.e. life. The Franklin students are our current and future hope of elevating this city to its past grandeur and accomplishments. Your support of the 2012-2013 school budget is your statement of support of the students and the community. Mrs. Toby stated the school budget over the past few years has been cost shifted to enhance the City's budget by over \$600,000, monies duly belonging to the schools and their missions. She ended by saying this is an opportunity for the Council and Mayor to shut off the cost shifting and being supportive of the Franklin School District.

Mr. Mike Mullavey, resident and member of the Odell Park Committee commented on the total budget stating he wanted to first address the area of

Maintenance; he stated if you want to mess up an organization anymore than you have you look at the way maintenance is done on the fields and in the parks. You have Director Alpers in charge of parks and she has some of her people do some small stuff and MSD does some stuff and then you have the school department with their fields and they have their equipment which is duplicated by MSD and the supervision is duplicated and the areas are a complete duplication. To top it all off, you have the schools coming in and playing ball in the parks and what happens if something goes wrong, the school doesn't do anything, the parks have to fix it. The areas of shared fields and parks do not correspond with the organization that we have as a City. He recommends that there be one organization and one maintenance group and possibly put it under a private fund and get it out of the City completely. He further stated the last couple of years have been somewhat bothersome in that the City is totally concentrating on chasing or catching or trying to help 10% of the people in Franklin and the 90% or being ignored or stepped on. He stated you fired John in the Rec Department; you fired someone in the rubbish area so the dump has to close more days, and you fired someone in the Library so the kids can't go in and read when they should. Half the equipment at Stone Park was eliminated so the kids don't play on the playground through the summer. Boards have been put across the balance beams at Odell Park figuring someone might get hurt but the kids have been using those beams for 18 years and no one has been hurt. He then stated to offset all of this, what has been the big purchase in last couple of years, you buy a fire truck that you don't even need, you call it an ambulance.

Mrs. Andreozzi, resident Ward III stated she believes there is going to be a proposed amendment to the budget and if there is she requested that the Council open comments from the public before that amendment is voted on. She stated all taxpayers have the right to let the Council know how they would like the monies spent. She stated nothing the Council does tonight will change the amount of taxes she pays but those taxes that are paid are suppose to benefit all citizens. The City currently gives 400 veterans tax credits and she stated she honors veterans and has veterans in her immediate family. Increasing the tax credit by \$100 is \$40,000 every year not just this year but every year. This

increase benefits only a portion of the citizens and not necessarily because they need it. In these times she asked is it appropriate for the Council to benefit only one section of the taxpayers. Quality of education of the children affects all citizens. You are considering taking money out of the school line and putting it towards veteran's tax credits, do the vets really want to take the money from the school children. In this budget there is a 1.5% cola for employees and 2.5 step increase and last month you denied nearly the same amount to the Franklin teachers and now you want to take money out of the school line so there would be no money in the school budget for teachers' raises. The city employees and the teachers deserve a raise; they are doing the service of the City now. She stated if you want to protect education you could take money out of the school line and put it in a special line reserved for school use and then the school would be able to come back to the Council and ask for money if there is a need. If you spend all the money or allocate it up front there won't be any money for teachers' raises or special education surprises. She also stated there have been no talks on increasing the fund balance and no planning in the CIP; the Council has not done an adequate job.

Councilor Desrochers address the public not as a councilor but as a member of the public reading an email he received from another resident. The email stating from reading articles in the paper and getting phone calls I see the school board is up to their usual (expletive). The email further stated they wished to give a little perspective over the last 7 years; it has been the same with the school board every year. They have money left over; they go on a spending spree so the Council cannot act on it. They play hide the football all year then blame the surplus or shortage on special Ed. Yet they never seem to know where their money is going. You look at the past few years numerous motions have been made to reduce the school budget by \$30,000, some have passed. They claim they need money for education but their spending sprees speak differently. The very fact that they did not bring up the surplus during the budget hearings shows they tried to hide it. The email continued saying they understand there is a proposal to reduce the school budget by \$50,000, I think it should be \$400,000. It is time the Council sends a clear message that they will not tolerate the board's

behavior. Councilor Desrochers commented this email was from one of his constituents. The public requested the name of the person who sent the email and Councilor Desrochers responded the email was from Jay Bowers, who served as a Councilor for Franklin, Ward II for 7 years and knows what he is talking about.

Mr. Donald Gagnon, resident stated he has lived in Franklin since year 2000 and the perception he is getting from the City Council is that education is not as valuable to the Council as other parts of the community. He stated most people that would consider moving into a community one of the first things they look at is not the exemption for the veterans but they look at the conditions of the streets, the parks, recreation and mainly education, the school district. He stated he taught in public education for one year and it is collapsing. Throwing money at the district will not solve the problem. Taking money from it will also not solve the problem. Those that have the means will send their children to a private school leaving the district which would probably be from the upper third. If you keep telling teachers they are the problem or keep under funding things, then the talented teachers will go elsewhere. He stated he has the ability to educate his children at home if he has to but not everyone has that option. He stated he does not want that to happen and he wants a public school system that works for the good of the community, both present and future.

Mr. Al Warner, Ward III and School Board member stated he really had not wanted to get up and speak, however, he stated his first priority is to find ways to reach out to the City Council from the School Board and build some bridges instead of walls. He stated right now he is adamantly opposed to any adjustment to the school's budget for reasons of what is called a surplus. He stated at home if he has saved some money over the winter and has a leaky roof at the end of the year I use the money I have saved to fix the roof and that is basically what has happened here. He also stated as a Veteran he has never claimed my exemption and for you to pull the money from the school's 2012-2013 budget because we had a surplus in the 2011-2012 budget would be like him getting mad tonight and showing up tomorrow wanting his exemption.

Mr. Edward Lind, resident on North Main Street and he stated he walks the streets in Franklin on a daily basis and he stated he is drug and alcohol free but because he does not do those things they think he is a cop. He stated the streets are horrible, there are drug addicts, drug users, kids in high school are throwing their lives away with drugs and the City is doing nothing about it. He advised he had a meeting with the City Manager and the Police Chief, nothing is getting done, and no one is reaching out to the community. These high school students that are throwing their lives away are smoking incense and K2. Instead of talking about a budget, we should be talking about the streets of Franklin. He stated the park has a huge facility there but it is not being used, it is wasted space. Education is number one and now there is no Casey Family help. He stated he would like to see a Community Outreach Center to tutor kids that can't read or write and he said he was told there are no funds available for that.

Ordinance #01-13 – this ordinance concerns Chapter 160 Fees of the Franklin Municipal Code. Mayor Merrifield stated the following changes would be made if the ordinance passes: Commercial Hauler Administration Fee is changing from \$10/ton to \$15/ton; Digging Permits \$100 each to \$150 each; Microwave Oven Disposal is reduced from \$20 each to \$5; Copies of Police and Fire Reports from \$1 per page to \$10 for each complete report.

Mayor Merrifield opened the public hearing; no one came forth to speak on this ordinance. The Mayor closed the public hearing.

Ordinance #02-12 – this ordinance, if passed, would increase the Veterans Exemption from \$200 to \$250 and is included in the current proposed budget. Mayor Merrifield opened the public hearing.

Mrs. Andreozzi, resident stated her father developed a disability from his service and he believes that his employer, the Federal Government, is responsible to help him with that disability and they do. He does not expect to be continually paid for the service that he did his Country. She stated she does not think in these times \$20,000 more dollars should be taken out of the budget to increase Veterans

exemptions. She stated she will assume, even though the motion for the ordinance is incorrectly written as it stands, that you intend to increase disabled veterans as well but the motion reads to increase from \$200 to \$250 but disabled veterans receive more from the City and the limit that the State allow is higher. She stated she would assume if this is what you want to do would be to give \$50 in addition to all veterans not just the able bodied ones. She stated she also believes that certain members of this Council would benefit from this if it is passed and she stated she feels strongly that they should not vote on this and also not vote on the budget because they would be directly benefiting financially.

No one else came forth to speak on this ordinance; Mayor Merrifield closed the public hearing.

Comments from the Public

Municipal Services Director Sullivan introduced Jeff Schuster, Junior Franklin High School stating he is a product of the Youth Government Week who is spending the summer with Director Sullivan because he is interested in Public Administration, Public Works. He has already reviewed the Code of Ordinances, the Annual City Operating Budget tonight, the organizational structure of MSD, the fiscal year budget for MSD, goals and objectives for Municipal Services and he is doing an in-depth division review.

Director Sullivan excitedly announced that today activated the Water Treatment Facility and after lots of testing and 9 years of work, 650,000 gallons of filtered water that is better than a well, pristine.

Mr. Mike Mullavey advised that the Odell Park Committee has accomplished the goals they established in 2006 plus some that were added along the way. He also thanked all the different volunteer groups in Franklin.

Mr. Chuck Farmer, resident commenting that the City has an ordinance concerning fireworks in Franklin and fireworks can go on until 11 pm and he

stated July 4th for fireworks is fine but day after day until 11 pm at night and he is sick of it. We do have a Noise Ordinance but the Police do not enforce it because it says in the ordinance up to 11 pm at night. He requested that the City Council look into this. Mayor Merrifield commented that he has always felt that this ordinance is really unclear and whether you want it to be more restrictive or less restrictive and the language should be changed so it is very clear what the Council wants the Police Department to enforce.

Mr. Farmer also stated the City property across the river from his house, right off 127, the stated they camp down there and have camp fires which you are not suppose to do on City property but he said that doesn't bother him but these people start screaming and he called the PD at 11 pm and then at 12:30 pm they got louder, now they are out on a boat with the music cranked. He stated he does not feel he has to close up his house at night so he can sleep.

Legislative Comments

Representative Palfrey was in attendance to answer questions, there were no questions.

City Council Acknowledgement

Councilor Dzujna stated he knows how hard Director Sullivan has worked on the Water Treatment Project even working on it at home during the past 7 years and he stated as a resident he wanted to personally thank him.

Mayor's Update

The Mayor advised that Mr. Steve Spain has resigned from the Library Board of Trustees which is a position that the City Councilors fill.

Approval of Minutes

Motion made by Councilor Dzujna that the Franklin City Council approves the minutes of the May 15, May 22, and June 5, 2012 City Council Budget Workshop Meetings and the June 4, 2012 City Council Meeting. Motion seconded by Councilor Feener.

Councilor Starkweather advised on Page 5 of the June 4th minutes third line up from the bottom the word mediation is spelled wrong.

All in favor; minutes approved as corrected.

School Board Report

Mr. Keith Lohmann, School Board Member read the names of the Spring Sports Award.

Proclamation

Mayor Merrifield read a proclamation concerning Arbor Day and also honoring Ian Burns, AKA "Johnny Elmseed" for the planting of over 178 elm Trees in Franklin.

Purchase of Water Meters for FY13

Motion made by Councilor Feener that the Franklin City Council, pursuant to Franklin City Code Article III, Section 4-15, B(3), grant pre-award authorization to the Municipal Services Director for the purchase of water meters and related equipment for fiscal Year 2013, from E. J. Prescott Company. Motion seconded by Councilor Desrochers. All in favor; motion passes.

Resolution 01-13/ Appropriations and Estimated Revenues for FY 13

Motion made by Councilor Feener that the Franklin City Council approves Resolution #01-13 by a roll call vote. Motion seconded by Councilor Trudel.

Councilor Desrochers offered the following amendment: "I move that the Franklin City Council reduces the local school district's tax assessment by \$50,000 and make the following adjustment to the Municipal Budget:

Increase Account Number 01-0-000-31100-000 Property Tax Revenue by \$50,000.

Decrease Account Number 01-0-000-39150-000 Transfer In from Capital Reserve Funds by \$17,500 which represents one half of FY 13 Ambulance Payment.

Increase Account Number 01-1-941-40439-000 City Hall and Other Contractual Services by \$8,274 to fund the replacement of tower roof \$4,784, heat paint for the front roof \$1,690 and refinishing the Council Chambers floor \$1,800.

Increase Account Number 01-2-109-40439-000 Police Building/Other Contractual Services by \$2,800 to fund the replacement of the Police Chief's office window \$800 and replacement of four police building security cameras \$2,000.

Increase Account 01-2-209-40439-000 Fire Building/Other Contractual Services by \$2,676 for the replacement of the Fire Station meeting room doors, and

Increase Account 01-0-000-31102-000 Veteran Exemptions by \$18,750 to fund a \$50 increase in the Veterans' Exemptions from \$250 to \$300.

Amendment motion seconded by Councilor Boyd.

Councilor Desrochers commented he does want to point out to the members of the School Board present that this amendment motion is not meant to punish anyone on the School Board or anyone in the Superintendent's Office for having a surplus. He congratulated them on having a surplus. He further stated he would like to see the district be able to carry over \$75,000 of their surplus each year, not have to spend it all. He stated the accounting practices in this country are flawed; you should not have to spend every nickel/dime at the end of the year. He stated he is very much in favor of education but he also stated he feels when you have a surplus we all need to sit down together and help each other out, then the whole City moves forward. Councilor Desrochers further stated that he was very irritated by the statement the School Board Chair made to the press that the City Council was going to cut the school's budget by \$400,000 or as much as \$600,000 and he stated that is the furthest thing from the truth and he questioned why couldn't the chair have come and talked to me about it as he lives about 200 feet from me but instead he went to the press. He stated there is Freedom of the Press but he would have like it if the chair could have contacted him or one of the other councilors. Going to the press with incorrect information like that only creates animosity, drives wedges between the Council and the Superintendent's Office and we don't need that. We are all the City of Franklin and we need to work together and talk to each other.

Councilor Feener commented he senses Councilor Desrochers frustration and he stated he has been very frustrated too. He commended the school for having a surplus at the end of the year. He stated two years ago the Council helped the school out by taking funds out of the City's fund balance as the school was \$146,000 in the hole. He stated he would have been nice when you learned you would have that amount of surplus to have discussed it with the City. Coming to a Joint Finance Committee to discuss the surplus would have been ideal. Councilor Feener stated he will vote

against the amendment and reach out and ask that you start working with us and start communicating.

Councilor Dzujna stated he heard about the school's overage on the last day of budget meetings, and people approached him and ask if some of the monies could have been used for an after school program because Casey Family pulling. They asked could it be used for teachers' salaries/raises. He stated no one wants to cut the school by \$400,000 as was mentioned. Councilor Dzujna stated he too will vote against the amendment as he does not want to take anything from the school but he asked why it was done this way.

Councilor Boyd stated he has listened to all the conversation tonight and has also spoken to a lot of people in the community. He stated this is a great community and he hates listening to negativity about this community. The volunteers, the teachers, the coaches do a great job. He stated he realizes it is a challenge. Councilor Boyd commented on the Veteran exemption stating some communities went directly to a \$500 exemption and then he hears that if you are a Veteran and if you are voted by the people to sit on the City Council that maybe you should not be voting for that. Councilor Boyd stated even though he seconded the amendment motion, he will vote against the amendment because the majority of the people that took time to come and speak tonight and are opposed to it. What we need to do is work together, we are all elected.

Councilor Clarenbach stated obviously he is not in support of the amendment and wasn't when it first came up in a budget meeting. He stated that all we are doing is spending money that was left over from the school and Councilor Desrochers had criticized the practice of spending the leftover money but yet a laundry list of things the City needs and the increase in the veterans' exemption has been listed in the amendment. He stated as others have stated, we all need to get together, work together and the Mayor creating the Liaison Committee was an attempt to have us all work together. Where the school and the City are right now is not a good place. There are needs in both arenas; there are areas that need addressing not only in the teachers' salaries but also infrastructure, building repairs, the fire

Station is finally going to get a roof replaced in this year's budget which has been leaking for about 4 years. There are plenty of needs but we should have one common list so when there is some surplus we can talk about that common list.

Councilor Trudel stated we are all in this together and we keep saying the same thing over and over about trying to work together. He stated when this amendment was discussed at the budget hearings he was in favor of it, however, to echo Councilor Clarenbach and also the number of people that have come out and voiced being against the amendment, he will take what everyone has said here tonight when it comes time to vote.

Councilor Desrochers commented that someone spoke earlier that any veteran on the City Council should not vote on this budget because they have a conflict of interest. He further stated I don't know any Councilor on this Council who is not a tax payer so would there be a conflict of interest every time the Council votes on a budget? He stated he takes disagreement with the statement. The Mayor commented that he has had conversations with the City Attorney on just this sort of issue and the City Attorney would agree when you are voting on a general policy that affects a number of people especially as was stated a budget which affects everyone in the community; that would generally not be seen as a conflict of interest. In the end however, it is up to each individual Councilor to make that decision.

Councilor Feener commented the comment made earlier concerning Councilors who are veterans should not vote as they stand to gain if the motion is passed was uncalled for.

Councilor Feener called the question, seconded by Councilor Starkweather. All in favor to end discussion on the amendment.

Seven Councilors voted no on the amendment, 1 Councilor voted yes. The amendment does not pass.

Councilor Clarenbach commented that it has been mentioned this evening about fund balance, it has been mentioned about CIP, obviously this budget does not do anything to address either of those and continuing to not put any funds there will have dire consequences somewhere down the road. The operating budget in the City is too large for what can be supported with taxes under the tax cap and we need to change what we are spending on our operating budget. We need to provide fewer services in an area to make it so we can better fund our fund balance and our capital improvement plan. Mayor Merrifield commented he would not dispute anything Councilor Clarenbach just stated, however, people in the community need to realize this City has seen dramatic losses in revenue particularly from State funding sources that had always been in place before. This has happened because of the economy and he stated we need a hot economy as there is no revenue for government. With reference to the Northern Pass the Mayor stated some of us are out there fighting this fight every day and we are out- numbered so if you want to see more revenue to the City, help us out as this project would mean a world of difference for Franklin.

Councilor Feener commended the City Manager, Department Heads, and School through this budget process this year, it was good this year. He stated particularly the School as the budget that the school brought forth this year was very comprehensive and he also commended them for coming up with an after-school program.

Roll Call on Resolution #01-13 relating to Appropriations and Estimated Revenues for fiscal Year 2013:

***Councilor Clarenbach – Yes
Councilor Sharon – Yes
Councilor Boyd – Yes
Councilor Desrochers – No***

***Councilor Dzujna – Yes
Councilor Feener – Yes
Councilor Trudel – Yes
Councilor Starkweather – Yes***

Resolution #01-13 Passes.

Ordinance #01-13 – concerning Chapter 160 Fees of the Franklin Municipal Code

Motion made by Councilor Clarenbach that the Franklin City Council approves Ordinance #01-13 by a roll call vote; motion seconded by Councilor Trudel.

Roll Call Vote on Ordinance #01-13:

***Councilor Boyd – Yes
Councilor Clarenbach – Yes
Councilor Desrochers – Yes
Councilor Dzujna – Yes***

***Councilor Feener – Yes
Councilor Sharon – Yes
Councilor Starkweather – Yes
Councilor Trudel – Yes***

Ordinance #01-13 passes by a unanimous vote.

Ordinance #02-13 – this ordinance represents an increase to the Veterans Tax Exemption from \$200 to \$250.

Motion made by Councilor Clarenbach that the Franklin City Council approves Ordinance #02-13 which increases the Veterans Exemption from \$200 to \$250 by a roll call vote. Motion seconded by Councilor Boyd.

Roll Call Vote on Ordinance #02-13

***Councilor Boyd – Yes
Councilor Desrochers – Yes
Councilor Dzujna – Yes
Councilor Feener – Yes***

***Councilor Clarenbach – Yes
Councilor Sharon – Yes
Councilor Starkweather – Yes
Councilor Trudel – Yes***

Ordinance #02-13 passes by a unanimous vote.

NH Fish and Game OHRV Enforcement Grant Award

Motion made by Councilor Desrochers that the Franklin City Council authorize the City Manager to execute all agreements necessary to enter into an agreement with Fish and Game to accept and expend a grant for OHRV wheeled vehicle enforcement for July 2012 through June 2013. Motion seconded by Councilor Trudel. All in favor, motion passes.

Other Business

Committee Reports – None

City Manager's Update

Manager Dragon advised in the Contingency Grant Line the City received \$15,000 from KaBoom for playground equipment, \$2,353.43 from Odell Park Centennial for the Basketball Court and a very nice donation from the Mayor's Drug Task Force which is being used for the Basketball Court at Danielle Park. \$250 was received from the Elks to Parks/Rec with no specific purpose. \$750 from the US Tennis Association for tennis equipment and Manager Dragon commented Councilor Dzujna had something to do with the City receiving those funds. \$4,558.28 from the State of NH for fire training and the Fire Department is taking advantage of those funds for training.

Tiny Twisters is up and running at the Bessie Rowell Community Center, they have their licenses and occupancy permit. It was a tight deadline to get all the construction done but it was accomplished. The Head Start project is out to bid and she advised she has begun very productive meetings with the TRIP Center. They have met with the architect and are beginning to finalize their design plans and they are doing fund raising.

Manager Dragon congratulated Jason Jenkins on his promotion as the new shift captain and she announced the hiring of two new firefighters, Mike Foss FF/Paramedic and Zachary Mellett FF/EMT-1.

Manager Dragon congratulated Chief LaChapelle on recently graduating from the Certified Public Manager's Program.

Mayor Merrifield inquired of Councilor Boyd if a Highway Safety Committee Meeting could be scheduled sometime soon. Mayor Merrifield also commented on the information the Council received concerning a change concerning caps on rents in the Welfare Guidelines and that will be on the Agenda for the August meeting.

Concerning the gate at the lower end of Victory Drive, Director Sullivan advised a message board will be posted tomorrow at the intersection of Central Street and Victory Drive that will announce the closure. The gates has been on order for about a month, it is a heavy duty gate and should be installed within the next week or two.

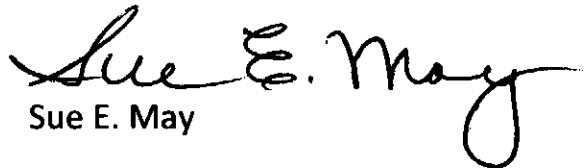
Councilor Feener commented that earlier in the meeting someone had stated the City is not doing a whole lot concerning drugs and he stated he feels that is not accurate as we have the Mayor's Drug Task Force and the Police Chief is very dedicated concerning the drug situation, it is a very difficult situation to take care of and he commended the Police Department for their efforts. Much of the work the Police Department does is behind the scenes that people don't know about. Manager Dragon commented there is a lot of police activity and the public is not always aware of it. She also commented a lot of work is being done with the youth through the Mayor's Drug Task Force and other avenues. She stated someone had commented they were afraid to walk the streets of Franklin and Manager Dragon stated she is not afraid to walk the streets of Franklin and that this is a wonderful community with lots of good things happening and the City is headed in the right direction. Councilor Dzujna commented several of the store

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fronts have been painted and the shed in Marceau park has been painted but whether people notices these things or not he does not know. Councilor Dzujna stated we still have a ways to go but things are happening in Franklin.

Motion to adjourn made by Councilor Clarenbach and seconded by Councilor Starkweather. All in favor, meeting adjourned at 7:50 p.m.

Respectfully submitted,


Sue E. May