

Hillsborough County Board of Commissioners
FY2008 Budget Review Meeting
April 7, 2008
Bouchard Building, Goffstown, NH

Minutes of the Public and Non- Public Session
(Not Official Until Approved by the Board and signed by the Clerk.)

Present: Comm. T. Pappas, Comm. C. Holden, Comm. M. Clemons, L. Movsesian, M. Rusch, E. Robinson, and G. Wenger.

Commissioner Pappas called the meeting to order at 3:45 P.M., which was followed by the Pledge to the Flag lead by Mr. Wenger.

Comm. Pappas opened the Fiscal Year 2009-budget review meetings expressing the Board's thanks to the Business Office and the departments for preparing and delivering the budget books to the Board on time. She noted that the Board had set out a tight schedule for its review and would proceed to review and discuss each department and forward its recommendation to the Executive Committee in a timely fashion. Comm. Holden offered that the Board should be especially concerned for the county taxpayer this year as economic times are extremely difficult and people are concerned about losing their homes, are cutting back on their personal budgets, and foreclosures are on the rise. She suggested that the Board should scrutinize the requests, cut where appropriate, and that it present a lean budget recommendation. She also suggested that it might be appropriate for the Board to look at a hiring freeze as has been implemented at the State level. She requested that each department identify areas that the Board can consider for cuts and noted that the Board must look at the whole budget and may not be able to give every department everything that has been requested. Comm. Clemens noted his agreement that the Board must be efficient as possible but noted that the Board must also be very careful to assure that necessary services are not cut simply for efficiency's sake. Comm. Pappas noted her agreement and discussed that counties across the State are facing similar challenges.

G. Wenger was recognized and provided an overview of the budget request that has been presented to the Board. He made note of the following points for the Board:

- FY 09 Expenses are \$2,989,663 or 3.54% over FY 08
- FY 09 Revenues are \$10,942,150 or 24.64% less than FY08
- Presently the County is spending approximately \$1,000,000 more on a monthly basis and taking in less than the prior year. He noted that in FY07, the County was taking in approximately 175,000 per month over FY06 while in FY08 it is only taking in approximately \$6,000 per month over FY07.
- The County presently has less money invested at lower interest rates than at this point last year.
- At this time the projection is that this year, FY08 the County will be utilizing the majority if not all of the 6.4 million budgeted surplus leaving which will leave a projected year-end surplus in the range of 15 to 17 million dollars.
- He suggested that, anticipating an \$87 million dollar budget, a reasonable surplus in the 7% to 15% range would be 6 to 13 million dollars.
- Insurance lines are level funded based on projections at this time.
- Line 7120, Health and Accident is budgeted based on current experience adjusted for the anticipated 7.8% increase, open enrollment changes, new employees, and open positions. He explained that this is the first year that this approach has been used and cautioned that it might result in the need for transfers within the line as the year goes on. He did note that this approach has resulted in budget savings.
- The only salary adjustments included in the budget lines at this time are those for which there is an existing contract, the County Attorney Teamsters, DOC AFSCME, and NH Chemical Workers. He reviewed the status of negotiations with the remaining groups noting that the Sheriff AFSCME

group does not have an agreement and that the DOC Teamsters and NH AFSCME negotiation for successor agreements are underway.

- He noted that the Sheriff had requested adjustments for his non-affiliated employees but based on the Board's budget instructions those adjustments have not been included in the budget but are set out in the detail attached to the salary line in the Sheriff's budget request.
- Mr. Wenger noted that he would be delivering a recommendation to decrease a majority of the telephone lines in conjunction with the ongoing project to upgrade the phone system.

Mr. Wenger went on to review the design of the Budget Book. He noted that the New Position Request Form has been revised and is included for all new positions. He requested that the Board adopt the practice of signing off on the form when a new position is approved. The Board agreed to implement this practice.

Comm. Clemons inquired regarding the recommended percentage of retained surplus funds from budget year to budget year. A discussion followed where it was discussed that a distinct recommendation for Counties has not been given by the State but the general practice has been 7% to 15%. Comm. Holden noted the concern that if the existing surplus is eliminated there will be the need for a tax hike in coming years. The Board inquired regarding the need to borrow in anticipation of taxes in the coming year. Mr. Wenger opined that there is a greater chance that there will be the need this coming year; however, he anticipates that if there is a need, it will only be for a short term. He noted that the County's cash flow is changing in large part due to the statutory changes affecting the Human Services Department. He suggested that these changes might have an impact on the need to borrow.

Human Services – 4444

The Board initiated the discussion of department budgets by moving to consider the Human Services Department budget request. E. Robinson was recognized. She explained that where the status of the legislative change affecting her department remains in limbo, the budget she has presented to the Board is a status quo budget where virtually everything is level funded. She went on to explain that two additional approaches to the budget have been provided for the Board's consideration should changes be required. Ms. Robinson noted that an increase of \$500 was requested in the Education and Conference line due to the increased cost in conferences. In response to an inquiry from Comm. Holden, Ms. Robinson explained that the budget includes all of the existing positions based on the understanding that all existing programs will continue. Comm. Holden suggested that the County might wish to solicit input from the towns and cities regarding whether there is continued interest in maintaining the Social Work program where it is not a required function of the County. A discussion followed regarding the funding for the program and alternative approaches to the delivery of the services. The Board also discussed the reimbursement collection efforts by the department and the changes that may be forthcoming in the program. E. Robinson noted that the proposal that has been offered is that the County only collects on those cases where the County has spent its 25% share of the costs and where it has invested an administrative share in the reimbursement process. This would only include those cases where the County would be reimbursed for its investment. She noted that as the collections were completed the staffing levels would be reduced and eventually eliminated. The Board discussed that this approach is still being negotiated with the State and final action cannot be taken until the outstanding issues are resolved with the state.

The Board reviewed the lines of the budget with Ms. Robinson who highlighted each line, noting the lines where increases have been requested including education and conferences, postage, and equipment repair. Comm. Clemons noted that the increase requested in this budget is significantly lower than the increases that had been approved in the two prior budget years.

Ms. Robinson reviewed briefly the two alternative budgets that were developed for the Board's

consideration. She explained that the first continues the Parental Reimbursement program including only the cases that the County has made payments on, noting that the changes are noticed in the salary lines. The second alternative addresses the impact of HB2 and includes only two staff and one staff person remaining for six months and the remaining staff remaining for three months. She noted that line reductions have been made in each of these proposed budgets to reflect the changed programming. A discussion of the alternatives followed.

Human Services - 4444

Ms. Robinson informed the Board that she did not provide an alternative budget for this department. She noted that the request is increased approximately \$500,000 noting that she has based the budget on projections having reviewed expenditures from FY04 and those anticipated this year. She suggested that if HB2 goes forward the funds would be transferred to the one line that will continue. She suggested that she was as conservative as she thought she could be noting that it is up considerably.

Temple Street Courthouse – 4197

Ms. Robinson informed the Board that the budget request is down, noting that she is not asking for any building improvements in this budget. She review the line item requests noting that the security line has been increased in anticipation of monitoring the security system, fuel has been increased noting that a transfer may be necessary this year, and equipment repair and trash disposal are up slightly. Ms. Robinson suggested that several projects are underway at this time and that the building is in good shape.

The Board proceeded to consider the Business Office budget request.

Business Office – 4150

G. Wenger presented an overview of the budget request. He explained that the salary line is budget based on five positions within the office including the County Administrator, Staff Accountant, two Account Clerk positions and the Secretary position at full-time. He suggested that as the process progresses he anticipates having further discussions with the Board regarding the Secretary position which is presently only filled on a part-time basis. He continued to review each line. He noted that the Health and Accident lined is increased and agreed to review it in an effort to make a recommendation to reduce the line. Comm. Clemons inquired regarding the 7.8% increase that has been included in this line across the budget. Mr. Wenger explained that Primex had provided this figure as the “not to exceed” increase that the County will realize on its health insurance program noting that the figure will be revisited leading up to the final figure which will be provided in early May. G. Wenger explained that the Audit Expense is down based on the actual bids received. He noted that Consulting Expense is based on retaining P. Lunsford who consults on the employee insurance benefit program, noting that he has been responsible for negotiating the health insurance rates with Primex and has been very successful in keeping the program costs down for the County and the employees. He explained that Postage has increased slightly based on the rate increase. He continued to review each line noting that they are level funded or decreased. With respect to the New Equipment line, he explained that the office is looking to start a program of replacing the furniture in the office, which dates back to before the move from Chestnut Street and anticipates doing this over several budgets.

M. Wageling, P. Boardman, M. Rioux, and E. Therrien of the County Attorney’s Office joined the meeting at this time.

County Attorney M. Wageling was recognized. She suggested that the Board may wish to address the Reentry Program budget initially which it agreed to do

County Attorney – Reentry Program – 4125

E. Therrien reported that the Program is up and running and doing well. She provided the Board with a Director's Report outlining the status of the program and the accomplishments since its inception this past year. She noted that today they received six more applications and that she had been at the Lakes Region facility the previous week to make a presentation to thirty eligible inmates. She explained that the program went into its office space in mid December and was fully staffed as of March 17th including three case managers, an assistant director, administrative assistant and she as the Director. She also provided a list of the Steering Committee members and a list of meeting dates. She reviewed participation statistics and provided an overview of the program for the Board. She noted that having the office located in the Employment Security Office building has been very beneficial.

M. Wageling reviewed the budget lines for the Board. She explained that the current budget was based on projections and now that the program is operational, they have been able to make some changes to reflect the actual need. She explained that with the exception of those corrections the budget reflects a level funding request, noting that it is grant funded and reimbursed to the County. She explained that the expenditures to date appear to be low in relation to the request due to the delay in the approval and start up of the program and that the program is funded for a full year in the budget request. Comm. Holden inquired regarding the disposition of unexpended funds. It was noted that the appropriated funds would be rolled into surplus and that the offsetting revenue would not be received for any expense not incurred. M. Wageling explained that the Telephone line includes a proposal to provide a thirty-dollar reimbursement to offset the employees' use of their personal telephones as opposed to providing cell phones for them. The Board discussed the approach, which would be the first for the County. Comm. Clemons inquired regarding the term of the grant, which was noted to be for a term of two years. M. Wageling explained that when the grant funding ends the program would end noting that at this point she has every reason to believe that the grant funding will be continued for some term. A discussion followed regarding the efforts being made to extend the grant and to find other grant funding sources. M. Wageling assured the Board that should the grant-funding source go away, the program will be ended and there will be no obligation on the County's behalf.

There being no further questions the Board thanked E. Therrien for her presentation and work.

The Board moved to consideration of the County Attorney Office budget.

County Attorney – 4123

M. Wageling provided the Board with an overview of each of the budget line requests for her office. With respect to the salary line, she explained that she has requested an increase in the staff size noting that it is in part based on the new statutory obligations placed on her office including the Sexual Predator Law. She detailed the complexity and time-consuming nature of the review process and prosecution required for these cases. She explained that to date, her office has reviewed ninety-one cases and has referred seven or eight for litigation with three that are presently in the courts. She suggested that by June her office anticipates that five cases will be pending. She went on to review the costs, both in terms of staff time and expense, including expert review and testimony, associated with the cases and the impact on her budget. She explained the staffing levels in the Public Defender office noting that case loads in that office are limited to fifty-five open cases and that there will be four attorneys assigned to the Sexual Predator cases. In comparison, she explained that her deputies are carrying well above those levels. She indicated that over the past calendar year her office opened 2138 files which breaks down to approximately seventy-eight cases per attorney for that year alone. She stated that one hundred thirty-three misdemeanor appeals were handled.

Ms. Wageling continued providing salary comparison information for the Board's consideration in support of her request for the additional staff. She also requested that the Board consider funding step increases for her attorney staff. A discussion followed including a discussion of the Child Advocacy Center, the success that it has had and the contribution that it makes to the workload in the office. She closed by offering that her office has been understaffed for a number of years and is at a breaking point, prompting her request to expand the staff.

Ms. Wageling continued to review each budget line for the Board. She noted that increases are included in the Consulting, Printing and Binding, Office Supplies, and Postage lines, explaining that they reflect the increased cost and work load in the office. She went into detail regarding the Consulting line noting that it is increased because of the Sexual Predator Law and civil commitment litigation. She also noted that the Extradition, In-State Travel, and New Equipment lines have been reduced, suggesting that the Extradition line may be one that the Board could consider reducing.

Comm. Clemons inquired regarding who is responsible for the expenses associated with the Addison case. M. Wageling explained the distribution of the responsibility between the State and the County. A discussion followed.

M. Wageling requested that the Board consider funding the purchase of a filing system consistent with the appropriation in the FY08 budget that will not be expended this year. A discussion followed regarding the Chestnut Street facility and the funding for a filing system.

Medical Referee – 4192

M. Wageling expressed her frustration with this budget request and its history based on the legislative activity that has had an impact on it. She explained that the intent was that the County would no longer be responsible to pay for autopsy expenses but the charges have in fact been increasing. She suggested that she was unable to explain this and a discussion followed.

Law Library – 4195

M. Wageling noted that she is keeping a close eye on this expense and is making every effort to decrease the request where possible.

M. Wageling requested the opportunity to discuss a proposal for a new program with the Board. She explained that following recent inquiries by a member of the Executive Committee she has developed a budget for a Diversion Program. She explained the details of the proposal and the budget for the Board noting that this is a proposal and is not within her budget request. A discussion followed including the potential for incorporating the program into the Human Services Department as much of the staff in the office is qualified to provide the services that are called for. The Board discussed the proposal and alternative approaches, including working with the Department of Corrections and agreed to look at the proposal.

There being no further discussion, the Board thanked M. Wageling and her staff for their presentation. Comm. Pappas entertained a motion to go into recess.

Motion: To go into recess. By Comm. Clemons, second by Comm. Holden. Motion carried unanimously.

The meeting recessed at 5:45 P.M.

(SIGNED 08/27/08)

Comm. Michael Clemons, Clerk
Hillsborough County Board of Commissioners

Date