

Hillsborough County Board of Commissioners
Budget Review Hearing
April 8, 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, J. Hardy, L. Movsesian, R. Walsh, C. Beaulac, P. Boardman, J. Dimick, A. Durette, C. Kirby, B. Moorehead, J. O'Mara, M. Montminy, D. Reidy, M. Rioux, E. Robinson, M. Rusch, G. Wenger, and L. Stonner.

Also Present: J. Lastowka, D. Spratt, M. Brady, J. Lewis, K. Howland

Reconvene

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

Motion: To come out of recess and return to the budget hearing. Motion by Comm. Clemons, second by Comm. Holden. Motion carried.

The meeting resumed at 9:02 a.m.

Cooperative Extension

Comm. Pappas welcomed Mr. Reidy and associates and asked him to address the budget for the UNH Cooperative Extension (UNHCE). Mr. Reidy introduced Ms. D. Spratt and Mr. J. Lastowka who serve on the UNHCE Advisory Board. Mr. Reidy reviewed the budget lines and informed the Board that the Cooperative Extension's budget is primarily a flat budget with the exception of Salaries & Wages. Mr. Wenger noted that there are a couple of adjustments to be made to accurately reflect Social Security and Retirement lines, and requested that the Board approve the changes.

Motion: To increase the Cooperative Extension line 4611-7100, Social Security, from \$8,281 to \$8,791. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Motion: To increase the Cooperative Extension line 4611-7130, Retirement, from \$9,916 to \$10,526. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Mr. Reidy communicated that the University of New Hampshire has had no increases in two years; those with salaries in excess of \$40,000 have not been given raises. Comm. Holden offered that was something to consider.

Comm. Pappas observed that there has been discussion at NHAC relative to regionalism of Cooperative Extensions. Comm. Clemons noted that has been considered by Strafford County.

D. Spratt referred the Board to the packet provided for this meeting. She emphasized that the budget has changed little over the last ten years and over a million dollars has been secured in grant funding. She referred to the list of partners and noted that this shows how extensive the Cooperative Extension is and the scope of its work. Mr. Lastowka spoke about the difficulty of businesses to survive in this economy and the impact of taxes on business. Comm. Pappas thanked Mr. Reidy, Ms. Spratt and Mr. Lastowka, who then excused themselves from the meeting.

Conservation District

Comm. Pappas recognized K. Rickrode, District Manager, and J. Parker, Supervisor, who represent the Conservation District. Ms. Rickrode informed the Board that the Conservation District has had a great deal of success this past year; it has actively promoted the Farm Bill Program; it has provided applications for funding, and promoted the program with workshops. The program has helped landowners, the dairy industry and farmers. Mr. Wenger noted that the increases in this budget are primarily related to salary and related benefits. Comm. Pappas complimented the Conservation District for its work. Ms. Rickrode and Mr. Parker excused themselves from the meeting.

Special Projects

Comm. Pappas recognized M. Brady and J. Lewis who represent St. Joseph Community Services, Inc. Mr. Wenger referred the Board to the blue folder in the back of its budget book. Ms. Brady reported that there has been a rapid increase in the number of meals served; the Meals on Wheels program expects to be serving over 12,000 meals this year above and beyond its contract with the State; each meal for home delivery costs about \$7.25, so they have had to find ways to raise the funds. The community dining program has also increased. She indicated that they did not give raises to staff and the mileage rate was lowered in keeping with the lower cost of gas. She reported that these are very tough times. Comm. Holden noted that they did get an increase from the Delegation last year. Ms. Brady explained that she is hoping that the program will be funded the same as last year. Ms. Brady spoke about the many special fund raising projects that are scheduled including a dance, silent and live auctions, many gift certificates that have been donated, and sponsorships that have increased; she indicated that they also try to get grants for operational items, such as computer systems.

Comm. Clemons inquired about the increase in the number of meals served in Hillsborough County; Ms. Brady responded that 66,450 meals have been allotted in the State contract; they expect to over-serve by approximately 12,550; she noted that they served 79,000 last year. Comm. Clemons inquired about the drivers; Ms. Brady replied that they have several hundred volunteers that drive 61 routes; 56% are covered by volunteer drivers. Ms. Brady informed the Board that Citizen's Bank recognized them last year as a "Champion in Action;" she noted that the recognition brought them many more drivers.

Comm. Clemons noted that he was aware that the Mayors of Manchester & Nashua rode with volunteers delivering meals. Ms. Brady explained that the National Association of Meals on Wheels program has a "Mayors for Meals" day; Mayor Gatsas and Mayor Lozeau were involved this year and were joined by a thousand mayors from coast-to-coast. Comm. Holden suggested that they might consider doing this across the country to involve Counties at the national level of the Association of Counties. Comm. Holden noted that she will promote this at NACo meetings. Ms. Brady introduced K. Howland, their Chairman of the Board, who joined the meeting during the presentation. Ms. Brady thanked the Board for its support; Ms. Brady, Mr. Lewis, and Mr. Howland excused themselves from the meeting.

Business Office

Mr. Wenger was recognized; he presented budget information relative to the Business Office. He suggested two motions be made to adjust the Social Security and Retirement lines.

Motion: To increase the Business Office line 4150-7100, Social Security, from \$21,555 to \$21,777. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Motion: To decrease the Business Office line 4150-7130, Retirement, from \$19,649 to \$19,317. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Mr. Wenger gave an overview of the Business Office budget lines, noting that most lines are basically the same, and the budget is tight. He did note that a transfer was done relative to Unemployment because of the change in law, and rather than take small amounts from each budget, the expense was paid from the Business Office. He noted that the office has new staff that will participate in Munis training in the coming year. Mr. Wenger explained that the County has just completed the third year of a three year agreement with the auditors and this will be going back out to bid; he anticipates an increase in the audit expense because there is a new requirement for more detailed auditing related to grants the County is receiving and the tracking requirements.

Mr. Wenger explained that in the proposed budget, he has requested approval of funding to hire an independent consultant to assist with the County's compliance with GASB45, noting that the County is required to comply with the standard; however, last year the Executive Committee deemed that they would not approve funding to complete the required work; therefore, the County is out of compliance with the GASB45 requirements, which relates to the contributions the County makes to its retirees. He expressed his concern and his belief that it is his obligation and the Commissioner's obligation to insist that the County meets those requirements so that there are no deficiencies cited on the audit; he noted that there will be a tag as a result of the County's inability to meet that requirement in the current year's audit because of a decision made by the Executive Committee; once again, he strongly recommended that the Board fund that expense so that the County can comply with that requirements.

In response to a question from Comm. Pappas, Mr. Wenger noted that the County is now required to do a single audit; it increases the audit expense because of the level of grants that the County receives, and the County has to meet that requirement if it wishes to comply with grant requirements. It is a requirement with the Federal Government.

Mr. Wenger reviewed several other lines. He noted that under New Equipment, the Business Office is in need of a new fax; it is required to fax payroll documents to and from the Bank; additionally the shredder died and needs to be replaced.

Mr. Wenger noted that the County is approaching a time when budgets will have to be cut, and up to this point, the budgets have been cut about as much as possible; going forward, future budget cuts means looking at personnel and benefits because there is not much left to cut.

Mr. Wenger reviewed the various insurance lines and noted that the budget for the remainder of the year is very close.

Manchester Courthouse

Mr. Wenger explained that everything relating to the relocation of the County Attorney's office and the Court to Nashua is being maintained under the Manchester Courthouse line because it is anticipated that they will be returning; however, the expenses in this line currently are for new location at 30 Temple Street. The expense within that line is the lease expense.

County Debt

Mr. Wenger addressed the County Debt line 4711, noting that while there is no current debt, the Treasurer is requesting funds in anticipation of the potential need to borrow on a short term basis; he noted that while the County has not moved in that direction for the last few years, it has been a past practice to make arrangements with Citizen's Bank to have a line of credit in anticipation that there may be a need to borrow for a month or two while waiting for the taxes to come in. He explained that this is a reflection

that the County's available funds are getting tighter, and there is a potential that there may be a need this year for a short term loan. Comm. Clemons asked if the amount budgeted is the interest expense; Mr. Wenger responded that is what the expense represents, and is based on a figure received from Citizen's Bank for two or three months. Mr. Wenger noted that the Treasurer is hopeful that there will not be a need to borrow.

Contingency

Mr. Wenger referred the Board to Contingency line 7740. He explained that there is a grant expense line of \$300,000, which represents money added to the budget for unanticipated grants; there are offsetting revenue and expense lines. This line should not include grants that we are aware of, but grants that come along during the year. This line was added on the advice of the auditors. In response to a request from Comm. Clemons for an example, Mr. Wenger noted that the Mental Health Grant would be an example of a grant that came in that the Board was unaware of during the budget process.

County Commissioners

The Board addressed the County Commissioner's budget line. The Board agreed that the recommendation for the salaries would be to level fund them. Relative to the Education & Conference line, the Board supported level funding it; many good programs come about as a result of the Commissioner's attendance and involvement at meetings and conferences. Comm. Clemons noted that Hillsborough County is at the forefront of many programs that benefit people because of the many connections that the Commissioners have.

Comm. Holden suggested level funding the Recruitment & Retention line, noting that this is an expense that could be used to recognize employees with years of service awards with a certificate of service, as previously discussed.

The Board discussed the Legal expense line 7200. Comm. Holden supported funding this line; Comm. Clemons noted that this year has proven that there is a need to fund this line; an example would be the decision to join the NH Association of Counties in its legal proceedings against the State. Comm. Pappas agreed that she wishes to support retaining that line as budgeted at \$10,000. Comm. Holden inquired if that would be enough with 3 contracts pending and possibly the continuation of the AFSCME agreement at the Nursing Home. Mr. Wenger responded that there are actually four contracts that will be up for negotiations next year, and two that are currently in negotiations. He explained that there could potentially be six contracts negotiated next year; Mr. Wenger noted that the expense has been approximately \$30,000 over the course of the year, but the County has never had six contracts during his tenure. There was discussion that there would be a need for the \$30,000 at a minimum, and there may be more information available before the budget is finalized. The Board agreed to leave the amount as it is for the present; Mr. Wenger noted that the work done this month will place the line into deficit, so a transfer will be needed to prevent that from happening.

The Board addressed the Incentive Funds line and agreed to leave it at \$1 to keep the line open for at least one year.

Motion: To decrease the Commissioner's line 4130-7289, 5% Incentive Funds, reducing it by \$299, to fund the line at \$1. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

The Board addressed other lines, which were level funded.

Comm. Clemons inquired about Dues & Periodicals; Mr. Wenger explained that the NH Association of Counties dues are divided between this budget and the Nursing Home by 60/40%. Other Affiliate dues come out of other Department's budgets.

Comm. Clemons offered to reduce Travel for his District, which is District 2. After reviewing their travel expense, Commissioners Pappas and Holden preferred to leave the lines for their respective Districts as it is budgeted.

Motion: To decrease the Commissioner's line 4130-7702, Travel District 2, from \$3,000 to \$2,750. Motion by Comm. Clemons, second by Comm. Holden. Motion carried.

Commissioner Holden requested to increase the Travel-Out of State line 7710 to \$2,300, the amount expended this year. She noted that \$3,200 was spent in 2009, and last year it was reduced to \$1,800. The Board agreed that there was a need to keep the line at \$2,300.

Motion: To increase the Commissioner's line 4130-7710, Travel-Out of State, to the amount expended this year, which is \$2,300. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Human Resources

Mr. Wenger presented the Human Resources budget, and noted that there is little change in the Department's budget. He explained that Education & Conferences is down. There is an increase for criminal background checks. Postage is anticipated to be down because the Department is using Jobs In NH.com for its job postings, and many less postcards are being sent. Ms. Chandler is recommending an increase in Advertising so that the County can have its application available online so that individuals can complete it online; while this will be an increase to expenses, it offsets the expense for paper publications. Mr. Wenger reviewed the other lines in the Human Resources budget. He noted that there is a recommendation for an increase in the New Equipment line because of the need to buy file cabinets related to requirements for maintaining and storing documents in a safe, secure manner. Comm. Pappas observed that this is another tight budget; to which Mr. Wenger responded that they all are.

Sheriff's Department

Comm. Pappas welcomed Sheriff Hardy, Chief Deputy Durette, J. Dimick, and C. Beaulac from the Sheriff's Department. Mr. Wenger noted that there is a need to make adjustments in the Social Security and Retirement.

Motion: To decrease the Sheriff's Department line 4211-7100, Social Security, from \$104,026 to \$72,864. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Motion: To increase the Sheriff's Department line 4211-7130, Retirement, from \$267,579 to \$303,476. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Sheriff Hardy noted that his Department has attempted to level fund the budget lines as much as possible. He noted that some revenue lines are up because there is more work being done in the Civil Department. Comm. Holden referred to the Salary & Wage Sheets and noted that the Family Justice Coordinator's wages are not included; Chief Deputy Durette responded that position is currently funded at \$1; the cost associated with the Family Justice position is related to the Grant and will be in a separate line. There was discussion relative to where the grant funds will go. Chief Deputy Durette noted that the grant funds,

once received, will be tracked separately; they cannot include payment for any work done on the building; the Sheriff's Department is seeking funding for that work elsewhere. He noted that the Grant Revenue as listed is \$489,645, and there is the additional expense of \$50,000 for construction costs. Mr. Wenger noted that the \$489,645 is in Revenue. After discussion, there was a motion to increase the Revenue line.

Motion: To increase Revenue line 3359, Other Grants & Re-imburements by \$50,000 for total revenue of \$539,645 associated with the Family Justice Center Grant. Motion by Comm. Clemons, second by Comm. Holden. Motion carried.

Mr. Wenger recommended adding a separate offsetting Expense line 4199 for the Family Justice Center.

Motion: To create in the Contingency budget, a line associated with the Family Justice Center anticipated grant, and to fund the line at \$539,645. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Chief Deputy Durette explained that the Other Supplies has increased because of the need to replace the pepper gas that the Deputies carry; the supply has a shelf life and is due to be rotated out. He indicated that the funds in Communication line were not totally used last year; it relates to moving the radio and communication equipment, but there is still work to be done for the system to operate properly. There was discussion about several related lines that represented a savings. The Delegation cut the budget last year, and much of the work done had to involve the County's staff in order to get some of the work done on the tower that had to be built. Chief Deputy Durette explained that there will be a significant savings next year because the operating costs have been reduced.

Several other lines were discussed. Sheriff Hardy explained that the New Equipment line has increased because of replacement body armor for the Deputies. Chief Deputy Durette explained that he added \$3,623 for data phone lines; these are separate from the current phone lines and will allow the Dispatchers to do their work should anything happen to the main phone system.

Sheriff Hardy explained that some of the Department's requests were reduced before they reached the Board level. Comm. Holden noted that there was a request to purchase four new cars, a Crown Victoria, two Impalas and one Ford Expedition, further noting that four cars were purchased last year. Sheriff Hardy noted that the request is based on a replacement schedule for when there is a switch from leasing to purchasing. Chief Deputy Durette noted that cars with higher mileage are swapped out, and if this is not done on a regular basis, then it would delay the expense and create a bubble later on, and also the maintenance costs go up. Comm. Clemons asked what a Ford Escape is, to which Chief Deputy Durette responded that it is a small SUV that is an asset in rural areas. Comm. Holden noted that this would be replacing 3 Impalas and a Ford Taurus with mileage varying from 91,000 to 101,000. Comm. Holden noted that the request includes 6 new Tasers and 4 new rifles. Sheriff Hardy explained that they try to purchase a few rifles each year rather than replace them all at once. He also explained that the fax is critical in his Department and it has had issues with the fax for some time, so there is a request to replace the fax.

Mr. Wenger noted that he will speak with the Sheriff to see if one of the Department's faxes would work for the Business Office. Comm. Holden asked if the Sheriff's Department could prioritize its requests to which the Sheriff noted that he has already done that, and the items in the budget are needed. The Sheriff noted that perhaps the SUV could be switched out for an Impala, but he feels it is important to have the SUV capability.

Mr. Wenger referred the Board to the Salary Sheets and the position of Family Justice Coordinator, which is currently funded at \$59,000, and noted that it is his belief that the intent was to fund that position at \$1.

Motion: To reduce the Family Justice Coordinator line 7010 in the Sheriff's Department Salary Sheets that includes the new position "Family Justice Coordinator," which action reduces the salary by \$58,999, funding the position at \$1, including the roll-ups. Motion by Comm. Holden, second by Comm. Clemons. Motion carried.

Comm. Clemons expressed a desire to make a statement for the record. He explained that, on behalf of Sheriff Hardy, it is his opinion is the County Sheriff's position is not funded as it should be. He further explained that there are five employees in the Sheriff's Department that make more money than the Sheriff; Comm. Clemons noted that the Blue Ribbon Committee may have already acted at this point, but he noted that he wished to show his displeasure over this circumstance. Comm. Holden noted that a consideration might be to have some type of scale, i.e. and an amount for a first year Sheriff, a second year Sheriff, etc., so that experienced individuals are recognized by the position. Sheriff Hardy thanked the Board for its remarks.

Sheriff Hardy informed the Board that in line 7970, he is requesting 8 bullet proof vests for the Superior Court Bailiffs that work in the Courthouse and for those who guard high risk prisoners. Comm. Holden noted that she does not believe that the County should be paying for this expense; she noted that the Bailiffs expense is reimbursed at 87% by the State, and she believes that the State should also be responsible for this expense, and she will be making motions to reduce this line to zero. Sheriff Hardy noted that he understands the philosophical discussion relative to the State's obligation; however, he noted that this has not been funded by the State and it does not eliminate the need. He explained that he is requesting what he feels is a minimal impact on the County's budget, and noted that he feels that it is the County's responsibility to protect these officers, and as County Sheriff, while he agrees with Comm. Holden, he feels that at a minimum, the County should try to protect these officers.

Chief Deputy Durette explained that there is a request for additional security for the District Court, 4216, for additional security for the first floor and outside the building. Comm. Holden noted that she feels that this is a responsibility of the District Court, while Comm. Clemons noted that he will support the request.

Chief Deputy Durette explained that there has been an increase in the Part Time, 4219; relative to transporting 3,000 more prisoners per year to Nashua as a result of the Courthouse move. There was a discussion relative to Sheriff's Detail; Chief Deputy Durette explained that those using Detail Officers are billed and then they pay the County, so there is an offsetting income and expense lines.

Sheriff Hardy thanked the Board for its consideration of the Sheriff's Department budget. Comm. Pappas thanked the Sheriff's staff for its presentation, and excused them from the meeting.

County Attorney

Comm. Pappas recognized County Attorney R. Walsh, P. Boardman and M. Rioux. Attorney Walsh noted that he tried very hard to straight-line the budget and is submitting a budget that is \$194,000 more than last year's budget, noting that many of these items are not within his control; \$21,109 is required by the Collective Bargaining Agreement with the union. There have been several increases in roll-ups; they include: \$16,962 in Social Security; \$20,427 in Unemployment, an increase in Health & Accident Insurance of \$44,207, an increase in Retirement Contributions of \$23,210, and an increase in the Telephone Expense of \$1,200. Attorney Walsh noted that those expenses are somewhat offset by a decrease in Worker's Compensation premium and by reducing the CLE line while initiating an in-house CLE program to provide the bulk of continuing legal education for the Department's Attorneys at a lower cost. Att'y Walsh noted that he is cutting \$1,250 on in-house programs; by June 30, the Department will have conducted 5 in-house CLE programs.

Attorney Walsh noted that the elected official and the employees are not getting any raise; the only raises will be step increases for Attorneys and those support personnel under the Collective Bargaining Agreement. Mr. Wenger noted that there has been a correction to the Unemployment line; it has only increased by approximately \$600; the line is funded at \$1,500 as opposed to \$23,000.

Attorney Walsh explained that the Consulting Expense line is high; the Violent Predator Law requires a lot of resources that are legislatively mandated. He noted that when people are incarcerated who have a mental disorder and who are sexual offenders that are a danger on the street, the persons are placed in secure custody in a psychiatric unit; he explained that the downside is that the cost is about \$22,000 for each case that they handle and noted that there is an effort to reduce that cost. Attorney Walsh explained that they have proceeded very carefully with the first case because they knew that it would be going for appellate review by the Supreme Court; in the second case, the evidence was very overwhelming against the man; he confessed judgment that he was a sexual predator and will be held in a secure psychiatric unit with a review by a judge after three years. Attorney Walsh explained the actions and options relative to this case; he explained that he had great confidence that, "This fellow will never see the street again!"

Att'y Walsh and the Board reviewed and discussed other lines; there is a request for New Equipment in the amount of \$1,200 to replace chairs that were broken in the move, and to provide bookcases that were at Chestnut Street because they were very large units that could not be moved.

In response to an inquiry from Comm. Holden, Att'y Walsh explained that the Out of State Travel account is level-funded, but with more in-house training, there is a hope to cut that next year.

Attorney Walsh asked that the Board to approve the new position; the position is currently held by an Attorney that has been funded by a Federal Grant for 17 years with a 75/25 contribution with the 25% being covered by the County. He requested that this position be kept open, either at the funding level or whatever level the Board could justify. In response to a comment from Comm. Pappas, Att'y Walsh explained that he provided the Board with letters of recommendation for this position from the City of Manchester, and the Nashua Police Department. Comm. Clemons inquired about the additional cost to maintain this position; Att'y Walsh explained that it would be about \$46,000. Mr. Wenger offered that on the expense side of the budget, it has always been expensed at 100%, so the impact would be on the Revenue side.

Comm. Clemons expressed his opinion for the Blue Ribbon Committee; he noted that he believes that the County Attorney's salary is too low in relation to his/her responsibilities, and that it should be increased so that Assistant County Attorneys are not making more than the County Attorney. Comm. Pappas and Comm. Holden noted that they are in agreement.

There was discussion relative to the Medical Examiner; Att'y Walsh noted that the State mandates that the County has its own Medical Examiner.

Relative to the Law Library, Att'y Walsh explained that there have been several cuts made due to the staff doing its research electronically.

Att'y Walsh expressed his appreciation for the efforts of P. Boardman and M. Rioux, and their contribution to the Department. Mr. Wenger thanked Ms. Boardman and Ms. Rioux for their efforts in making the Court move and noted that it was done very smoothly, primarily due to their efforts; the Board also recognized their efforts and thanked them for a job well done.

Comm. Pappas noted that the next Budget Hearing will be the following Tuesday at 9:00 a.m. Comm. Clemons requested that the Board move into Non-Public session with Mr. Wenger relative to a personnel

matter.

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

The Board moved into Non-Public Session with Mr. Wenger at 12:12 p.m. to discuss a personnel matter. No action was taken by the Board while in Non-Public Session.

The Board moved out of Non-Public Session at 12:30 p.m.

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

Comm. Pappas asked if there were any other business before the Board. The Board agreed to recess.

Recess

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

The Board entered recess at 12:31 p.m.

Approved 6/2/2010

Comm. Michael Clemons, Clerk
Hillsborough County Board of Commissioners

Date