

Hillsborough County Board of Commissioners

April 14, 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, P. Coughlin, J. Hardy, D. Hogan, Rep. D. Robbins, Rep. C. Seidel, C. Beaulac, M. Estey, C. Kirby, M. Montminy, J. O'Mara, D. Reidy, M. Rioux, M. Rusch, C. Roach, E. Robinson, G. Wenger and L. Stonner

Call to Order

Comm. Ziehm called the meeting to order. The meeting reconvened at 9:06 a.m.

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

Sheriff J. Hardy led the Pledge of Allegiance.

The Commissioners expressed their priorities regarding the budget. Comm. Pappas indicated that she would like there to be no increase in taxes. Comm. Ziehm offered that she would like to see a 5% reduction in the budget. Comm. Holden communicated that she favors cutting three to four million dollars. The Board discussed additional cuts and agreed to review the revenue lines.

Department of Corrections

Mr. O'Mara informed the Board that the Governor and Council recognized Veterans who are employed by the County at a recent NHAC meeting.

Mr. O'Mara requested an opportunity to meet with the Board in Non-Public Session consistent with RSA 91-A:3 II (a) regarding a personnel issue.

Motion: To move into Board in Non-Public Session consistent with RSA 91-A:3 II (a) regarding a personnel issue, and consistent with RSA 91-A:3 II (g) regarding a security-related issue at the Correctional facility. Motion by Comm. Holden, second by Comm. Pappas. Ziehm-yes, Pappas-yes, Holden-yes. Motion carried.

The Board moved into Non-Public Session at 9:23 a.m.

The Board met with Mr. O'Mara and discussed a personnel matter.

The Board moved out of Non-Public Session at 9:28 a.m.

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

Comm. Holden requested that the minutes include information relative to the DOC proposed budget cuts; the Board was informed that Mr. O'Mara reduced the facility's Salary & Wages and related lines by \$500,000 as requested by the Board at its last meeting.

Motion: To direct the Business Office to reduce the Department of Correction's budgeted salary-related lines by \$500,000, consistent with the Superintendent's input. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Mr. O'Mara informed the Board that in 1991 the DOC was managing 390 inmates with 113 Correctional Officers, 15 Sergeants, and 13 Lieutenants. He explained that during the current year, the average inmate population has been 568 with 107 Correctional Officers, 13 Sergeants, and 11 Lieutenants; he added that 6 of the 107 Correctional Officers are on military leave, 4 are on medical leave, 1 is suspended and there is 1 vacancy; this leaves the facility with 96 Correctional Officers. He went on to give examples of staffing challenges, including overtime, sick calls, vacation, personal days, bereavement days, jury days, staff on family medical leave, mandatory training, constant watch situations, hospital details, medical appointments, and court appearances; these situations all require replacement by using Overtime. He added that significant reductions have been made to all shifts, particularly the 3rd shift. Mr. O'Mara presented the Board with a history of Overtime that covered many years. He noted that the amount of overtime has been cut each year since 2008. He added that the inmate population has declined recently due to the positive effect of the Mental Health Courts. He explained that his budget is based on the current population, which is down from the previous year. Discussion ensued relative to the State Legislature's cuts to Mental Health services and how such action could affect the Mental Health Courts.

Human Services

The Board addressed the Human Services budget.

Ms. Robinson spoke about the State reduction in MQUIP Funds revenue for Nursing Homes and explained that there would be an increase in ProShare funds credit for FY 2012. She recommended a cut in line 4444-7650, Interim Nursing Care, and requested that the Board restore some funding in the Salary lines for her Department.

Motion: To reduce Human Services line 4444-7560, Interim Nursing Care by \$361,160, to fund the line at \$29,565,931. Motion by Comm. Pappas, second by Comm. Ziehm. Motion carried.

Ms. Robinson noted that her budget took a \$690,000 cut relative to the elimination of 9 positions; she added that it is important to create a transition period for both programs and requested a 3-month transition period, ending October 7th. She added that she has created 3 separate budgets for the Board's purview; one for 1 month, one for 2 months, and one for 3 months. She explained that her Department received a grant from the State of \$75,000 for the Family Intervention program that continues until June 30th. She added that the Department would be in a tenuous position should it stop accepting referrals from the State while it has accepted a grant. Ms. Robinson noted that there will be an impact on the clients served. Comm. Holden asked if the programs would definitely end at a point should it approve an extension; Ms. Robinson responded that the program would end at the end of any approved extension period. The Board agreed to review the numbers related to the different extension options that Ms. Robinson proposed. Ms. Robinson recommended that the extension continue through the October 7th payroll, noting that this would give the employees 5 pay periods to search for other positions and would allow time to notify the referring agencies that are currently being served. Discussion ensued relative to the difficult economy that terminated employees will face as well as how they will be notified. Ms. Robinson suggested that action be delayed until after the Delegation's Public Hearing. Comm. Pappas suggested a 3 month extension period. The Board agreed to take the issue under advisement.

Sheriff's Department

Sheriff Hardy provided information relative to his budget; he added that he has eliminated the gun investigator and is looking at attrition. He added that by providing replacements at entry level, there

will be a savings. Sheriff Hardy explained that Civil expense is offset by revenue. He added that there are many State, DOC, and County Attorney actions that fiscally affect his budget.

Comm. Holden inquired if the Sheriff would consider reducing the amount paid to District Court Bailiffs by \$15/day. Sheriff Hardy explained that he is not comfortable with this cut; the Bailiffs deal with custody and control of the most dangerous individuals; he added that it is unfair not to pay the wage. Further discussion ensued relative to potential cuts; the Sheriff explained that his Department is required to provide certain services, and there is a greater need for the services in a bad economy.

Superior Court Bailiffs

Motion: To reduce Superior Court Bailiffs line 7970, New Equipment by \$2,999, to fund the line at \$1. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Registry of Deeds

Motion: To reduce Registry of Deeds line 7010, Salaries & Wages by \$44,999 plus roll-ups to fund new position # 206141001 at \$1. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

The above action will remove the position of Deputy Register.

Comm. Ziehm entertained a motion to recess for lunch.

Motion: To move into Recess. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

The Board entered Recess at 10:20 a.m.

The Board reconvened the meeting at 10:35 a.m.

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

Revenue

Motion: To increase Registry of Deeds Revenue line 3402 by \$300,000, to fund the line at \$3,300,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To increase Revenue line 3359, Other Grants & Reimbursements by \$600,000, to fund the line at \$855,858. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

The Board addressed potential grants and their effect on the budget lines.

Motion: To increase Revenue line 7740, Contingency Grant Expense by \$255,858, to fund the line at \$305,858. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Manchester Courthouse

Rep. Seidel inquired about grant funds and what would happen if the funds were not in the budget.

Mr. Wenger explained that if a grant were to become available, the County's options would be to either have funding in the budget or find the funds elsewhere. He added that if funds were not in the budget for that purpose, the County would not be able to accept a grant.

The Board discussed the needs of the Courthouse with Attorney Hogan and Mr. Wenger. Mr. Wenger added that consideration might be given to items that the Courthouse will need when returning to Manchester; those items might be purchased in the current budget year, subject to transferring funds, and assuming that funds are available in the budget and the expense could be deducted from FY 2012.

Motion: To reduce the Manchester Courthouse line 7960, Buildings by \$121,500, to fund the line at \$7,500. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Law Library

Motion: To reduce the Law Library line 7290, Other Fees and Services by \$3000 and to eliminate the budgeted amount. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Medical Referee

Motion: To reduce Medical Referee line 7250, Physicians Services by \$5,000, to fund the line at \$70,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

County Attorney

Attorney Hogan explained that currently, the County pays for the Bar membership fees for all the Attorneys, as is the practice with all other Counties. Attorney Hogan explained that it is possible to cut the Dues & Periodicals line by \$13,000; M. Rioux explained that cuts to other lines within the Department were possible.

Motion: To reduce County Attorney line 7370, Dues & Periodicals by \$13,000, to fund the line at \$8,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce County Attorney line 7360, Office Supplies by \$1,000, to fund the line at \$5,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Motion: To reduce County Attorney line 7170, Education & Conference by \$1,000, to fund the line at \$3,000. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Discussion ensued regarding Sick Days. Mr. Wenger explained that reimbursing employees for unused Sick Leave days is a County Policy with respect to non-affiliated employees and it is included in the collective bargaining agreements.

Cooperative Extension

Mr. Reidy offered several lines within his Department for discussion.

Mr. Reidy explained that the Cooperative Extension Newsletter will be sent electronically going forward.

Motion: To reduce Cooperative Extension line 7350, Printing & Binding by \$1,499, to fund the line at \$1. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Cooperative Extension line 7700, Travel-In State by \$5,000, to fund the line at \$32,500. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Cooperative Extension line 7710, Travel-Out of State by \$999, to fund the line at \$1. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Cooperative Extension line 7360, Office Supplies by \$4,000, to fund the line at \$10,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Cooperative Extension line 7870, Building Rental by \$100, to fund the line at \$350. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Mr. Reidy explained that he has discussed the possibility of furlough days, using 1 furlough day per month; he added that it would save approximately \$4,700, but he is hoping he does not have to take this action.

Chairman Seidel was recognized. He suggested reducing the Contingency Fund by 1/3, noting that if money is the line, it will be spent. Attorney Kirby explained that the Contingency Fund has been traditionally earmarked for unanticipated expenses. Further discussion occurred relative to the Contingency line and to the Salary lines. Rep. Seidel suggested combining some lines County wide, such as Education & Conference. Mr. Wenger noted that this is a change in the budget process and the Board and Executive Committee may wish to discuss it at their level. Mr. O'Mara added that this would create a 2-step transfer process that would be necessary if that philosophy were to be adopted. Mr. Wenger added that this process would add to the number of Executive Committee meetings.

Sheriff's Office

Sheriff Hardy identified several reductions to his budget lines for discussion.

Motion: To reduce Sheriff's Office line 4211-7170, Education & Conference by \$1,500, to fund the line at \$7,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Sheriff's Office line 4211-7820, Equipment Repair & Maintenance by \$1,300, to fund the line at \$3,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Sheriff's Office line 4211-7970, New Equipment by \$27,258 to fund the line at \$58,016. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

The previous motion will remove one vehicle from the Sheriff's New Equipment line.

Sheriff Part-Time

Motion: To reduce Sheriff Part-Time 4219-7010, Salary & Wages by \$47,400, to fund the line at \$312,600. Motion by Comm. Pappas, second by Comm. Holden. Motion failed with Commissioners Ziehm and Pappas voting against the motion and Comm. Holden voting in support of the motion.

Sheriff Hardy indicated that the aforementioned cut may reduce the services provided to the communities.

Superior Court Bailiffs

Motion: To reduce Superior Court Bailiff's line 4215-7010, Salaries & Wages by \$60,000, to fund the line at \$462,865. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Comm. Holden indicated that the intent of the previous motion is to remove the \$15 portion of the Bailiff's Wage that she believes the State should provide. Sheriff Hardy strongly objected to the reduction saying that it is fundamentally unfair to the lowest paid employees in County Government, noting that in some instances they get \$40/day for watching felons and violent offenders that are inmates from the DOC or the State Prison who are transported to the Courts and placed in the custody of a Court Officer who is paid only \$40 or \$80 a day. This action would be taking \$15 away from them even though they are not responsible for the fact that the State does not fully fund these obligations. He added that previous Boards have seen the wisdom of funding that money. He reiterated that these Court Officers are under-paid, and noted that he is strongly against this cut. Discussion ensued with mixed feelings among Board members. He added that this action will create retention issues with these stipend employees.

Supt. O'Mara added that he may have done the Department of Corrections a disservice when entering Non-Public Session to discuss security-related issues with personnel. He added that he would like those present to have at least a general understanding of what was discussed. He shared a request to cut his budget by \$500,000 will result in the loss of 4 to 5 positions that are currently filled with staff whose years of experience total 50 to 60. He added that an additional \$300,000 had been cut; total cuts for the DOC are over \$800,000.

Comm. Ziehm thanked those present for their willingness to discuss the budget cuts that have been made.

Mr. Wenger updated the Board relative to the budget as it stands, based on the cuts the Board has made. He added that at this point that while the Board has decreased the budget, there is still an increase of \$3,799,677 over the past year's budget, which would result in an 8.6% increase in the amount to be raised by taxes. He explained that the FY 12 budget that was given to the Board initially reflected an increase of 1.77 million higher than FY 11 budget; the Board has already cut 3.8 million from that budget. He added that it is his understanding that the Delegation expects a cut of 5%. Rep. Seidel added that it is the Delegation's position that it wishes to have the budget as level as possible.

Mr. Wenger added that there has not been a discussion about salary for the non-affiliates, furlough days, and sick reimbursement. He added that there are four bargaining agreements up for approval. Mr. O'Mara added that sick pay reimbursement is a great incentive for employees to not use all their sick days. He explained that if this benefit is eliminated, people will call in sick with a moment's notice; employees will use all their sick time, and overtime expense will increase. Mr. Wenger added that it is beneficial to have personal days because it allows prior planning. He added that cutting sick pay reimbursement may cost more in the long run.

Sheriff Hardy explained that it is important to understand that many of the Department Heads have services that they are mandated to perform. He added that the very economy that makes budgeting difficult also creates more work and responsibility for many of the County Departments.

Discussion ensued relative to the use of Surplus and the Stimulus funding, which will end this year. Mr. Wenger explained that as of June 30, 2010, the Surplus was approximately 18 million dollars, of that 18 million, there was 6 million dollars in the FY 11 budget in Stimulus funding that could not be used to increase the amount of Surplus. He added that that left a Surplus of approximately 12 million dollars. Mr. Wenger further explained that the County will receive an additional 4 million dollars in Stimulus funding for the current budget year; there will not be any more Stimulus funds going forward.

There was a discussion about the increases in fixed costs; Comm. Ziehm added that she does not feel that these increases were given consideration by the Executive Committee.

Mr. O'Mara added that there is a level of apprehension regarding the ramifications of the budget process and the fact that after all the Departments had done their work and presented information, almost 60% of the work done by them was dismissed at the Sub Committee level; there is a level of concern that last year's process will repeat itself. Rep. Seidel responded that it will be important to have each Department Head explain his/her budget and show their cuts, their issues, and increases.

Mr. O'Mara informed those present that the HB 2 on the State level contained step increases for State employees when it was presented to the Senate. There was discussion relative to the different approaches by the Representatives on the State level versus the County level. Chairman Seidel requested that the Board explain its position and educate the Representatives. There was a consensus that no matter how many presentations are made to the Sub Committees and the Executive Committee, the Board does not have an opportunity to share its position with the Delegation; there are a number of new Representatives that have no idea what County Government is, or what County Government does; they will come to a Delegation Meeting and slice expenses without understanding of the budget or the implications of their actions.

Comm. Ziehm entertained a motion to Recess for lunch.

Motion: To move into Recess. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

The Board moved into Recess at 12:09 p.m.

The meeting reconvened at 1:18 p.m.

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

The Board held a discussion relative to County Policy regarding people who retire and return to work on a part-time basis while they are collecting from the Retirement System and the effect of that action on the NH Retirement System. The Board discussed the pros and cons of re-hiring employees on a part-time basis as well as options for addressing the issue through a hiring policy. The Board also discussed County Policy regarding how lay-offs would be handled; Mr. Wenger responded that there is a policy that addresses the procedure that is followed when employees within a Department are laid off.

Mr. Wenger noted that the Board may wish to consider a hiring freeze, which would prevent Departments from hiring anyone unless they came to the Board and explained the ramifications on the coming year's budget. Discussion ensued with an agreement that the budget discussions should continue through the year.

The Board discussed budget lines that it would consider cutting.

County Commissioners

Motion: To reduce County Commissioner's line 7170, Education & Conference by \$600, to fund the line at \$3,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Discussion ensued relative to the possibility of regionalizing the UNH Cooperative Extensions.

The Board discussed a performance increase for non-affiliated employees. Comm. Holden noted that it is her belief that the non-affiliated employees should be treated the same as affiliated employees. Mr. Wenger added that there are two contracts that have been approved by the Board; the next step would be Executive Committee approval.

Performance Increase

Motion: To direct the Business Office to incorporate the cost of a 1% performance adjustment for Non-affiliated employees. Motion by Comm. Holden, second by Comm. Pappas. Motion carried unanimously.

Human Services Administration

Ms. Robinson presented the Board with three scenarios for transitioning the employees in Human Services that will be laid off as well as options for continuing the ADDE and Family Intervention Programs for one, two, or three months; the Board discussed the options and the timeliness of sending termination notices.

Motion: To extend funding for the ADDE and Family Intervention Programs for a transition period to August 26, 2011. Motion by Comm. Holden, second by Comm. Pappas. Motion carried

The Board addressed other lines in the Human Services' budget.

Motion: To reduce Human Services line 7700, Travel In-State by \$3,500, to fund the line at \$6,300. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

The aforementioned line will include travel for the director and \$4,200 that was added to cover travel for the extension of the Human Services Programs for two months.

Motion: To reduce Human Services line 7710, Travel-Out of State by \$500, to fund the line at \$1,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

The Board looked at possible options for the Human Services work space.

The Board discussed potential zoning changes; Mr. Wenger suggested that \$20,000 be added to Revenue and the Complex budget so that the County can move forward with a proposed timbering project.

County Complex

Motion: To increase County Complex line 7198-7290, Other Fees & Services by \$20,000, to fund the line at \$64,725. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

Temple Street

There was discussion regarding the State's consideration of closing Hillsborough County Superior Court, South, and moving it to Manchester, and the dynamics of selling the Temple Street building. The Board addressed the possibility of moving the Registry of Deeds and Sheriff's staff that are in Nashua to the County Complex property. The Board discussed the location of County Seat. Comm. Pappas noted that B. Miller will research the matter of the County Seat.

Comm. Holden added that the County will need to address the lease for the Women's Prison, which is due for renewal in 2012.

Comm. Pappas suggested staggering the Commissioner terms of office so that there is always an experienced Commissioner on the Board.

Comm. Holden suggested that the Board consider the possibility of setting aside one million dollars from Surplus for repair of buildings; she added that the County cannot make additional money from the buildings unless it spends money for renovations and upgrades. Mr. Wenger added that this approach would create the opportunity for addressing revenue on a long-term basis. He noted that he will develop the language for the Board to review relative to creating a Capital Reserve Fund that will be designated for building renovations.

Motion: To reduce Temple Street line 7810, Building Repairs by \$8,000, to fund the line at \$20,000. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

Motion: To reduce Temple Street line 7820, Equipment Repairs & Maintenance by \$250, to fund the line at \$250. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

County Complex

Motion: To reduce County Complex line 7960, Buildings by \$144,099, to fund the line at \$1. Motion by Comm. Pappas, second by Comm. Holden. Motion carried.

The Board discussed the possibility of privatizing the Barber & Beauty services.

Mr. Wenger requested an opportunity to meet with the Board in Non-Public session consistent with RSA 91-A: II (a) relative to a personnel issue.

Motion: To move into Non-Public session consistent with RSA 91-A: II (a) relative to 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 3:20 p.m.

The Board met with Mr. Wenger to discuss a personnel issue.

The Board moved out of Non-Public session at 3:25 p.m.

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

Comm. Ziehm asked if there was any further business before the Board, there being none, the meeting recessed.

Motion: To move into Recess. Motion by Comm. Holden, second by Comm. Pappas. Motion carried.

The meeting recessed at 3:26 p.m.

Signed 11/16/11

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

Date