

EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
September 23, 2019

PRESENT: Representatives, Sykes, Maes, Abel, French, Campion. County Administrator Libby, Admin. Assistant Norcross, Commissioners Lauer and Piper.

OTHERS PRESENT: Treasurer Hill, Sheriff Stiegler

Rep. Sykes called the meeting to order at 9:00AM and began with the Pledge of Allegiance led by Rep Campion.

Rep. Sykes stated that the minutes from the June 14th budget meeting and the June 24th Delegation meeting need to be approved.

MOTION: Rep. Campion moved to approve the minutes from the June 14th Executive Committee meeting. Rep. French seconded the motion and all were in favor.

MOTION: Rep. Campion moved to approve the minutes from the June 24th Delegation meeting. Rep. Abel seconded the motion and all were in favor.

Treasurer Hill gave the following Treasurer’s report:

TO: GRAFTON COUNTY EXECUTIVE COMMITTEE
FROM: KAREN LIOT HILL, TREASURER
SUBJECT: TREASURER’S REPORT
DATE: SEPTEMBER 23, 2019



CURRENT CASH POSITION (as of 8/31/19)

Grafton County General Fund

Checking Account (ICS @ 2.75%) \$1,590,364.00 (Woodsville Guaranty Savings Bank)
General Fund Municipal Savings Acct (2.65%) \$ 1,109.29 (Mascoma Savings Bank)
Money Market Investment Acct (2.17%) \$ 517,498.80 (TD Bank)

Grafton County Committed Accounts

Deeds Surcharge ICS (1.90%) \$150,031.22 (Woodsville Guaranty Savings Bank)
Deeds Surcharge Checking (.03%) \$ 4,821.79 (Bank of NH)

Dispatch Capital Reserve (1.26%)	\$172,721.70 (Service Credit Union)
Nursing Home Capital Reserve (2.05%)	\$236,379.97 (Woodsville Guaranty Savings Bank)

RECENT TRANSACTIONS of NOTE

- The Combined Accumulated interest in the previous fiscal year (7/1/18-6/30/19) was \$161,177.47 – the budget was for \$60,000.
- The Combined Accumulated interest in the current fiscal year (7/1/19-8/31/19) is \$21,807.75
- FY 2020 Tax Anticipation Notes:
 - The Delegation authorized the borrowing of up to eight (8) million dollars at the Delegation meeting on June 24, 2019. There were four (4) proposals received for the TAN's for FY 20: I have attached a spreadsheet that details the banks that were sent the RFP and the response that was received if any. This spreadsheet shows the various different proposals and requirements that were provided by the different financial institutions. Based on the bids that were received I recommended that we accept the proposal from Woodsville Guaranty Savings Bank at 1.98% for our FY 2020 Tax Anticipation needs. Woodsville Guaranty Savings Bank not only had the best rate but they have a practice of waiving the requirement of an opinion letter with their municipal and county customers for their short term borrowing needs. This results in saving money on borrowing costs.
 - On September 10, 2019 the Commissioners approved the proposal from Woodsville Guaranty Savings Bank with a rate of 1.98% for up to a \$8M line of credit. This interest rate is .42% lower than FY 2019.
 - As of Friday, September 20th we have not needed to draw down any funds. I anticipate that the first draw down will be made at the end of the month. This will be one (1) full month later than our first draw down last year. We should borrow less than last year and with a lower interest rate our borrowing costs should be lower.
- Tax bills are expected to go out in late October with the due date being December 17th.
- The investment CD that was at Northway Bank matured in June, 2019 and was withdrawn and deposited to the General Fund at WGSB for cash flow needs. The total interest earned from that CD was \$5,754.25.
- The investment account at Mascoma Savings Bank is still open with a balance of \$1,109.29. There was a \$2,032,249.43 withdrawal from that account in August for cash flow needs. The total interest earned from this investment account was \$27,205.69.

- Opioid lawsuit – Grafton County is actively working with the NHAC and Attorney Robert Bonsignore as part of the Opioid lawsuit.
- Social Service Committee - The committee had several productive discussions about targeting our annual grants process more carefully to agencies with projects closely aligned with Grafton County stated objectives. The team agreed upon a revised application which both simplifies the process and asks applicants to directly address the two explicitly stated goals of reducing recidivism and helping senior and the infirm to remain in their homes.
- IDN Funding – The NHAC has formed a committee that each county has a representative on. Ours is Commissioner Piper. The State has requested that the ten (10) NH Counties contribute \$10M to the funding for the IDNs (Integrated Delivery Networks.) They left the methodology to calculating each county’s share up to the counties. The Committee has determined that the fairest way to assess this is based on Medicaid attributable lives within each county. All parties seem to be in agreement that this is a fair methodology for assessment. Attached is a spreadsheet based off of the \$10M request as to what Grafton County’s share would be. The Committee is also working on reporting requirements that will be necessary to each of the counties from IDN’s within their borders. Grafton County will require a full delegation meeting to fund a supplemental appropriation for this funding request. The monies will be taken from our unassigned fund balance – which CA Libby did account for at year-end. Based on the estimated amount Grafton would pay we will still be within our 7% minimum for the unassigned fund balance. We would like to request that a full Delegation meeting be scheduled within the next couple of months for this action.

MOTION: Rep. French moved to accept the Commissioners’ Report. Rep. Campion seconded the motion and all were in favor.

CA Libby stated that the request for a special Delegation meeting will be for the supplemental appropriation transfer for IDN funding. She asked if there is any information the Committee would like to have that may make that meeting easier. The Committee will think of any information they would like and let CA Libby know.

CA Libby gave the following County Administrator’s Report:

County Administrator’s Report
September 23, 2019

- ❖ Jail Census: 63 in-house; 1 on Electronic Monitoring; 3 FIRRM ~; 9 Pre-trial Services
- ❖ Nursing Home Census: 124

Financial Reports

- ❖ FY 2019 Financial Recap

Revenue: The County finished the year over revenue projections by \$2,945,439.99 this was largely due to an increase in ProShare of \$2,086,785 and Bed Tax of \$185,710.07 other departments finishing the year above revenue projections were:

- County Attorney – Victim Witness Grant – Due to additional grant funds being given during the fiscal year.
- Register of Deeds - \$77,854.05 – overall increase over projections
- Department of Corrections - \$51,349.92 – overall increase over projections
- Interest - \$102,733.37 – interest rates higher than projected – more funds to invest than projected.
- Other – \$162,872.91 – Abandon Property \$60,850.05; Federal PILT \$27,029; Human Service Recoveries \$78,044.14
- Nursing Home - \$426,802.59 – Primarily due to increase over budget in Medicare residents, having a Veteran and the NHJUAA final settlement payment of over \$200,000.

Departments finishing below Revenue Projections are as follows:

- Sheriff's Department - \$28,547.20 Most areas were below projections
- Farm - \$24,323.29 - This is primarily due to lower farm stand revenue and miscellaneous revenue.
- Alternative Sentencing - \$107,096.39 – due to very poor representations made by former staff for the FY 19 budget.

Overall a very healthy revenue year for the County.

Expenses: The County finished the year under expended by \$651,288.72. Most departments finished the year within their approved budgets. The following departments were bottom line over-expended:

- Commissioners' Office – \$1,018.12 – due to hiring a Social Service Consultant. The Executive Committee approved the over-expenditure and transfer of funds from the Human Service Budget.
- Victim/Witness - \$11,167.74 – The Victim/Witness is a sub budget of the County Attorney's office which finished the year under-expended and was able to cover the overages in the V/W budget that were caused by receiving additional grant funds. So, the over-expenditure was offset by revenue. Because the V/W program is part of the CA's office no approval is needed for the transfer from the Executive Committee.
- Sheriff's Department - \$2,659.74 – due primarily to an error that was made back in 2015 wherein a deputy did not receive his step increase. When discovered the retro-active raise was calculated and paid, this was not budgeted for. Additionally, there was an overage in the Bailiff expenditure based on miscommunication during the transition of elected officials. Also, the health insurance line was over due to the new Sheriff's plan versus the previous Sheriff who did not carry a plan under this budget. Because the overage is less than \$5,000 the transfer can be done on approval of the Commissioners and does not need Executive Committee approval.
- Medical Referee - \$2,929.37 – unpredictable expense. Less than \$5,000 and was covered by the County Attorney's budget.

- Other - \$26,185.45 – This overage is comprised over several accounts
 - Retiree Health Insurance - \$12,960.94 – budget is based on estimate
 - Employee Benefit Payout - \$17,522.36 – budget is based on estimate
 - TAN Interest - \$6,932.56 – Interest rate was higher than projected
 - Outside Council - \$5,510.14 – several large cases – 1 pending

In the budget the 8670 Wage/Benefit Adjustment section was over by \$18,307.20 which will require approval from the Executive Committee. Also, the 9100 TAN Interest \$6,932.56 and the 9210 Contingency \$5,325.93 will need approval as well.

- Overall the Nursing Home budget was over-expended by \$161,350.37. This is primarily due to the increased Bed Tax Payment that was required due to the additional ProShare monies received. In FY 2018 the 4th quarter Bed Tax Payment was \$271,657.73 this year's 4th quarter was \$354,350.22, that in combination with not increasing the expense to accommodate the additional ProShare received in the past two (2) years has led to an over-expenditure of \$202,459.40 at the end of FY 19. If increased ProShare payments occur again in FY 2020 this line will be over-spent a similar amount. The other large over-expenditure was Contract Nursing. A total of \$1,142,258.38 was spent in FY 2019 and the budget was \$912,645 over-spending the line by \$229,613.38. There were some savings in other areas of the budget which offset these expenditures. The following Nursing Home departments were over-expended:
 - Administration - \$163,254.62 – Bed Tax
 - Dietary - \$14,161.19 – Salary
 - Nursing - \$89,994.85 – Contract Nursing
 - Therapy & Rehab - \$73,115.91 – Higher Med A census
- Although the nursing home was bottom line over-spent they also finished the year significantly over-revenue, even without ProShare and Bed Tax.

Overall summary – Fiscal Year 2019 finished positively for the County and we will be able to grow our overall fund balance as well as our Undesignated Fund Balance which will be right around the 7% almost within range of the Fund Balance Policy.

CA Libby answered questions from the committee regarding the FY19 yearend report. She submitted a written request to the Executive Committee requesting authority to transfer over \$5,000 into four (4) departments due to year-end overages. She stated that the funds were transferred from other areas in the budget that had surplus funds.

MOTION: Rep. Maes moved to approve the transfer more than \$5,000 into the following departmental budgets for fiscal year 2019 per the Delegation By-laws:

8670 Wage/Benefit Adjustment - \$18,307.20
 9100 TAN Interest - \$6,932.56
 9210 Contingency - \$5,325.93
 Nursing Home - \$161,350.37

Rep. French seconded the motion and all were in favor.

CA Libby stated that they will be looking at doing a supplemental appropriation for the funding for the IDN's. She explained that based on the formula being discussed Grafton County's portion would be up to \$656,964, this has been factored into projections for fund balance.

- ❖ Monthly Variance Report compares budget on an equal monthly basis to actuals and looks at the positive (black) or negative (Red) variances. These reports represent two (2) months complete.
 - Revenue:
 - The Nursing Home revenue has a positive variance due to a higher than budgeted Medicare A census. We have several different payer sources: Private Pay, Medicaid, Veterans and Medicare Part A. Although our overall census is slightly below our budgeted level this fiscal year, we budgeted for an average daily census of 126 and through August we are at 124.5 due to the mix of resident payer sources we are above revenue projections. We budgeted 5 Medicare A residents and through August our ADP has been 7.5 – this is the largest reimbursement category.
 - ProShare/Bed Tax – ProShare is a lump sum payment received all at once in June. Bed Tax is paid quarterly.
 - The farm is under revenue projections at this point. This is attributable to timing of receipts of revenue at this point.
 - County Attorney/Victim Witness/Roving Advocate – Quarterly grant reimbursement.
 - Alternative Sentencing – On target at this point.
 - The Department of Corrections is showing a negative variance at this time which is due to the timing of the billing for their BDAS grant.
 - Taxes are collected once per year in December.
 - Other – contains revenue sources that are one time per year received in June.
 - Deeds, Sheriff's Dept., Rent and interest are all above projections at this point.
 - Expenses
 - Through two (2) months we have very few departments that are showing negative variances.
 - IT, the Sheriff's Department and the Farm are showing higher expenses at this point due to insurances, contracts and taxes that are all paid up front in July.
 - RSAT (Residential Substance Abuse Treatment) is a grant through the DoC that expires on 9/30/19 – all expenses will be 100% reimbursed.
- ❖ Pro-rated Report: This report looks at the % of the year complete and then pro-rates revenues and expense based on known variates on revenues and expenses.
 - 16.67% of the fiscal year completed. On the pro-rated report, I factor in the revenue and expenses that are either over or under at this point in the fiscal year.

Based on the August report we are at 16.90% which is right on target for revenue and at 14.61% or under expended by \$1M. This all factors into the unassigned fund balance which at this point is \$5,038,949.42

- ❖ Over Expenditure Report – This report shows any line item that is over-expended at month-end.
 - We do have a few line items over-spent at this point.
 - Nothing alarming or out of the normal.

MOTION: Rep. Campion moved to accept the County Administrator's Report. Rep. French seconded them motion and all were in favor.

New Business:

Sheriff Stiegler arrived to discuss the Sheriff's Department service fees that are controlled by state statute. He stated that these fees have not been touched in roughly ten (10) years. He stated that when they go out and do civil service, the current fee only covers 25% - 50% of the service. Tax payer dollars are being used for someone to be served. He is in favor of what the ten (10) County Sheriffs have been talking about which is a \$5.00 increase in the service fees. He stated that their lobbyist is very aware of this topic. Rep. Hennessey is on a committee that deals with this as well and he is hoping that if the members of the Executive Committee receive legislation that they will be in favor of it. He is trying to recoup some of the costs of handling civil service. Sheriff Stiegler answered questions from the Committee and thanked them for their time.

Rep. Campion stated that there is no state budget as of yet and they do not know what will happen this week. There is a possibility that they will continue to operate according to last year's budget. She asked if they can they anticipate what that will mean for county taxes. CA Libby stated that county taxes are not impacted by the state budget. DRA sets the tax rates. Rep. Sykes stated that negotiations are still ongoing but they are not sure if a continuing resolution will pass at this point either. He further discussed the issue with the Commissioners and committee to keep them informed on what is going on.

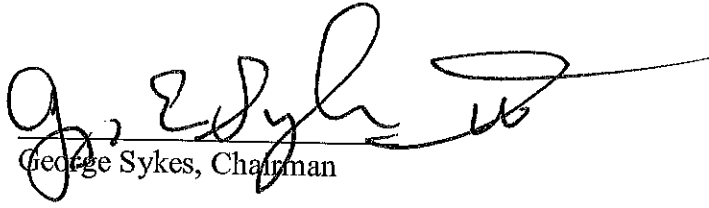
Rep. Abel commended the Commissioners and staff for the strategic planning efforts. He thinks it is a wonderful thing and he hopes to see it continue.

CA Libby stated that the next meeting date will be November 18th. She suggested having the full Delegation meeting that day as well at 9 AM and then the Executive Committee meet after. The Committee agreed to have both the Delegation meeting and Executive Committee meeting on November 18th. Representative Campion stated that she would not be able to attend.

Rep. Sykes stated that he has been asked to participate in a Northern New England Rural Transportation workshop on October 2nd in South Royalton, VT. He stated that if the committee has any thoughts that they would like him to bring to the conference to please let him know.

9:57AM with no further business the meeting adjourned.

Sincerely,



George Sykes, Chairman