

Hillsborough County Board of Commissioners
Budget Review Hearing
April 7, 2010
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. Pappas, Comm. C. Holden, Comm. M. Clemons, P. Coughlin, L. Movsesian, C. Kirby, J. O'Mara, M. Montminy, D. Reidy, E. Robinson, M. Rusch, G. Wenger, and L. Stonner.

1. Reconvene

Comm. Pappas invited a motion to come out of recess.

Motion: To come out of recess. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

The Board moved out of recess at 11:17 a.m.

Mr. Wenger provided an overview of the budget schedule, the budget book format, and noted that the format used this year eliminates the use of tabs and is more cost effective. He noted that Salary Sheets and any documentation relative to the Departments can be found following the budget lines.

Mr. Wenger explained that the total for the expense side of the budget is \$87,563,249, an increase of \$976,604, or 1.13% over the FY2010 approved budget. He noted that the requests do not include costs associated with non-affiliated employees or the ongoing negotiations with the Sheriff and Nursing Home AFSCME units. He explained that the costs associated with the four continuing collective bargaining agreements are included as well as those eligible for steps in the County Attorney's office.

Mr. Wenger explained that the revenue side of the budget includes the designation of significant one-time ARRA money, including funds received in FY '09 and FY '10 not previously appropriated and designated for expenditure as well as funds anticipated for FY '11. He reviewed the recommendations from Commissioner Toumpas with respect to the ARRA funding that the County has received and noted that the funds can be used to offset general funds currently budgeted but can not be designated to surplus. He explained that the budget recommendation includes Stimulus funds that the auditors are presently reflecting in the undesignated fund balance but are being accounted for separately by the Business Office. He noted that this represents approximately \$3,000,000 unanticipated Human Services revenue that has been discussed at prior meetings; it has not been designated as a specific expense. He went on to explain that in the revenue budget, there is \$7,705,121 of one-time money as well as additional money in the Human Services line that will be discussed as the budget process moves forward. He explained that it is important to understand that this is one-time money that will most likely not be available next year.

Mr. Wenger informed the Board that projected tax revenues are down to \$41,826,058, which represents a reduction of \$2,849,329 or 6.7%. He reiterated that this is in large part due to the one-time ARRA money and that these funds must to offset an expense and can not be designated to surplus.

Mr. Wenger requested that the Board consider adjustments to some lines to correct the Departments' budget requests to properly reflect their intent. He requested the Board consider the following corrections:

To correct Nursing Home Maintenance line 4412-7110 – Unemployment, which presently is listed at \$85,000 and to amend that line to \$250 at the department request level.

To correct, Nursing Home Maintenance line 4412-7120 – Health Accident, which is presently listed as 0 dollars, and to fund that line at \$85,000 at the department request level.

To correct at the department request level, the Departments of Corrections line 4230-7100 – Social Security, which is presently budgeted at \$595,944, and to fund that line at \$270,000.

To correct at the department request level, the Department of Corrections line 4230 – Retirement, which is presently budgeted at \$1,152,701, and to fund that line at \$1,224,000.

Motion: To implement the changes to the aforementioned Department lines presented by Mr. Wenger. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

2. Department of Corrections

Comm. Pappas recognized the Department of Corrections and asked Supt. O'Mara for an overview of his proposed budget. Supt. O'Mara informed the Board that the budgeted average daily population has been 625 for the last year; he noted that this number drives the services and goods that are provided to the inmates and remarked that there is usually a spike from November through January; in fact for those months this year, the population was 640, 632, and 638 respectively, noting that was not a trend, but an anomaly. Supt. O'Mara noted that for FY 2011, he is comfortable reducing that number by 15 to an average daily population of 610. He noted that there are now more people in the community, which helps the budget.

Supt. O'Mara explained that the DOC's budget contains no new positions, and no new vehicles. He explained that most of the increase is related to indirect cost; the DOC is in the second of two years of funding the AFSCME agreement, and the third of three years of funding the Teamster agreement; both of those agreements have built in wage adjustments. He explained that the AFSCME agreement contains a 3% wage increase, which is made up of a 2% COLA and a 1% merit increase, and the Teamsters agreement contains a 1% COLA and a 2.75% merit increase; those increases resulted in an increase in the budget.

There was discussion of the impact of Senate Bill 500, and the potential for increases in medical costs and liability if probation and parole violators are incarcerated for five days; he noted that most of these will be technical violations. Supt. O'Mara discussed the problems and lack of incentives for the violator affected by this bill.

Comm. Clemons noted that the Justice Department has already scheduled three Court furlough days, which will impact the DOC, and fourteen others are being considered; he stressed that this represents seventeen furlough days where justice will stop and the burden will be put on the Department of Corrections. In response to a request from Comm. Clemons, Supt. O'Mara agreed to prepare an estimate (based on historical data) of the impact this bill would have on the DOC.

Supt. O'Mara offered a suggestion that the Board may wish to consider, namely that would be to add a budget line for bail when minor offenses are involved. He explained that a bail of \$500 would be a small cost versus the cost of housing an inmate, particularly when there is a person with a medical condition and they cannot come up with the \$500 cash bail. He noted that the loss would only be \$40 per transaction, which is the Bail Commissioner's fee for accepting the bail of \$500, which the County in turn would get back when the case was disposed of. There was discussion of when such action may/may not

be appropriate; Supt. O'Mara explained that this only should be used in nuisance crimes, not major crimes or crimes involving sex or violence. Comm. Clemons suggested that Supt. O'Mara discuss this option with the County's Legal Counsel. Supt. O'Mara noted that he will discuss and explore this with judges that he will be meeting with on April 13th. Comm. Holden noted that the County did consider bail several years ago.

Supt. O'Mara asked Mr. Wenger to speak to the Energy Efficiency Grant that could, if approved, fund the repairs for the HVAC system. Mr. Wenger explained that the County has received an Energy Efficiency Grant; there are three parts to the grant; the largest of which involves the Department of Corrections, which has received \$330,300 to continue work on, and to install a new boiler for its heating system; he noted that the challenge currently is getting the approval internally; a second part of the grant includes \$235,600 for the Nursing Home, and the third part includes \$65,000 for Technical Consulting Services, which is required by the grant. Mr. Wenger explained that this is Stimulus money, and a paper trail is required.

There was discussion and general agreement relative to placing the funds in Contingency in the Other Grants & Reimbursements line, and then to transfer it to the appropriate Departments for approved projects. Mr. Wenger recommended having an expense line and an offsetting revenue line in Contingency.

Motion: To increase Revenue line 3359 – Other Grants & Reimbursements by \$630,900 for the Department of Corrections Heating (\$330,300), Technical Consultant Services (\$65,000) and Nursing Home energy retrofits (\$235,600); this represents Stimulus funds to be received from the Energy Efficiency and Conservation Strategy Grant, and to increase the Contingency Budget line by \$630,900, in an appropriate line. By Comm. Holden, second by Comm. Clemons. Motion carried.

Supt. O'Mara explained that the Overtime line is up 5.4%; the amended budget amount is \$800,134. He explained that this relates to an increase in the collective bargaining agreement and because the line was not adjusted the previous year; the actual increase is 1.79% in the current budget. Supt. O'Mara noted that this will place the DOC in a starting place to accurately reflect the collective bargaining agreement increases. Mr. Wenger noted that the Health & Accident Insurance increase for the coming year is projected to be at a not-to-exceed figure of 11.2%.

Supt. O'Mara explained that there is an increase in Retirement Contributions; much of that relates to the State's legislative distribution change as well as an adjustment related to collective bargaining. Supt. O'Mara reviewed several other lines and explained changes to the budget. He noted that the Buildings line is down \$301,363. Supt. O'Mara explained that the DOC is reviewing upgrading the Central Control System, which is included in the budget at the request of his security staff; he explained that while it is standard technology, he will not recommend going forward with the \$325,000 expense until he can show a tangible offset for this investment.

Supt. O'Mara asked the Board to re-visit line 7300, Medical & Surgical Supplies and suggested that the Board level fund that line at \$38,257.

Motion: To reduce Department of Correction's line 4230-7300, Medical & Surgical Supplies, from \$53,587 to level fund the line at \$38,257. Motion by Comm. Clemons, second by Comm. Holden. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7330 and offered to recommend reducing the line to \$280,000.

Motion: To reduce DOC line 4230-7330, Pharmacy, from \$300,000 to 280,000. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7361 and suggested that the line be level-funded.

Motion: To reduce DOC line 4230-7361, Library, from \$6,874, and to level fund the line at \$6,662. Motion by Comm. Clemons, second by Comm. Holden. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7390 and suggested that the line be reduced to \$185,000.

Motion: To reduce DOC line 4230-7390, Other Supplies, from \$188,244 to \$185,000. Motion by Comm. Clemons, second by Comm. Holden. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7500 and suggested that the line be reduced to \$720,000.

Motion: To reduce DOC line 4230-7500, Food, from \$734,745 to \$720,000. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7590; he noted that this is a difficult line to predict, but suggested that the line be reduced to \$600,000;

Motion: To reduce DOC line 4230-7590, Medical-Dental, Males, from \$625,240 to \$600,000. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7620 and suggested that the line be reduced to \$120,000.

Motion: To reduce DOC line 4230-7620, Gas Heating/Cooking, from \$124,800 to \$120,000. Motion by Comm. Clemons, second by Comm. Holden. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7690 and suggested that the line be reduced to \$36,000.

Motion: To reduce DOC line 4230-7690, Laundry, from \$39,350 to \$36,000. Motion by Comm. Clemons, second by Comm. Holden. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7730 and suggested that the line be reduced to \$12,000.

Motion: To reduce DOC line 4230-7730, Auto Repairs, from \$13,000 to \$12,000. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7880 and suggested that the line be reduced to \$7,762.

Motion: To reduce DOC line 4230-7880, Equipment Rental, from \$9,442 to \$7,762. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Supt. O'Mara asked the Board to re-visit line 7970 and suggested that the line be reduced to \$49,800 by removing the 325,000 for the Central Control System upgrade.

Motion: To reduce DOC line 4230-7970, New Equipment, from \$374,800 to \$49,800. Motion by Comm. Clemons, second by Comm. Holden. Motion carried.

Supt. O'Mara agreed that he will get back to the Board with information relative to the Court furloughs and the impact of SB500 should the bill pass, and he will discuss the pre-trial bail possibility with the judges that he will be meeting with. Supt. O'Mara informed the Board that the DOC calculates a per diem rate per prisoner/per day; he explained that the rate for FY09 was \$63.44/day, further explaining that when you include revenue, that figure drops to \$60.94/day. He noted that he will use the per diem cost in his calculations.

Comm. Clemons asked to move the April 20th meeting due to a conflict; that meeting was not re-scheduled, but will be discussed at a later date should another meeting be needed. The Board discussed changing the Public Hearing date and agreed to change the Public Hearing to Friday, April 23rd at 9:00 a.m. Comm. Holden noted that the Board has the option of meeting after the Public Hearing should it need the time to finish its work on the budget.

Supt. O'Mara reviewed the Department of Corrections revenue and directed the Board to the four grants that it will receive; they include:

- the Justice and Mental Health Grant,
- the Carl Perkins Technical Education Grant
- the Residential Substance Abuse Treatment Grant
- ABE Grant, which is imbedded in the Salaries & Wages line 7010
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He explained that the Work Release program is down from last year, but the day reporting numbers are up. He reviewed other lines and summarized by noting that total projected revenue is budgeted at \$520,530.

Supt. O'Mara reviewed the County Complex budget and noted that there were not any significant changes; however, there is a need to replace the Boiler and modify the HVAC System in the Juvenile Courtroom area of the Goffstown District Court rental space.

Supt. O'Mara remarked that this is his 20th year of being involved with the budget process. The Board thanked him for his efforts.

There was discussion relative to office space in the Human Services Department that is sealed off from other room for confidentiality reasons. Comm. Holden asked how many enclosed offices there were in the Human Services Department, to which Ms. Robinson responded that her office was the only enclosed room. Comm. Holden suggested that Ms. Robinson could use the office formerly occupied by the former Assistant Director.

3. Non Public Session

Mr. Wenger requested to meet with the Board in Non-Public session relative to personnel.

Motion: To move into Non-Public session with Mr. Wenger in Non-Public session consistent with RSA 91-A:3 II (a) to discuss a personnel issue. Motion by Comm. Holden, second by Comm. Clemons. Pappas-yes, Holden-yes, Clemons-yes. Motion carried.

The Board moved into Non-Public session and met with Mr. Wenger to discuss a personnel issue at 1:10 p.m.

The Board moved out of Non-Public session at 1:21 p.m. No action was taken during Non-Public session.

Motion: To return to the regular portion of its meeting. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

4. Recess

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

The Board entered recess at 1:22 p.m.

Approved on 5/19/2010

Comm. Michael Clemons, Clerk
Hillsborough County Board of Commissioners

Date