

GRAFTON COUNTY COMMISSIONERS' MEETING
Budget Recommendations
Board of Commissioners' Office
North Haverhill, NH
Thursday, April 7, 2011

PRESENT: Commissioners Michael Cryans, Omer C. Ahern Jr. and Ray Burton, Executive Director Julie Clough, Financial Coordinator Susan Cunningham and Secretary Jeri Martino

OTHERS PRESENT AT VARIOUS TIMES: Nursing Home Administrator Eileen Bolander, Finance Mgr. Bryan Patanovich, Human Resource Director Mike Simpson, Maintenance Supt. Jim Oakes, Human Service Administrator Nancy Bishop and UNHCE Educator Deb Maes.

9:06 AM Commissioner Cryans opened the meeting and asked HRD Simpson to lead the Pledge of Allegiance.

Commissioner Cryans said that the biggest issues are what decisions are going to be made in regard to the health insurance and the wages. Director Clough said that it seemed very likely that because of legislation, the employees are going to have to pay 2% more for their retirement.

The first discussion was about health insurance as Director Clough had said that both health insurance and wages should be decided on first because they will both have an impact on the final figures.

A discussion ensued about the various plans that that were offered through Primex and Commissioner Cryans said it was a forgone conclusion that the County could not continue with the current plan at a 20% increase as it was too cost prohibitive. He said that he would like to see this reasonably affordable for both the County and the employees as well as to the taxpayers.

A number of different plans were reviewed and discussed at length.

Commissioner Ahern said that he was disappointed that the County hasn't looked into various programs prior to this. He suggested that giving away all the information prior to negotiations with the Union and Employee Council scuttles the negotiation power. Commissioner Ahern also felt that everyone should participate in their own healthcare and people should be urged to shop around for the things they need done. He agreed that the County can't go on as they have been but he's not sure that all the options have been discussed and he feels that a lesser choice than what they are currently discussing should be considered. He said that he is aware of many people who have a lesser insurance plan and some that don't have any at all. Commissioner Ahern also said that when the negotiating team uses words like "drastic change" it's like having the team negotiate against the County. Commissioner Cryans disagreed and said he believes that the team should be up front with the employees. He said that he also believes that here are many other employers who may have as good or better health benefits than the County. He said there are always going to be winners and losers.

Commissioner Cryans said he understood the frustration about the lack of time but this is probably the most time they have ever had to spend on health insurance. He has chosen the plan he likes and recommend that as the best option.

Commissioner Ahern said he thought they could do better and he said he would like to be able to have Primex take a further look at some other options.

HRD Simpson said that the HMO's are the least expensive plans and that he believes that the only other option to consider is one with a higher deduction.

There was a discussion about what costs would be if all employees paid 25% of the costs.

Commissioner Cryans said he has made his choice and feels that choice meets the needs of the County, the taxpayers and the employees and that it is the best option. He said that everything is a balancing act and would not likely change his mind if he were given more time.

Commissioner Ahern said that the Union and the Employee Council will reject it because it's the bottom line. Commissioner Cryans said if they reject this, what would they take?

Commissioner Ahern said the Delegation is going to come back and ask for cuts and Commissioner Cryans asked why he would say that and said that he had not heard anything like that. Commissioner Cryans added that over all, there have been a number of savings to the taxpayers in that the cost of the Jail, though approved at \$38M, has been brought down \$5M and the interest on the bonds is lower which is a considerable savings over what the taxpayers had originally expected. He said that he believes that Grafton County does a good job in keeping costs down and he looks at everything as a whole and not just in parts.

Commissioner Ahern stated again that they could do better. Commissioner Cryans disagreed and said the thought they did an excellent job.

Commissioner Ahern said times are tough and they will continue to be tough.

Commissioner Burton said that he was willing to wait and let the people talk to everyone they need to.

HRD Simpson said he will try to massage some numbers and see if there are any other options to bring back to the table.

Commissioner Cryans said that he doesn't think there is any way the Board can consider wages without knowing what the health insurance is going to be.

MAINTENANCE

Director Clough said that motions can't be made without taking health insurance and benefits into consideration. Commissioner Burton said the wanted to see motions made so they could move through this budget and asked if they could be done so without consideration of insurance and benefits. A discussion ensued as to whether or not this could be done.

It was decided that they would move the budget pending decisions on health insurance, benefits and any other item that has not been made clear yet or that would be impacted by them.

Commissioner Burton moved to approve the Maintenance budget pending the change of salaries insurance and other related benefits and in the case of the Maintenance budget, fuel and the addition of another \$4200 for a miscalculation which was seconded by Commissioner Ahern.

DISCUSSION:

Commissioner Ahern said he didn't know they were limited to only asking questions of the Dept. Heads during their presentation. He said that he thinks the white building should be closed and the current departments consolidated.

Supt. Oakes said the building would still require heat and the people there would have to move out and there would be costs associated with that.

Commissioner Ahern said that they need to consider the cost savings to the County and there is empty space in the Admin building.

Commissioner Ahern said he also can't agree to the enclosed heated cab for the tractor saying the cost isn't justifiable. He also disagreed with the cost from Woodsville Water & Light to flush the hydrants which they don't do. Supt. Oakes said he didn't see WW&L conceding on that.

Commissioner Cryans said he is not in favor of closing the white building and he is not sure that there is enough financial justification for moving people around. Supt. Oakes said he didn't see a large cost saving to shut the building down but if it were to be rented that would be different. Commissioner Cryans said there wasn't any luck in renting it out in the past. Commissioner Burton said to consider closing the building at this point is premature.

Commissioner Ahern asked when it would be appropriate to have discussions about trying to consider savings. Supt. Oakes asked where Commissioner Ahern thought the savings might come from and Commissioner Ahern replied that he also has other things to discuss but they may have to be done in non-public session. He thought perhaps housing could be offered. Commissioner Cryans said that in order to consider housing there would have to be a lot of renovations done. Supt. Oakes said it couldn't happen in this budget but could be looked at in the future, along with the prospects for the old Jail.

Commissioner Burton asked to move the question.

When the Vote came down all were in favor of the Maintenance budget as moved.

MAINTENANCE CAPITAL

Commissioner Burton moved to approve the Maintenance Capital budget in the amount of \$87,400 which was seconded by Commissioner Ahern.

DISCUSSION

Commissioner Ahern said he can not justify the removable heated cab for the tractor at \$4600.

Commissioner Cryans asked if there was a cost savings to have the cab such as time spent indoors to warm up and Supt. Oakes said it would take longer to do the job without it.

Commissioner Ahern said he sees other people out in the cold, wind and rain and they don't have a cab. Supt. Oakes said they could vote for it or against it but he felt it was necessary. When the vote came down, Commissioners Cryans and Burton were in favor and Commissioner Ahern was opposed.

11:20 AM the Commissioners broke for lunch

12.12 PM the Commissioners resumed their meeting.

Commissioner Cryans said he had made a call to the NH Dept. of Employment Security and was told that there were 49,040 employable people in the County. Out of that number 46,780 are employed and the unemployed rate for Grafton County is 4.6%

*12:13 PM - Commissioner Ahern moved to enter into non-public session for the purposes of discussing the dismissal, promotion, or compensation of any public employee or the disciplining of such employee according to RSA 91-A:3, II (a). Commissioner Burton seconded the motion. This motion requires a roll call vote, Commissioner Cryans called the roll. Commissioner Ahern "yes"; Commissioner Burton "yes" Commissioner Cryans "yes"; Commissioner Cryans stated that a majority of the board voted yes and will now go into non-public session.

*12:45 PM- Commissioner Cryans declared the meeting back in public session.

Commissioner Ahern moved to seal the minutes from the non-public session which was seconded by Commissioner Burton. All were in favor.

NURSING HOME

Commissioner Cryans asked NHA Bolander when the Fitz Vogt contract comes due and she said she would have to look into that.

The overall increase in the Nursing Home is 3.59%. Those figures include a 20% health insurance increase and merit increases. There are 225 employees in the Nursing Home. Director Clough said that if they use the health insurance figure from the plan that Commissioner Cryans supports, the increase will be 1.92%.

Commissioner Burton moved to approve the Nursing Home budget pending the changes of salaries insurance and other related benefits along with the plant operation, which was seconded by Commissioner Ahern.

DISCUSSION

Commissioner Ahern said that he thinks a closer look should be taken at the Fitz Vogt contract and said he was concerned that they might not be getting the best return to the taxpayers.

Commissioner Cryans asked NHA Bolander to respond and to say why or why not that may be. NHA Bolander said that last year she solicited requests from two other companies and was told that the Nursing Home was too small to contract with.

She said that the monthly fee that is paid to Fitz Vogt goes for the software program and meal development. They also provide education for the staff and allow for better purchasing power. She said her biggest concern if they didn't have FV would be finding a Dietician. NHA Bolander also said that you can't just hire a manager who ran a restaurant kitchen; they have to understand the complexities of a Nursing Home. Commissioner Cryans said if the contract is for another year or more the point is moot, and asked B. Patanovich if he could call over to the Nursing Home and find out that information.

Commissioner Burton asked if all the recommendations in the Nursing Home budget meet all the federal and state regulations and NHA Bolander said to the best of her knowledge they had.

Commissioner Cryans said he didn't understand the 3 star rating that was given to Grafton County because he said he has been in a number of other Nursing Homes and they can't compare to Grafton County's. He can't imagine how the smaller nursing homes with far less resources fare. NHA Bolander said the system is extremely punitive. Commissioner Cryans asked what is accomplished by being punitive and NHA Bolander said it creates revenue. She said that the home received glowing comments from people from Primex who were there the other day and Commissioner Burton said he would like to see that in writing from them if NHA Bolander could get something.

B. Patanovich came back with the contract and it was determined that it would be up for renewal July 1st.

There was a discussion about the Nursing Home Capital expense account and Director Clough said that there is no cost to the taxpayers for this account as the money is set aside in a Capital Reserve account which was established by using a portion of ProShare funds. Commissioner Ahern asked what impact it would have to not replace the carpeting and NHA Bolander said she wasn't sure. Commissioner Ahern's point was that the employees would have a problem with the fact that they were going to replace the carpet outside of the office areas when there were so many other things to consider, particularly regarding employees. He said it was about perceptions. NHA Bolander said it could wait but the stain is a little embarrassing and she said she didn't think it would really hurt the feelings of the employees because they believe that this is the resident's home and want it to look good. She said the area is a common hallway. Commissioner Cryans said he would hope that Commissioner Ahern would not vote against this because of a request for carpeting and said that he wouldn't want people to perceive the home as something it is not because of a stain, at least from a marketing point of view.

When the vote came down, all were in favor.

NURSING HOME REVENUE

Commissioner Burton moved to accept the revenue amount of \$9,766,762. from the Nursing Home which was seconded by Commissioner Ahern. All were in favor.

HUMAN SERVICES

Commissioner Cryans asked if it were fair to say that a little over \$100K in her budget is not mandated by the State and HSA Bishop said that was correct.

Commissioner Burton moved to approve the Human Service budget pending the changes of salaries insurance and other related benefits, which was seconded by Commissioner Ahern.

DISCUSSION

Commissioner Ahern asked if there was anything going on in legislation that would affect the HS budget and HSA Bishop said that there is legislation that would reduce her budget by \$178K, but would in turn increase the Nursing Home budget. Other than that there was nothing.

When the vote was taken all were in favor.

HUMAN SERVICE REVENUE

HSA Bishop thought that the revenue from Recoveries could be comfortably bumped up to \$50K and said that looking back over the years receipts have been no less than \$65K.

Commissioner Ahern moved to accept the revenues at \$50K which was seconded by Commissioner Burton. All were in favor.

SOCIAL SERVICES

Director Clough gave the Commissioners some changes to the figures as they were calculated incorrectly.

Commissioner Cryans noted that for full disclosure, he is the Executive Director of Headrest.

Commissioner Burton moved to approve the budget for Social Services in the amount of \$567,750 which was seconded by Commissioner Ahern.

DISCUSSION

Commissioner Ahern asked which agencies had asked for more money than they were directed to in the original letter to them. It turned out there were ten agencies who requested more.

Commissioner Ahern asked if it was tax payer money that funds these agencies through the County and the reply was yes.

Commissioner Ahern began by saying he has a moral problem with the Executive Directors of these agencies making a lot of money off of these non-profits. He questioned what the proper role of government was and said that taking money from the taxpayers and then giving it to the agencies that the Commissioners want to personally support, regardless of what the people want is a redirection of money. He said that he feels this practice is abusive and believes that volunteerism should be playing a bigger part in these agencies.

Commissioner Burton said this used to be a very political practice and then a consultant was hired who is considered to be bipartisan.

Commissioner Ahern said that he would hope that anyone that had a direct pecuniary interest in this budget area would not vote.

Commissioner Cryans said that he has voted on this budget every year and feels that he has fully disclosed the fact that he is the Executive Director of Headrest. He said he feels comfortable on voting and will put his political neck on the line for this vote.

Commissioner Ahern said he felt that Commissioner Cryans should recuse himself from the vote and Commissioner Cryans said he plans to vote and also feels that the County has as responsibility to fund these agencies.

Commissioner Ahern said he could consider reductions on this budget but does not believe the budget as a whole should be approved.

When the vote came down, Commissioners Burton and Cryans were in favor and Commissioner Ahern was opposed.

1:58 PM With no further business the meeting adjourned.

Raymond S. Burton, Clerk