

GRAFTON COUNTY COMMISSIONERS' MEETING

Budget Reviews/Recommendation

Board of Commissioners' Office

North Haverhill, NH

Thursday, April 15, 2010

PRESENT: Commissioners Michael Cryans, Martha Richards and Ray Burton, Executive Director Julie Clough Financial Coordinator Susan Cunningham and Secretary Jeri Martino

OTHERS: There was representation from Dept. Heads, the Union, the Employee Council and Elected Officials.

Commissioner Cryans called the Meeting to order at 9:17 AM.

Commissioner Cryans began by saying that these are very difficult times and noted the fact that revenues to the County, such as the reimbursement rate at the Nursing Home, have been reduced. He said that insurance rates have gone higher despite finding a better option than the original 20% increase. He said that retirement rates have also increased and the Commissioners are in a quandary as to what to do. He went on to say that the Commissioners know the value of the employees and what they do in this service oriented setting.

Various options were considered including a small COLA for all versus a step increase. He said that the goal is to preserve and defend the jobs at the County.

Commissioner Cryans said that he didn't see any way that both a step increase and a COLA could be given and that no matter what decision was made; it would still have to go back to the Delegation for final approval. He said they have not come to a final decision and asked if there were any input from those in attendance.

D. Wallis asked if any particular number had been considered to which Commissioner Cryans said it had not.

R. Clough, Head of the Union said that she felt that the County should consider everyone when they make their decision and that no one (meaning those maxed out) should be left behind.

D. Burlison said that she believes that if no COLA was given, there would be 85 people who would not see any increase and their salaries would decrease because of the increase in insurance.

Commissioner Cryans said that the increase in insurance cost is far less than expected since Administrators were able to go from a 20% increase to only a 10% increase.

B. Ruggles said that this is the second year (actually the 3rd) that Dept. Heads have had to keep their budgets at a 0% increase and asked that the Commissioners take that under consideration. He asked how long it could continue to go like this.

Commissioner Cryans said that this has been a very difficult time and so far the County has been able to keep people from losing jobs but without a crystal ball there would be no way of knowing how long this economy will continue.

Commissioner Richards said that she was concerned for all taxpayers, including the employees.

Commissioner Burton said that he felt strongly that they should try to keep layoffs from occurring but that revenues are just not where they were.

M. Derosia said that some towns are putting in increases for their employees just the same and she is in agreement with others who say that any kind of increase should affect all employees.

R. Clough asked the Commissioners to keep in mind that those who are maxed out are the long term employees who have been with the County for a while.

9:34 AM The Commissioners, Director Clough and HRD Simpson stepped out of the room to consider what they had just heard.

9:40 AM Everyone returned

Commissioner Cryans said that what he heard from everyone is that they would like an across the board increase for all employees. What the Commissioners would propose would be to freeze the 3% step increases and offer a 2% across the board COLA. He said this may not please everyone but he felt that was the best that could be done in this budget. He wanted the employees to know that they are recognized and appreciated and at the same time it was important to be mindful of the taxpayers.

D. Wallis said that she feels this is the most fair and equitable solution for everyone.

A. Farina asked when this would go into effect and Director Clough said it would happen on the first of July across the board.

On another note, Commissioner Richards asked the Sheriff why his revenue has decreased and the Sheriff replied that it was because of a loss of Dispatch fees.

Director Clough suggested that the Commissioners discuss the proposed changes to the retiree health insurance. Commissioner Cryans began by saying that the cost for the current plan with LGC is \$344.56 for Medicomp III (over 65). This plan under the new Harvard Pilgrim insurance would go to \$411.55. In addition to a Medicare Enhanced Plan – Harvard Pilgrim also offers a Medicare Advantage Plan at a less costly rate. The Commissioners have decided that they will offer both plans to Retirees – the County will 100% pay for the Medicare Advantage Plan and guarantee that for the next three (3) years. If a Retiree would like to have the Medicare Enhanced Plan they will have to pay the difference between the current rate and the new rate for fiscal year 2011 that would be \$66.99. Any future increases to that plan would be borne by the Retiree.

HRD Simpson said there would be forums available to both employees and retirees to go over the changes and to guide them through everything.

There was a discussion as to when the Commissioners would be able to vote on their recommendations for the budget since salary changes had to be made and they would not be able to vote on figures today.

Commissioner Burton recommended that Department Heads go through their budgets; make the proper changes and have them back so that they could be voted on at next Tuesday's meeting.

Commissioner Burton moved that budgets be updated to reflect the 2% COLA increase to all employees, along with all other areas affected by the increase and to have that information back

and ready for approval by Tuesday the 20th, and that all step increases would be frozen for FY2011, which was seconded by Commissioner Richards. All were in favor.

The Commissioners then went over each Department's budget in order to make other changes they felt necessary. Director Clough informed the Commissioners that the column that said 6 month actual on the budget information was actually a 9 month figure the column heading had not been changed.

Register of Deeds Sharp was recognized and suggested that the Commissioners consider increasing the salary for the Treasurer \$10K, so that the County has a better chance of getting someone who is more qualified and reliable.

Commissioner Cryans said that the Commissioners had already made their recommendation for the Elected Official's salaries for this year, which was for 0%, so the Treasurer's salary has already been voted on by them at this point.

The Commissioners went on through the budget. If there were no changes or suggestions they moved on, otherwise discussions were noted.

Drug Court: Director Clough said that if the Commissioners plan to go forward and increase participation to 28 there will need to be an increase in the Treatment Service line of approx. \$38,400. Right now the budget reflects 25 participants. The Clinical Evaluation line would have to be looked at closely as well.

Director Clough said the Drug Court budget has been over budget for two years now and needs a thorough looking over.

IT: Commissioner Burton asked about the education and conference line and asked if B. Ruggles was planning to use that amount. B. Ruggles said he was and thought it was a fair figure.

Sheriff's Dept.: Director Clough said that the Forest Patrol line needs to show both revenue and expense in the budget, for which it is a wash. Commissioner Burton asked what the payment was per day for the bailiff's and the Sheriff said it was \$65, although there is a bill which suggests an increase to \$80, but that is only for the Union and the Sheriff did not think it would pass and if it did, would not show fairness.

Sheriff Dutile asked the Out of State & Mileage line be increased by \$5000 stating that this line is used for extradition and there is expected to be several pending projects which will create a larger expense than first anticipated. Extradition limits are set by the County Attorney.

Dispatch: Director Andross stated that he will be filling a vacant position and is not sure what the impact might be on his budget, which will depend on salary and benefits.

Human Services: Director Clough said that originally, the FMAP money was subtracted out of the Intermediate Nursing Care and the Home and Community Based Care lines without showing it come in anywhere. It now has its own line which shows as a credit and will help make this budget more understandable next year. The credit is based income through the 31st of December and

though the money may continue to come in, Director Clough said she felt more comfortable using the amount of \$830K

Dept. of Corrections: This budget includes hiring five new positions. Three will begin September and the other two in March of 2011.

Commissioner Cryans informed the people in attendance that there had been a motion for reconsideration by the plaintiffs in the Jail case.

Farm: Commissioner Richards said that at the Farm Advisory meeting there was a decision made to hold an Open Dairy Barn Day at the end of July. She said that Granite State Dairy Promotions would be coming. Commissioner Richards said that she would like to add some more money to the budget in order to hold this event. Commissioner Richards will be a part of the subcommittee organizing the event.

Commissioner Cryans said he would like to hold off on this until all the other budgets have been reviewed.

Commissioner Burton suggested that music be provided and gave Commissioner Richards the name of someone who may be able to do this.

Social Services: Commissioner Richards asked what other Counties budgeted for Social Services and Director Clough said that other Counties do not fund amounts like Grafton County does. She said some do not give at all and those that do, fund only minor amounts. Grafton County has funded these agencies since 1982 and over time, amounts have increased. Commissioner Richards said that she felt comfortable with what Grafton County funds.

Wages & Benefits: Director Clough said she might be able to reduce the retiree health amount by perhaps \$50K between both this budget and what is budgeted in the Nursing Home. This will be discussed further with HRD Simpson.

Capital Outlay: NHA Bolander said she didn't see the Nursing Home Capital Expense account listed and Director Clough said that it has to be established first and then when they need to expend from it, it will show.

Contingency: Director Clough reduced the Outside Council line by \$50K assuming that they would not have any further high profile litigations.

Commissioner Burton asked if the money for County Government Day from FY10 could be carried over and used for the Dairy Day event and she said she thought that could be done.

Nursing Home: Commissioner Burton began by asking if the Nursing Home was in compliance with all State and federal regulations and NHA Bolander said that it was, and noted that money had been budgeted for legal fees in the event that there are some compliance issues. There was further discussion regarding this issue.

NHA Bolander informed the Commissioners that the Nursing Home is at a "critical juncture" because of Medicaid reimbursements saying that compliance and sustainability are becoming difficult. There was a discussion about the possibility of the Nursing Home having to reconsider taking on Medicaid residents in the future.

She said that they are doing a cost analysis and taking a closer look at things.

The issues with trying to collect monies were discussed.

R. Clough said that the Nursing Home has always been the place where the poor people went when there was no other place to go.

There was a discussion about whether or not the Dietary Dept. has been reduced properly given the fact that there are two less meals per day being prepared for the Jail. NHA Bolander made her argument for the amount of help that was needed to actually serve the residents. H. Wetherbee said that most of time is spent on the floor actually serving the residents not necessarily cooking or preparing the meals.

Commissioner Cryans said that he didn't fully understand the reason why Dietary can't be reduced further given the fact that there are 2, (or approx 200), less meals being prepared a day. NHA Bolander said that an analysis was done and showed that the majority of the people do the work for the residents and that whether you cook one pan or three, it doesn't amount up to time needed.

Commissioner Cryans said that he was confused because NHA Bolander has stated over the years that the Jail was consuming the time of the Dietary and that was the reason why they needed help. NHA Bolander said that it wasn't necessarily that preparation of the food that was time consuming but all the interruptions from the things that the Jail needed that was consuming their time.

Commissioner Burton said that he would like to increase the Special Food/Events line in Dietary by \$2000 so that they can offer more to their residents.

There was a discussion about Restorative Nursing and Commissioner Richards asked if that part could be more publicized. Director Clough said that hospitals are now offering those services as they are revenue producing. If that service is provided at the hospitals it is less likely to be needed at the Nursing Home.

Revenue: Director Clough presented the Commissioners a breakdown of the figures with a comparison to last year. She suggested using \$1.8M from the surplus to reduce taxes and that currently the undesignated fund balance is running around \$3M. She said she did not expect encumbrances to be very high. There was a brief discussion about the interest income from the bond proceeds and she suggested the Commissioners consider how they might like to use that along with Bed Tax revenue.

Commissioner Burton said that the Delegation should have some kind of Memo which explains what the consequences would be to the County regarding certain legislative decisions they make.

11:56 AM With no further business the meeting adjourned.

Raymond S. Burton, Clerk