

Hillsborough County Board of Commissioners

April 7, 2011

Bouchard Building, Goffstown, NH

Minutes of the Budget Meeting

(Not Official until Approved by the Board and signed by the Clerk.)

Present: Comm. Ziehm, Comm. Holden, Comm. Pappas, M. Lencki, B. Moorehead, J. O'Mara, M. Montminy, M. Castonguay, G. Wenger, and L. Stonner

Comm. Ziehm entertained a motion to reconvene the Budget Meeting at 9:13 a.m.

Motion: To move out of recess. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Nursing Home

Comm. Ziehm recognized Mr. Moorehead. Mr. Moorehead observed that a discussion relative to the Executive Committee's request to provide two scenarios, one that will reduce the budget by 10% and another that will reduce the budget by 15%. He noted that this request was not discussed at the first Budget Meeting. Comm. Holden noted that it is important to understand the impact of such cuts. Mr. Wenger explained that it is his understanding that the Executive Committee has asked for cuts and the impact the cuts will have. Discussion ensued relative to possibilities and limitations regarding the budget.

Mr. Moorehead reviewed the Nursing Home budget with the Board; he distributed a paper titled: "County Medicaid Funding," which illustrates the daily Medicaid loss and explains the daily room rate (see public record). Mr. Moorehead explained that the Hillsborough County's Nursing Home room rate is the lowest of any County in the State. He also distributed a Budget Reduction Sheet (see permanent record) that provides options for cuts; he noted that he is asking for authorization to increase the Private Pay Room rate by \$10 to \$275/day, which is very competitive for the area.

Mr. Moorehead explained that any further cuts will have a huge impact on patient care, particularly those who are on 15-minute checks, those at risk for falls and the increase in bed sores. The Board discussed the possibility of privatizing the Nursing Home in the following year. There was a general consensus that the cost for the Beauty Shop is approximately \$20,000. This action taken in a previous motion removed \$12,000 for the Styling Station.

Mr. Moorehead explained that his budget has increased expenses of 1.2 million over where it was the previous year. He added that any cuts would primarily mean reducing staff significantly and asked for clarification about the Executive Committee's intent. Comm. Pappas offered that it was her understanding that this was an exercise and the Executive Committee was requesting that the Departments provide information relative to the consequences of a 10 and a 15% cut, and that perhaps it would serve as an educational tool. Mr. Wenger added that he is not sure what the Executive Committee's intent is; there are mixed messages being sent. He added that it was his understanding that, as expressed by Rep. Vaillancourt, the intent is to cut 10 and/or 15% off last year's 87 million dollar budget; however, at the last Executive Committee meeting, the understanding was that the exercise would lead to a discussion and the Executive Committee could determine what risks it wishes to take. Mr. Moorehead added that a 10% cut from his 2011 budget represents 2.5 million dollars; the cuts that could be made in the lines other than salary related lines are few and far between. He added that if he were forced to cut Salaries, he cannot cut the highest paid Nurses, Therapists, etc, but would be forced to cut LNA's, Unit Coordinators

or Housekeepers, or other employees whose lower wage would not have the most significant impact. He added that it is impossible to predict the results and the impact because there are other issues such as bumping. He explained that in calculating a 2.5 million dollar reduction in Salaries & Wages using the average wage of approximately \$17 per hour plus 35% for benefits, he would have to cut 50 positions at the Nursing Home, which represents approximately a 15% reduction in the work force. He further added that that action would have a significant impact on the number of hours provided each day in patient care. He observed that there are many patients who require one-on-one care, are on 15-minute checks; or are placed near the Nursing Station for observation, and explained that once a negative impact such as a broken bone from a fall, decubitus ulcer, or aspiration of fluids occurs, then the facility is at risk for litigation. Discussion ensued relative to the potential of lawsuits if staff is reduced and/or the facility is not in compliance with State requirements or if there are negative outcomes. He added that there are potential State or Federal penalties that could be very costly, particularly when the tags are significant. Comm. Ziehm noted that it is her hope that safety issues will not be compromised by cuts made at the Executive Committee level.

He further noted that any further cuts could negatively impact compliance issues, there could be penalties up to \$10,000/day per tag, and there could be a ban on admissions. He explained that he used to oversee 5 County and 5 private Nursing Homes and he has seen Nursing Homes go down very quickly. On a positive note, Mr. Moorehead informed the Board that the facility has finally been successful in hiring a Speech Therapist after years of trying.

Discussion ensued regarding understanding of the Budget Sub Committee's function and that of the Executive Committee.

Following discussion of individual budget lines, the Chair entertained motions related to cuts offered by Mr. Moorehead.

Motion: To reduce Nursing Home, Administration line 4411-7170, Education & Conference by \$750, to fund the line at \$3,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried

Discussion ensued about the Recruitment & Retention line, and how the funds are used as a morale builder.

Motion: To reduce Nursing Home, Administration line 4411-7175, Recruitment & Retention by \$1,000, to fund the line at \$6,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home, Administration line 4411-7230, Consulting Expense by \$8,400, to fund the line at \$7,600. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home, Administration line 4411-7290, Other Fees & Outside Services by \$1,000, to fund the line at \$53,166. Motion by Comm. Holden, second by Comm. Pappas. Motion carried. This will remove \$1,000 that was part of the funds allocated to Union Arbitration/Labor Issues/Fact Finding

Motion: To reduce Nursing Home Administration line 4411-7360, Office Supplies by the amount of \$500, to fund the line at \$9,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Administration line 4411-7700 Travel-In State by \$500, to fund the line at \$1,500. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Nursing Home Administration line 4411-7710 Travel-Out of State by \$150, to fund the line at \$100. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Nursing Home Administration line 4411-7960, Buildings by \$45,000, to fund the line at \$25,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

This action will remove the \$45,000 allocated to Fire Alarm Panels.

Motion: To reduce Nursing Home Administration line 4411-7962, Rental Unit Restoration by \$8,000, to fund the line at \$52,165. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

This action will remove the expense for some of the cubicle curtains.

Motion: To reduce line 4411-7970, New Equipment by \$2,200 to eliminate the Office Safe. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce line 4411-7970, New Equipment by \$12,000 to eliminate the Beauty Shop Styling Station. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Comm. Holden indicated that she would like to see the Beauty Shop privatized in another budget year. Mr. Moorehead added that it is possible to privatize, but added that if you eliminate the 2 hairdressers, you also have to take away the revenue. He added that there might be a possible savings of up to \$20,000, depending on benefits. Comm. Holden added that she would like to look into the possibility for the following year.

Motion: To reduce line 4411-7970, New Equipment by \$550 to eliminate the Beauty Shop Portable Hair Dryers. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

The above 3 motions for reductions in the 7970 line are included in the next motion to make it one action.

The Commissioners all agreed to reduce line 7970 by:

- \$20,000 to remove the cost of a Station Wagon
- \$3,000 to eliminate a Reach-In from the Dietary line
- \$6,000 to eliminate the cost of one Shower Trolley under the Nursing line
- \$700 to eliminate a Patio Canopy
- \$1,191 to eliminate a High-speed Burnisher from the Housekeeping line
- \$4,505 to eliminate a companion radio
- \$1,600 to eliminate Rack Shelving under Activities
- \$3,800 to eliminate two Broda Specialty Chairs from the Rehab line

Motion: To reduce Nursing Home Administration line 4411-7970, New Equipment by \$55,546, to fund the line at \$128,944. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Mr. Wenger asked if it is the Board's understanding that the facility may purchase items that were eliminated as long as it falls within the Nursing Home budget. Comm. Holden responded in the affirmative, noting that it is a bottom line budget.

The Board addressed further budget cuts.

Motion: To reduce Nursing Home Maintenance Line 4412-7610, Electricity line by \$5,000, to fund the line at \$185,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Maintenance Line 4412-7830, Trash Disposal by \$5,000, to fund the line at \$43,696. Motion by Comm. Pappas, second by Comm. Holden. Motion carried

Motion: To reduce Nursing Home Dietary Line 4413-7011, Overtime by \$1,000, to fund the line at \$10,700. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Nursing Line 4414-7011, Overtime by \$50,000, to fund the line at \$430,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Nursing Line 4414-7013, Outside Wages by \$5,000, to fund the line at \$25,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Nursing Line 4414-7170, Education & Conference by \$4,000, to fund the line at \$22,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Nursing Home Nursing Line 4414-7360, Office Supplies by \$500, to fund the line at \$10,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Nursing Line 4414-7700, Travel-In State by \$300, to fund the line at \$1,500. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Laundry line 4415-7013, Outside Wages by \$500, to fund the line at \$44,875. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Housekeeping line 4416-7013 Outside Wages by \$500, to fund the line at \$44,875. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Nursing Home Activities line 4417-7011, Overtime by \$500, to fund the line at \$5,710. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Nursing Home Activities line 4417-7700, Travel-In State by \$100, to fund the line at \$300. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Barber & Beauty line 4419-7390, Other Supplies by \$500, to fund the line at \$750. Motion by Comm. Holden, second by Comm. Pappas. Motion carried with Commissioners Ziehm and Holden voting in the affirmative and Comm. Pappas voting in the negative.

Motion: To remove from the Nursing Home Rehabilitation Salary Sheet a part time Speech Therapist, position # 304641001 with a salary of \$20,800, to fund the line at \$1. Motion by Comm. Pappas, second by Comm. Holden. Motion carried

Motion: To amend the Nursing Home Rehabilitation Salary Sheet to fund the full-time Speech Therapist, position # 305641001, by increasing the line from \$1 to \$83,220, and to add the appropriate roll-ups. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Nursing Home Rehabilitation line 4421-7290, Other Fees and Outside Services by \$62,400, to fund the line at \$63,600. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To direct the Business Office to make changes in the Salary Sheets to reflect the position changes. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

The Board agreed to move into Recess.

Motion: To move into Recess.

The Board moved into Recess at 11:57 a.m.

The meeting reconvened at 12:27 p.m.

Motion: To reconvene the meeting. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

A discussion was held relative to Insurance Costs and the potential increases for the coming year.

The Board addressed the Human Resources budget.

Human Resources

Motion: To reduce Human Resources line 4155-7360, Office Supplies by \$200, to fund the line at \$1,100. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Human Resources line 4155-7970, New Equipment by \$499, to fund the line at \$1. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

The Board reviewed the Department of Corrections budget with Supt. O'Mara.

The Board agreed to meet in Non-Public Session to address a personnel issue.

Motion: To move into Non-Public Session consistent with 91-A:3 II (a) to address a personnel issue. Motion by Comm. Holden, second by Comm. Pappas. Ziehm-yes, Pappas-yes, Holden-yes. Motion carried.

The Board moved into Non-Public Session at 12:25 p.m.

The Board met with Mr. O'Mara.

The Board moved out of Non-Public Session at 1:25 p.m.

Motion: To move out of Non-Public Session. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To seal the minutes of Non-Public Session. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Department of Corrections

Supt. O'Mara reviewed the Salary Sheets and his budget, as presented, for FY 2012. He explained lines that he has lowered and worked with the Board to address several other budget lines.

Motion: To reduce Department of Correction's line 4230-7170, Education & Conference by \$3,200, to fund the line at \$25,300. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Correction's line 4230-7290, Other Fees & Services by \$3,600, to fund the line at \$26,992. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Department of Correction's line 4230-7300, Medical & Surgical Supplies by \$6,859, to fund the line at \$55,589. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Correction's line 4230-7330, Pharmacy by \$44,000, to fund the line at \$340,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Correction's line 4230-7350, Printing & Binding by \$1,000, to fund the line at \$9,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Department of Corrections line 4230-7360, Office Supplies by \$250, to fund the line at \$25,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Correction's line 4230-7370, Dues & Periodicals by \$403, to fund the line at \$5,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Department of Correction's line 4230-7380, Postage by \$1,950, to fund the line at \$6,450. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Department of Corrections line 4230-7390, Other Supplies by \$2,685, to fund the line at \$144,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried with Commissioners Ziehm and Pappas voting in the affirmative, and Comm. Holden voting in the negative.

Motion: To further reduce Department of Correction's line 4230-7390, Other Supplies by an additional \$4,000, to fund the line at \$140,000. Motion by Comm. Holden, second by Comm. Ziehm. Motion carried with Commissioners Ziehm and Holden voting in the affirmative and Comm. Pappas voting in the negative.

Motion: To reduce Department of Correction's line 4230-7500, Food by \$50,000, to fund the line at \$600,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Correction's line 4230-7520, Clothing & Supplies by \$804, to fund the line at \$49,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Correction's line 4230-7588, Medical/Dental Females by \$2,555, to fund the line at \$60,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Correction's line 4230-7590, Medical/Dental Males by \$53,825, to fund the line at \$525,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Department of Correction's line 4230-7591, Linen by \$495, to fund the line at \$14,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Department of Correction's line 4230-7690, Laundry by \$1,605, to fund the line at \$31,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Corrections line 4230-7700, Travel-In State by \$200, to fund the line at \$1,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Department of Correction's line 4230-7710, Travel-Out of State by \$200, to fund the line at \$1,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Corrections line 4230-7810, Building Repairs by \$3,000, to fund the line at \$71,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Department of Corrections line 4230-7820, Equipment Repair & Maintenance by \$3,974, to fund the line at \$85,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce Department of Correction's line 4230-7880, Equipment Rental by \$750, to fund the line at \$6,482. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

County Complex

Motion: To reduce Department of Correction's line 4230-7960, Buildings by \$77,500, to fund the line at \$77,500. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

There was discussion about the condition of some of the buildings. The Board discussed its desire to place \$1,000,000 in the Capital Reserve Fund for building repair and renovation so that the County is in a position to either rent the front building or consider moving the Registry of Deeds to the Complex area.

Motion: To reduce County Complex line 4198-7290, Other Fees & Services by \$2,000, to fund the line at \$44,725. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce County Complex line 4198-7390, Other Supplies by \$1,600, to fund the line at \$6,375. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce County Complex line 4198-7520, Clothing & Supplies by the amount of \$150, to fund the line at \$200. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce County Complex line 4198-7630, Water by the amount of \$5,000, to fund the line at \$300. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce County Complex line 4198-7720, Gas, Oil, etc. by \$1,000, to fund the line at \$2,700. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce County Complex line 4198-7730, Auto Repairs by the amount of \$250, to fund the line at \$1750. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce County Complex line 4198-7810, Building Repairs by \$2,275, to fund the line at \$25,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce County Complex line 4198-7840, Winter Plowing by \$500, to fund the line at \$4,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce County Complex line 4198-7880, Equipment Rental by \$3,240, to fund the line at \$1,900. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Comm. Ziehm indicated that the Board had concluded its business for today and entertained a motion to recess.

Motion: To Recess the meeting. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

The meeting recessed at 3:10 p.m.

Signed 11/16/11

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

Date