

**Regular Meeting of the
Hillsborough County Board of Commissioners
March 10, 2011**

Hillsborough County Nursing Home, Goffstown, NH
Minutes of the Public and Non-Public Session
(Not Official until Approved by the Board and signed by the Clerk.)

Present: Comm. S. Ziehm, Comm. C. Holden, Comm. M. Pappas, R. Burns, P. Coughlin, J. Hardy, D. Hogan, C. Beaulieu, P. Boardman, M. Castonguay, V. Chandler, M. Esty, C. Kirby, M. Lencki, M. Montminy, B. Moorehead, J. O'Mara, D. Reidy, K. Rickrode, M. Rioux, C. Roach, E. Robinson, G. Wenger, and L. Stonner.

1. Call to Order

Comm. Ziehm called the meeting to order at 9:04 a.m.

2. Pledge to the Flag

R. Hogan led the Pledge of Allegiance.

3. FY 2012 Department Budget Overview Discussion

Comm. Ziehm opened the budget discussion. She recognized Mr. Wenger, who presented a budget overview. Mr. Wenger explained that the County is on target with respect to expenses and revenues. He explained that there will be a need for transfers throughout the year including a significant \$70,000 transfer relative to Unemployment Compensation. He noted that the County's budget is much tighter than in past years. Mr. Wenger explained that there will be approximately \$4,000,000 in unanticipated Stimulus funds that are scheduled to come to the County through the end of the current fiscal year; the County did not budget for those Stimulus funds because they were not available at the time the budget was approved. He noted that the Stimulus funds will be designated in the next fiscal year's budget because it must be used and cannot be added to Surplus.

Mr. Wenger provided a handout that outlined a history going back to 2003. He made the following observations:

- The budgeted Tax Revenue has been between \$40,000,000 and \$45,000,000 since 2003; the current year reflects a decrease of 1.36% and a savings to the taxpayers of approximately 1.5 million dollars over the past two years.
- The taxes represent approximately 50 to 51% of revenue in the budget.
- \$43,355,731 is Non-Tax Revenue.
- The FY2011 budget does not include a budgeted Surplus; it does include a budgeted ARRA line that is Stimulus money that the Auditors have carried in the Undesignated Fund balance.
- The Undesignated Fund Balance as of June 30, 2010, is \$17.9 million.
- There is a budgeted Undesignated Fund Balance of 11.9 million.

Mr. Wenger observed that the amount to be raised by taxes has increased 25.1% over the past 15 years, or an average of 1.93% a year; however, the past two years the amount to be raised by taxes has decreased.

Mr. Wenger reviewed the budgeted revenue and expenses for the current fiscal year, and noted that 30 million dollars of the 87 million dollar budget is determined by the State government; there are approximately 57.3 million dollars in Operating Expenses for the services that the County provides.

Mr. Wenger explained that those services include:

- protection of individuals in the County from inmates who have been sentenced or are pre-trial,
- protection of inmates while at the County jail,
- the Nursing Home provides service to the elderly and those with health issues,
- the Sheriff's Offices provides service transporting prisoners, delivering writs, and other services,
- the County Attorney's office prosecutes and represents the County in criminal actions, as well as many other services.

Mr. Wenger went on to explain that of the 57.3 million dollars, 44.8 million dollars is directly related to employee expenses that include wages, salaries, overtime, employer taxes, retirement contributions, and insurance benefits.

Mr. Wenger reviewed the Revenue side of the budget; he noted that in the current year there are 11.2 million dollars in one-time revenues, which are primarily related to Stimulus revenues. Mr. Wenger reviewed details of the employee related expenses, which were included in the handout. He explained that the County does not have automatic pay raises; step increases have been eliminated from all contracts; each performance-based merit increase or COLA is negotiated for all affiliated employees. He further noted that all employees have been contributing to their insurance, and the amount of the contribution has increased to the point that presently those on a Point of Service plan contribute 27.5%, and those with an HMO contribute 22.5%.

Mr. Wenger explained that in 2001, the Commissioners reduced the maximum number of vacation days from 25 days to 20 days; there is no sick day accumulation carried from year-to-year; there is no vacation day accumulation being carried forward, there is no personal day accumulation; there is no health insurance buy-out for the non-affiliates; there are no longevity payments; and there is no bonus leave; people are not paid extra for not using their sick time.

Mr. Wenger reviewed the Building and Capital Expenses and noted that the FY11 budget reflects only \$800,000 dollars for making improvements or to maintain the County's buildings; this is the lowest amount in five years.

Mr. Wenger explained that the health insurance experience for the current year has been negative; the County is now at a not-to-exceed amount of 15.39%. There will be a 24% increase in the County's liability insurance that is related to exposure experience.

Supt. O'Mara offered that any benefit that an employee is allowed to carry forward from year-to-year such as sick time, personal time, vacation time, or insurance buyout without an appropriate amount being appropriated in funding creates an "unfunded liability;" those unfunded liabilities have come to light in many communities and have created a situation where a fund must be created for the person to "cash out." He gave an example that had occurred in a school district. Supt. O'Mara noted that that is not the case in Hillsborough County and there is not much more that employees in the County have to give.

Supt. O'Mara informed the Board that the DOC forecasted an average of 610 inmates; however, the average daily population from July 1st through the end of February has been 573, a difference of 37 inmates. He noted that the facility has been seeing a reduction in the pre-trial population; he noted that there may be a correlation between the lower census and the success of the Mental Health Courts, and explained that it is far more cost effective for the Judges to have the option of keeping an offender in the community on a structured program in the Mental Health system versus sending the person to the jail. He explained that the DOC will be reviewing this data more closely.

Supt. O'Mara informed the Board that in spite of the reduction in the daily population, the population at

the facility has had a greater need for medical services; there have been 2 catastrophic issues resulting in an expense of \$92,500; the medical supplies increase; the over the counter medications have gone up, and there is a greater demand for pharmaceutical medications. He reviewed the transfers for the year, noting that the natural gas consumption and food service costs have increased. Supt. O'Mara noted that he expects to stay within the bottom line of the current budget.

Supt. O'Mara explained that the facility is not anticipating an increase in population or staff for the coming year. He noted that a concern is that there are 2 pending collective bargaining agreements that are going before the Executive Committee, and he is not sure of how they will be received at that level. He expressed his belief that the agreements were done swiftly, are fair, and they have the support of the Board of Commissioners.

Supt. O'Mara explained that issues for the coming fiscal year include:

- extensive settling in the DOC building has been a concern, but engineers have determined the settling to be natural,
- there is a brick veneer facing that has fallen in places due to insufficient weep holes, and insufficient expansion joints;
- The DOC is looking to replace its radio system; the radio system is insufficient to meet the needs of the facility; the radios are so old that there has been difficulty getting replacement parts or getting them repaired, and this is the only lifeline a Correctional Officer has to call for assistance.
- The facility is looking to replace its public address system; the system is used many times each day for announcements and security; the system is antiquated and it is difficult to get parts, and there is no service contract because no vendor will take the contract based on the system's age.

Supt. O'Mara addressed the budget for the County Complex and noted that the proposed budget will be based on maintenance only and any increases would be driven by costs associated with utilities or fuel. Supt. O'Mara noted that he anticipates having a discussion with Mr. Wenger, Mr. Reidy and the Board to address long-range plans for the Complex. He recommended that all out buildings be made weatherproof. Mr. O' Mara noted that the inmates at the facility are frequently involved with County projects.

There was discussion relative to the steps that the budget must pass through including:

- Departments in each area who send their budget to their Department Heads and elected officials.
- Board of Commissioners
- Sub Committees of the Executive Committee
- Executive Committee
- Delegation

Mr. Moorehead presented an over view of the 2011 Nursing Home income and expenses. He explained that he had budgeted operating costs of \$25,007,462 with a budgeted net income of \$490,888. At this point, he is projecting actual revenue for the year to be \$25,471,584 with expenses anticipated to be \$24,846,006, which will generate a net income of \$630,978, and is slightly above budget. He noted that the ARRA money that typically comes in the last couple of months in the year is of particular concern going into FY 2012 because it accounts for about \$850,000 in revenue over the last year and one-half; that will go away June 30, 2011.

Mr. Moorehead noted that Hillsborough County's Nursing Home has a cost per day that is the lowest of any County in the State; Belknap County is the highest at \$320/day while Hillsborough County's is at \$243/day. He explained that the Nursing Home's budget is very tight and he is projecting that the

facility will be within \$166,000 of the \$25,000,000 budget, which is less than 6/10th of one percent.

Mr. Moorehead noted that the facility operates at 3.7 hours per patient day; this relates to direct hours of care in relation to the number of patients. He explained that labor and benefits represent approximately 85% of the facility's expense; if there were a 10% cut, such as that requested by the Executive Committee, that would translate to a cut of over 50 FTE's, which is significant with an effect on patient care and would reduce the patient hours per day down to 3.0; he explained that he cannot provide adequate care for the patients at that level, particularly with the high acuity that the Nursing Home has on the skilled unit. He explained that it is his belief that a 10% cut would place the Nursing Home in a position where it would not be compliant with the State and Federal government requirements; such a position could result in fines and penalties of up to \$50,000 per day. He noted that there could also be sanctions on Administration and Management as well as freezes on admissions, which would result in a loss of income.

Mr. Moorehead reported that Mr. Lencki was able to successfully negotiate a new contract that will reduce the cost of prescription drugs by approximately 25% in FY 2012. He noted that salaries will increase about 3 to 3 ½% for the AFCSME employees; there is one bargaining unit contract currently being negotiated. He noted that he expects the census to remain basically the same; he is concerned about the Medicaid rate, which will not be determined until June. Currently the Medicaid rate is \$144/day. He noted that there has been discussion about a reduction of 25 to 50% in the MQIP funds (the bed tax), which currently brings in about 3.2 to 3.3 million dollars a year.

Mr. Moorehead noted that the Nursing Home typically renovates one unit each year; this year the plan is to renovate the A-2 Unit; he explained that there is currently a marketing issue because the semi-private rooms share a bathroom, so the men and the women need to remain separate.

Mrs. Castonguay presented information regarding the Delegation Office; she noted that the office has two employees, one full time and one part time that support the Executive Committee and Delegation. She explained that there is also a full time Legal Counsel and a part time assistant to Legal Counsel who work on behalf of everyone in the County. She explained that there will be no changes except for the normal increases in wages and roll-ups. She informed the Board that her budget included the travel for 123 Representatives who attend the Executive Committee and Delegation meetings.

K. Rickrode addressed the budget for the Conservation District. She explained that her budget pays for salary and wages related to her position, and noted that she does not see any significant changes.

Chief Deputy M. Esty informed the Board that this will be his initial involvement with the budget process. He reported that the workload of the Sheriff's Office has increased due to the economy. He explained the functions of the office including civil processes and helping the citizens collect money from judgments and reiterated that there is an increase in the need for manpower; the Department has been extremely busy. C. Beaulac informed the Board that the department is in good shape relative to the current budget. Comm. Holden inquired about some of the budget lines; her questions were answered by Ms. Beaulac. Mr. Wenger noted that the Sheriff's Office is unique with five separate budgets within the department that add complexity to the overall budget; he noted that the Sheriff's Office budget generally runs very tight.

R. Burns, County Treasurer, spoke to the Board about investments and his plans to address any questions or concerns relative to the County's investments. He spoke about the dwindling returns in the current economy and noted that County investments have traditionally included Savings Accounts, Money Markets, and Certificates of Deposit. He explained that he expects this year to be the County's toughest year; the Banks basically told the former Treasurer that it did not want to take the County's money as CD investments; this places the County in a position of searching for

appropriate investment vehicles. Mr. Burns explained that County investments must meet certain oversight requirements under NH RSA 29:3; the statute places limitations on where/how funds can be invested.

Mr. Burns explained that the County has 10 million dollars in CD's that will come due in FY2012 that are currently earning 2%.

He spoke about consideration being given to investing in ETF's (Exchange Traded Funds); he noted that it is a group of mutual funds and bonds; he is reviewing whether this type of investment is appropriate for the County. He explained that ETF's are traded just like a stock; they are liquid; the down side is the possibility that the fund value can decrease, but it can also increase and earn interest. He noted that ETF's protect against inflation, and are a good vehicle for investment when interest rates are down.

Mr. Burns addressed the County's cash on hand; he explained that the Bank requires 15 million dollars in the County's "Target" account. He explained that by having this account, the County is not charged for all the day-to-day services provided by the bank, which he understands would have an added cost of \$60,000 to \$70,000 per year. He stressed that having the Target account gives the County full value in the services that are provided by the bank.

In response to concerns previously stated by the Executive Committee, Mr. Burns noted that the Target account funds are not appropriate for investing; he is projecting that the County will be negative 3 million dollars by the end of November, and that the County will have to borrow 3 million dollars temporarily. Mr. Wenger added that the debt line is also the responsibility of the Treasurer. Mr. Burns added that if the County moved away from the Target account there would be tax consequences and a need to appropriate money to pay for bank services; he summarized by saying that while the Target account provides no interest, it has no impact on the expense side of the budget as it is set up.

Att'y Hogan presented information relative to the County Attorney's budget; he explained that the budget primarily is based on the number of Attorneys that are necessary to prosecute. He noted that there has been a 30% increase in the number of felonies since 2002. He explained that there are some costs that cannot be controlled and noted that the Library expense will go down. He observed that the budget is 66% expended for the year, which is on target; a transfer will be needed in the Consulting line related to the prosecution of sexually violent predators; these are people who are about to get out of prison that have proven to be dangerous, and it is in the community's best interest for the person to remain in jail; there is an RSA that allows the County Attorney to take action to keep them in prison, and that is a very expensive process.

Att'y Hogan informed the Board that next year's budget will be basically the same. The County Attorney's Office will be losing a gun prosecutor in August when the Federal funding for the position ends. He noted that the department will not be asking for a replacement; they anticipate moving the person into an approved position within that office. Att'y Hogan noted that the collective bargaining agreement with the secretarial staff has been approved. He noted that the department has a need to update older equipment; this includes 3 laptops that will increase efficiency within the department.

Att'y Hogan explained that he would like to see changes in IT services, and noted that speed is slow, and remote access to email is an issue.

Att'y Hogan informed the Board that there will be equipment needed when the County Attorney's office moves back to Manchester later in the year; desks and cubicles will need to be added as well as a rolling machine for storage of files.

Mr. Wenger explained that the aforementioned equipment will be addressed in the Manchester Courthouse budget line; there are anticipated issues to be addressed that affect this line that include:

- The lease,
- The cubicles for support staff
- Relocation expense
- Filing system, this was actually budgeted 2-3 years ago; the funds were not encumbered.

Register, P. Coughlin provided an overview of the Registry of Deeds' functions and its budget. She explained that the Registry has the responsibility of maintaining and protecting all land records in the County. She noted that the Registry is a library of land resources going back many years. She expressed her appreciation for the new roof that was added to the building this year, noting that it resolved the problems with leaks the Registry experienced during the past year. Ms. Coughlin informed the Board that the Registry is in its third year of a ten-year bid involving the restoration and preservation of books at the Registry; she noted that some of the books go back to the seventeenth century and are in rough shape; she added that each year there are 85 to 95 books that are restored and preserved.

Ms. Coughlin informed the Board that the Registry is on target to meet the current year's budget projections and that the budget will be similar to the previous years. She noted that she will again request that the position of Register Deputy be approved. Ms. Coughlin informed the Board that the Registry went on line in 2002, but not all of the records are available on the internet; currently the Registry is proofing and editing many of the books to make sure all entries are correct. She added that they are currently working on Mortgage Discharges for 1971 through 1986 to prepare them to go on line.

Ms. Coughlin reported that the Registry handled approximately 65,000 documents during the last year, 10% of those were done through E-Filing.

Mr. Wenger noted that the Registry of Deeds' budget is significantly ahead of where it should be at this point, but that is because the Printing & Binding project has been paid ahead in the amount of \$121,000; he explained that this skews the numbers.

In response to a question from Comm. Ziehm, Ms. Coughlin reported that transactions are up 3% from the previous year.

Mr. Reidy presented the Cooperative Extension's budget and noted that his department's budget has been lean for many years, in fact it is less than it was in 2000. He explained that in that period of time, the following events have taken place:

- The Cooperative Extension moved from Milford where it paid rent to the County Complex where it does not pay rent.
- They have gone from five Administrative Assistants to three; it was done through attrition and good training.
- The Cooperative Extension has brought in over 1 ½ million dollars in grants during the same period of time.

He noted that he does not expect any changes during the next fiscal year. Mr. Reidy observed that his department does need a new photocopier; ideally he would like to replace the copier because it has exceeded its life expectancy; he noted; however, given the need for tight budgets; it may not be included in the coming fiscal year.

Ms. Robinson provided the Board with a handout relative to the Human Services Department. She reviewed the Cap and what has been billed to date for the Nursing Home and Community-Based Care

(HCBC); she noted that the County has paid \$20,481,000 and explained that this is based on the State's fiscal year. The total of the CAP is \$30,163,891; the County has not been billed for \$9,682,323.69 of the CAP at this time.

Ms. Robinson explained that the billings are down; the State's share is going down and the County's share of Nursing Home care is increasing.

Ms. Robinson explained that the revenues for her department for the current fiscal year include:

- Incentive Funds that were budgeted at \$75,000. She explained that her department received a grant for \$75,000 to cover that.
- ADDE program, the Alcohol & Drug Education program; revenue was budgeted at \$64,000, \$31,864 has been received; she noted that she is projecting it to be at \$52,000 at year end.
- Recoveries were budgeted at \$150,000; she is now projecting \$100,000 at the end of the year.
- Parental Reimbursement was budgeted at \$40,000, \$25,000 has been collected at this point; she is projecting it to be on budget at year end.
- DHHS Reimbursement (ARRA), this is the Stimulus money; she noted that she budgeted for only 2 quarters because when the budget was produced, the Federal Government had not yet passed the extension. She explained that \$3,474,500 was budgeted, but with the passage of the extension, her department is estimating that it will receive \$6,488,193 by year end, with projected total revenue of \$6,755,193 for the fiscal year.

Ms. Robinson indicated that there may be a need for a couple of small transfers relative to Temple Street electricity and water. She explained that she does not anticipate asking for anything significant in the coming year's budget; there is a building project that needs to be done to the exterior of the Temple Street building at the rear door as well as security provisions for the County Attorney's office; cost is anticipated to be \$35,000.

Ms. Robinson explained that the Human Services has served approximately 250 children and 100 families with the Family Intervention Program to date; the ADDE has served 84 new people this year as well as those carried over from the previous year; 130 have been served since the start of the program.

Comm. Holden asked Ms. Robinson for a separate cost for the LADEC, the ADDE, and the Family Intervention Program prior to budget review; Ms. Robinson indicated that she will provide that information.

C. Roach informed the Board that CIS Department supports the County relative to technology budgeting, purchasing, and support. He noted that his office supports 6 geographical sites in Manchester, Goffstown and Nashua; they are responsible for maintaining 20+ servers, 250+ PC's, support at least 8 major databases for the respective departments and internet access for the County as well as 350 telephones through the County's new Voice Over Internet Telephone System. The CIS department has 3 full time staff; there are currently two separate email systems; the County is going to one email system. Mr. Roach explained that the department is currently in the middle of supporting the Nursing Home Paperless Project working with the engineers, laptops, and kiosks.

Mr. Roach indicated that he does not anticipate any major changes; he noted that the department acts upon the request of services from the other County departments. Mr. Wenger noted that all the support is done with only 3 people and the challenge will be to continue to provide the necessary support as the County becomes more and more dependent upon technology.

Mr. Wenger indicated that there will be an intensive need for technology support when the County Attorney's office relocates to Manchester including telephone, internet and computer support. He offered

that the Nursing Home Paperless Project is a significant project, and there are challenges ahead related to rolling out that project; the project is on target and on budget.

Mr. Moorehead explained that the Nursing Home Paperless Project will go live on July 1st; he noted that there is significant training to be done with 60 RN's and LPN's, some of whom are not computer trained. He explained that there will be 45 kiosks that will be strategically located throughout the building that will allow the nurses to chart care that was given immediately. Mr. Moorehead thanked Mr. Roach and Mr. Wenger for their support and guidance through the entire project. He explained that the last component of the project is E-MAR (Electronic Medication Administration Record); this will be connected to the Pharmacy and will order, enter, and re-order medications that are given on a daily basis; he noted that this will save on labor costs. He noted that the kiosks will capture more ADL's (Activities of Daily Living), which may be missed currently because charting is often done at the end of a shift and some items may have been missed. Mr. Wenger added that this has been a project of approximately \$350,000; he noted that it is his belief that the efficiencies that the Nursing Home will gain and the ability to capture items that have been missing along with the write-off, should increase revenue and reduce the cost of the project to as little as no cost at all.

Ms. V. Chandler presented information relative to the Human Resources department; she noted that her budget changes very little from year to year.

Sheriff Hardy was recognized; he noted his confidence and suggested that he was sure that his department was well represented by Chief Deputy Esty and C. Beaulac.

Mr. Wenger addressed the Business Office budget. He noted that the Business Office delivers every paycheck, and every A/P check for the County, and this is done with 1 ¾ FTE's. He added that there is 1 other FTE related to Auditing, and 1 support staff for the Board. He noted that personnel expense accounts for 84% of this budget; approximately 15% relates to operating expense, which includes Auditing expense for the Board and Consulting expense related to the Health Insurance line.

Mr. Wenger noted that the County is not currently compliant with the law regarding GASB requirements, and that funding will once again be requested

Attorney Kirby explained that her budget is contained within the Delegation budget. It includes funding for herself as County Legal Counsel and a 20-hour intern; the intern is typically a person in their last year of law school or one who is taking the bar or has just taken the bar; the way it is structured the County basically gets a lawyer who does administrative work, and paralegal work, and as they learn, they get to do other work and research as well as writing opinions for all the departments. Attorney Kirby explained that when there is arbitration, she will bill the department that is involved.

Comm. Holden explained that she has not heard any reductions in the budget; she asked the Department Heads to consider if they have any suggestions to reduce some areas before the budgets reach the Board, noting that would be helpful. She suggested that the budget instructions in the budget manual be reviewed, and further suggested that the budget be as tight as possible. She added that the Board is not suggesting a cut of 5% or 10% currently, but asked that the Departments think of it as their own money and think how they would like to spend it. She noted that she understands that the County budgets are running very tight.

Mr. Wenger noted that all departments have budget instructions and salary sheets and the Business Office will work with the departments as needed. He went on to note that it is his belief that there is a great deal of angst across the County Departments, greater than he has seen in the 10 years he has been with the County. He noted that a great deal of that relates to the unknown and the recommendation that was made by the Executive Committee. He remarked that based on what he heard today, everyone is working very

hard to stay within the budget and stay within the parameters they have been given and to still deliver the services that the County needs to deliver with what the departments are given. He noted that it is his expectation, based on what he has observed that the Board will get a budget that will reflect what is in place currently. He suggested that it might be helpful for the Board to tell the departments what it expects so that the departments can meet those expectations.

Mr. Wenger explained that he will be presenting the Board with a significant transfer for Unemployment Compensation, noting that it has gone up significantly because the Federal Government extended the period of Unemployment Compensation to 72 weeks. Additionally, the County has eliminated 2 programs over the last 2 years; the County Attorney Re-Entry Program, which was grant-funded, and the Human Services reduction in staff, both of which resulted in an increase in employees who were eligible for Unemployment Compensation. He stressed that any actions of that nature have consequences, and if there are going to be such consequences, it is important to prepare for them. He explained that the dollars saved in eliminating a position do not reflect the same dollars in budget savings; he explained that if the County changes the way it operates; it is important to invest the time to look at each situation and see what the total consequences are for any action taken. Mr. Wenger observed that the Executive Committee made a recommendation to the Board to have 2 different budgets; one with a 10% reduction, and another with a 15% reduction. He referred to the 87 million dollar budget, and noted that 30 million is controlled by the Legislature and the Board has no say in that, so if the Executive Committee is looking for a 15% reduction from 87 million, it will all come out of 57 million dollars, and that means people. He stressed the need for direction from the Board. He noted that if the Board recommends making significant changes, it will be making significant changes in the way the services are delivered. He offered that the departments need the Board to direct them or to ask questions relative to the impact of taking specific actions so they can react intelligently and respectfully and deliver a good budget as opposed to being reactionary. He offered that simply saying that "we want to cut 10 or 15% does nothing to help the County; this is not the State; the County does not have employees who have never contributed to insurance; the County has been way ahead in respect to employees and their benefits packages. He noted that because the Board has been very progressive with respect to benefit packages, the County does not have the ability to cut easily in this area; he added that if we cut employees, we will affect the services provided to the citizens of the County and its employees. Mr. Wenger summarized by saying that he works for and at the direction of the Board of Commissioners; it is his job to deliver what the Board of Commissioners want, not what the Executive Committee wants. He added that it is his hope that at the end of the day, the Board can deliver a product that everyone is proud of and it allows the County to deliver the services that the Board wants to deliver to the citizens of the County.

Comm. Pappas asked if there was an actual vote by the entire Executive Committee with a recommendation to cut the Board's budget by 15%. Mr. Wenger noted that he has a draft copy of the minutes with the motion. He read, "*Motion by Rep. Vaillancourt, seconded by Rep. Hinch, to recommend to the Board of Commissioners and Department Heads to present their budget with 2 scenarios, one with a 10% cut from last year, and second with a 15% cut from last year. On a voice vote, motion adopted.*"

Ms. Castonquay suggested that it is important for all departments to attend the Executive Committee's budget orientation because there are so many new members; there are 15 new members who are not yet familiar with County government.

Sheriff Hardy noted that as one of the elected officials, he concurred with Mr. Wenger's commentary and suggested that Mr. Wenger remarks were very appropriate and were on target.

Superintendent O'Mara explained to the Commissioners that he was present at the Executive Committee meeting when Mr. Vaillancourt made his motion; he heard Rep. Vaillancourt say, "I would like to make a motion..." and before he stated the motion, Rep. Hinch seconded the motion. He explained that that was a very significant thing if one is not familiar with it...that is people jumping in line before they even

know where the lines are going, and that is a concern. He offered that the Representatives have a very unique opportunity to either provide the educational component where appropriate or remain silent because it suits their agenda, and that is a huge concern for him. He added that he has had the opportunity to serve as a school board member and as a selectman, and he offered that County Government, specifically Hillsborough County, runs far better than anything he has seen at the local level. He explained that at the County, if any Representative or Commissioner calls a Department Head with a question, he/she will have either immediate access to the person or will receive a call back within a short period of time; it is not like that in the communities or the State.

Mr. Burns noted that he has experienced issues with the Executive Committee's understanding and interpretation relative to what is excess funds; he suggested that based on cash flow and operations, when speaking about excess funds he would not call the Target Account excess funds. He noted that in November he anticipates borrowing 3 million dollars; he offered that a more appropriate amount to be considered as excess funds would be somewhere between 7 and 10 million dollars. He noted that when speaking to the Executive Committee and they suggest 25 or 30 million dollars as excess funds that is just not true; he would suggest using the more conservative and realistic number of 7 million dollars.

Mr. Wenger requested an opportunity to speak relative to County employees; he noted that he has great concern regarding non-affiliated employees. He explained that non-affiliated employees have become targets over the past three years. He expressed his hope that the County would not look to address its issues on the backs of the non-affiliated employees, and he would hope that more respect would be shown for those employees than has been shown the past two years. He offered that some of the County's lowest paid and hardest working employees are non-affiliated employees. Comm. Holden remarked that the intent of the Board of Commissioners the past two years was to treat the non-affiliated employees equally. Mr. Wenger explained that the Board has been extremely supportive of the non-affiliated employees.

Ms. Robinson noted that she has been involved with the County for over 30 years; she noted that the non-affiliated employees are the ones who are typically used for pilot projects, and the non-affiliated piloted the merit increase before it went to the bargaining units; she noted that the same is true with the increase in the insurance rates; it was applied to the non-affiliated employees first before going the bargaining units and changes were made to the contracts; she explained that the non-affiliated paid more for insurance rates first as well as the merit change, which took away steps and went to a change in the merit system and COLA's. She summarized that these changes have been good for the County but it is important to remember that they happened first to the non-affiliated employees. She emphasized that these changes have been made while other communities and the State have not made changes.

Comm. Pappas remarked that whenever she is out in the communities speaking about the Hillsborough County budget, it is with great pride and positive comments. She expressed her belief that everyone is envious of the County's budget; people ask her how the County does it. She noted that she is here to support what the County is doing, and offered her kudos to everyone in the room for doing so well. Mr. Wenger added that they should be envious and we should be proud because the County is in good shape because of the actions the County has taken and because there are five levels that the budget passes through.

Following discussion, the Board agreed to recognize Mr. O' Mara for his regular report, and then to move into recess.

Department of Corrections

Census

Supt. O'Mara presented the DOC Census. He noted that as of March 4, 2011, the Census was 532, which

included 477 men of whom 337 were being held pre-trial and 140 that have been sentenced. There were 55 women of whom 40 were being held pre-trial and 15 that have been sentenced. Mr. O' Mara added that there are 17 inmates who are being managed in the community.

Mr. O' Mara informed the Board that the Department of Corrections has accepted 2 Administrative Transfers, and requested that the Board execute the documents.

Following discussion, the Board agreed to postpone discussion of the Request for Use of County Land to the next meeting.

Motion: To move into recess. Motion by Comm. Holden, second by Comm. Pappas. Motion adopted.

The Board moved into Recess at 11:20 a.m.

The Board came out of Recess at 11:35 a.m.

Motion: To move out of Recess. Motion by Comm. Pappas, second by Comm. Holden. Motion adopted.

Motion: To move into Non-Public session:

- consistent with RSA 91-A:3 II (a), the Board met with the County Attorney and Attorney Kirby relative to a personnel issue, and
- consistent with RSA 91-A:3 II (a), the Board met with Sheriff Hardy, Attorney Kirby, and Mr. Wenger relative to a personnel issue, and
- consistent with RSA 91-A:3 II (a) the Board met with the Register of Deeds and Attorney Kirby relative to a personnel issue.

The motion to move into Non-Public Session was made by Comm. Holden, second by Comm. Pappas. Holden-yes, Pappas-yes, Ziehm-yes. Motion adopted.

The Board moved into Non-Public Session at 11:37 a.m.

- The Board met with the County Attorney and Attorney Kirby relative to a personnel issue.
- The Board met with Sheriff Hardy, Attorney Kirby, and Mr. Wenger relative to a personnel issue.
- The Board met with the Register of Deeds and Attorney Kirby relative to a personnel issue.

No action was taken during Non-Public Session.

The Board moved out of Non-Public Session at 12:04 p.m.

Motion: Motion to move out of Non-Public Session by Comm. Holden. Comm. Pappas seconded the motion. Motion adopted.

Following discussion, the Board moved into Recess.

The Board moved into Recess at 12:05 p.m.

The Board moved out of Recess at 12:35 p.m.

Motion: To move out of Recess. Motion by Comm. Pappas, second by Comm. Holden. Motion adopted.

Motion: To move into Non-Public Session with Mr. Wenger and Attorney Kirby consistent with consistent with RSA 91-A:3 II (d) relative to a lease issue. Motion by Comm. Holden, second by Comm. Pappas. Holden-yes, Pappas-yes, Ziehm-yes. Motion adopted.

The Board moved into Non-Public Session at 12:36 p.m.

The Board met with the County Attorney and Mr. Wenger relative to a lease issue.

No action was taken during Non-Public Session.

The Board moved out of Non-Public Session at 12:45 p.m.

Motion: Motion to move out of Non-Public Session by Comm. Holden. Comm. Pappas seconded the motion. Motion adopted.

Motion: To authorize Legal Counsel to sign the stipulation for the composition of the Bargaining Unit for the Registry of Deeds. Motion by Comm. Holden, second by Comm. Pappas. Motion adopted.

Motion: To approve the transfer of 2 inmates from Merrimack County to the Hillsborough County Department of Corrections. Motion by Comm. Holden, second by Comm. Pappas.

In response to a question from Comm. Ziehm, Comm. Holden noted that while the County incurs a cost, there are agreements that limit the County's exposure, and inmates who have significant medical needs would not be accepted.

Motion adopted.

Motion: To authorize Mr. Wenger to negotiate to extend the lease at 30 Temple Street in Nashua to September 1, 2011 on the same terms and conditions. Motion by Comm. Holden, second by Comm. Pappas.

Mr. Wenger noted that September 1 is the anticipated date; however, that could change.

Motion adopted.

Nursing Home

Census

Comm. Ziehm recognized Mr. Moorehead.

Mr. Moorehead presented the Nursing Home Census and explained that as of March 3, 2011, the census for the Nursing Home was 283 total patients/residents, which included 202 Medicaid residents, including approximately 20 in the ELU (Enhanced Living Unit); 44 were private pay residents, and 37 were Medicare Part A residents. He added that as of today, there are 39 Medicare Part A residents, which is a very positive number.

Old/New Business

Commissioner's Regular Meeting Schedule

Comm. Holden suggested starting the meetings at 9:00 a.m. every other Wednesday, further suggesting that the meetings not be on payroll weeks. Comm. Pappas agreed with 9:00 a.m. for meetings. The Board agreed to follow the same meeting format going forward. Comm. Ziehm agreed to the Wednesday 9:00 a.m. meetings with the understanding that they would be subject to change in an emergency. Mr. Wenger noted that the Business Office will distribute the schedule.

Mr. Wenger informed the Board that the County has a request from the Department of Revenue Administration inquiring as to whether the County has any interest in changing its Chart of Accounts. He explained that this is done every 10 years or so, and the Business Office position is that unless the Board wishes to see its budget described differently, it is fine as it is. The Board had no wish to change the Chart of Accounts.

Mr. Wenger explained that he received an e-mail relative to Case Management; there is discussion going on in Concord relative to whether the Counties are interested in taking over Case Management. He suggested that it would be appropriate for Ms. Robinson be involved in a discussion with the Board relative to this issue.

Mr. Wenger noted that on March 25th, the Executive Committee will be doing another presentation; he explained that Comm. Holden, who typically presents an overview of the responsibilities of the Board, will not be able to attend. Comm. Ziehm indicated that she will attend. The Board requested that Mr. Wenger make a presentation similar to that done at this meeting.

Mr. Wenger noted that the Board has a pending grievance, which was taken under advisement at the last meeting; he indicated that the deadline was extended to March 23rd. In light of the full meeting agenda, the Board agreed to postpone the decision until its next meeting on March 23rd.

Mr. Wenger informed the Board that it is necessary to schedule a meeting to include Mr. Flygare relative to another tentative agreement with the County Attorney's office. He noted that he will arrange a meeting to coincide with the Board's schedule.

Administrative Business

Comm. Ziehm noted that the Board would return to addressing Administrative Business.

Minutes

February 23, 2011 Board of Commissioner's Meeting

Motion: Comm. Pappas moved to adopt the minutes of the February 23, 2011. Comm. Holden seconded the motion. Motion adopted.

Approval of Payroll Registers

Motion: Comm. Pappas moved to approve the Payroll Register dated February 13, 2011 in the amount of \$ 1,195,726.51, subject to review and audit. Second by Comm. Holden. Motion adopted.

Motion: Comm. Pappas moved to approve the Payroll Register dated February 24, 2011 in the amount of \$ 80.00, subject to review and audit. Second by Comm. Holden. Motion adopted.

Motion: Comm. Pappas moved to approve the Payroll Register dated March 3, 2011 in the amount of \$ 1,056.96. Second by Comm. Holden. Motion adopted.

Motion: Comm. Pappas moved to approve the Payroll Register dated March 3, 2011 in the amount of \$100.91. Second by Comm. Holden. Motion adopted.

Motion: Comm. Pappas moved to approve the Payroll Register dated March 4, 2011 in the amount of \$ 360.00. Second by Comm. Holden. Motion adopted.

Approval of Accounts Payable Registers

Motion: Comm. Pappas moved to approve the Accounts Payable Register dated February 28, 2011 in the amount of \$3,288,043.20, subject to review and audit. Comm. Holden seconded the motion. Motion adopted.

Motion: Comm. Pappas moved to approve the Accounts Payable Register dated March 9, 2011 in the amount of \$1,190,968.58, subject to review and audit. Comm. Holden seconded the motion. Motion adopted.

Comm. Ziehm informed the other Commissioners that she received an email from Susan Stearns relative to the Mental Health Court program that could be cut; she asked the Commissioners to make a call relative to the program if either wished to show support.

Adjourn:

Motion: Comm. Pappas moved to adjourn. Comm. Holden seconded the motion. Motion adopted.

The meeting adjourned at 1:12 p.m.

Approved 3/23/2011

Comm. Carol H. Holden
Vice Chairman/Clerk
Hillsborough County Board of Commissioners

Date _____