

**Hillsborough County Board of Commissioners
FY2010 Budget Review Meeting**

April 16, 2009

Bouchard Building, Goffstown, NH

Minutes of the Public Session

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

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

Comm. Pappas opened the meeting and entertained a motion to come out of recess.

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

The Board moved out of recess and returned to the Budget Review Hearing at 1:35 p.m.

Mr. Wenger reviewed the budget changes to date and provided the Board with information relative to the Out of State Travel line, which totals \$20,351 County-wide.

Mr. Wenger informed the Board that Primex has given a final rate increase, verbally, for Health Insurance at 4.2%, which represents a reduction to the budget request of approximately \$117,000. Written documentation of the agreed rate will follow.

There was discussion that many of the capital projects may, or may not be, in the budget, with discussion that some may rely on potential Stimulus funds. Mr. Wenger explained that there are different approaches that the Board may take, noting that Stimulus money is speculative at this point. He suggested that one approach is that the Commissioners have to make a recommendation as to what is required to operate the County through the coming year; that recommendation will become the budget should the Delegation ultimately fail to adopt a budget. Mr. Wenger suggested that another approach would be to take the Capital Projects out, reducing the budget, and planning on the projects going forward as the County receives Stimulus money. Another option would be to produce the budget that the Board feels is required, and as a sidebar to that, tell the Executive Committee that the Board believes the budget could be reduced by the following Capital Projects that are one-time events with the hope that Stimulus funds will come in to cover the projects. Comm. Clemons noted that he finds it hard to believe that the Federal Government will give the County money if it has an 18 million dollar Surplus. Mr. Wenger noted that he shares the same concern, but noted that he has absolutely no idea of what it will be tied to. He further noted that the FMAP will be coming. Mr. Wenger did note that the budget does not include any increased costs relative to pending contracts. Comm. Clemons remarked that it is unfortunate that wise spending and developing a Surplus could hurt the County.

Comm. Holden noted that the 15 to 18 million in Surplus could shrink rapidly if the County uses another 6 million this year, and explained that she would like have clarification relative to where the Board would like to be at the end of this process.

Comm. Clemons indicated that he would like to see the budget requests reduced by

\$7,746,000 either by cuts, or by use of Surplus, and to have the least possible impact in the taxpayers without cutting necessary services. He noted that he is leaning more toward using the Surplus than making cuts that involve Human Services. Comm. Pappas noted that she is concerned about the amount of Capital Projects in the budget, and believes that some of them should be put aside in the hope of receiving Stimulus money. She noted that if the County reduces its Surplus and the Stimulus money comes in, some of the projects can be funded with Stimulus money. Comm. Holden's position is that this is an opportunity to restructure the Human Services Department, noting that since House Bill 2, the County is no longer responsible for the Old Age Assistance, the Aid to the Permanently and Totally Disabled, or the Youth programs; she noted that she would like to see the 5½ staff persons, with benefits, for the Family Intervention program removed from the budget, which results in \$313,000 in Salaries and Benefits. Comm. Holden explained that she would like to see the ADDE program eliminated, noting that this is a new program and the salaries at 38,000 this year are lower for the first year because one employee is budgeted for ten months, one is for six months, and another for nine months. She noted that next year the salaries for those staff will be \$63,000 with additional spending for consulting and storage of urine samples and other items in the budget. Comm. Holden noted that it appears that if these programs were to be eliminated, there would be tremendous savings. She further noted that there is a significant inventory of desks, storage and file cabinets, telephones, in that office that are County owned. She noted that the proposed travel for the two programs is 58,000 miles as well as Software licenses of \$10,000 for this Department in the CIS Department budget.

Comm. Pappas indicated that she believes that both the two new proposed programs will be extremely helpful to the taxpayers, that this is particularly a good time to start the LADEC, and that there will be more and more people needing the type of service that will be provided, particularly young people. She noted that it is a prevention program and it saves money in the long run because it keeps people out of jail. Comm. Clemons remarked that he believes that the County can accomplish both by using the Surplus, and that it would be unconscionable to have the County keep that much money in the bank while taxpayers are using their own savings to pay their taxes...that is not the meaning of government...the County has the money, there is no reason for the County to drastically cut back programs when it is holding almost 20 million in the bank. Comm. Holden noted that these are not essential services, further noting that every other Department followed the guidelines laid out by the Commissioners at the beginning of the budget process when it directed the Departments to fund only essential services and to justify any new employees as essential to the County operation. Comm. Holden noted that she will be reporting as a minority vote on these non-required services because she believes it is more important to keep people in their homes. Comm. Holden noted the positive efforts of the UNH Cooperative Extension, which had a budget reduction committee; they placed a hiring freeze on the Department and set a good example of a Department that has functioned with minimum increases in its budget over the last several years.

Comm. Holden explained that she will be advocating that money be put in the budget for Legal Counsel for the Board; she noted she believes that the Commissioners gave up their right, when it was taken out. Commissioners Pappas and Clemons agreed that the line was reduced to \$1, but that if necessary, money could be put back in. There was further discussion relative to this issue, with a disagreement of whether this should have been taken out. Comm. Clemons expressed his opinion that he was elected to do the best for the citizens of Hillsborough County, and his votes on this Board do exactly that; he noted that he does not consider himself a spendthrift, rather he sees himself as a guardian of the people of

Hillsborough County. Comm. Pappas expressed her belief that it is a balancing act, and hopes that the Board can reach a consensus.

Comm. Holden noted that she would like to make some motions relative to the budget.

Motion: To reduce the County Convention Legal Expense line 4110-7200 from \$30,000 to \$25,000. By Comm. Holden, second by Comm. Clemons.

Comm. Holden explained that her motion is based on actual usage of this line, noting that \$7,450 was spent in 2008, and currently \$8,158 has been expended; in 2007 the amount spent was \$12,871.

Comm. Clemons indicated that he might favor reducing that line even more.

The motion failed.

Comm. Pappas entertained a further motion relative to the Legal Expense line.

Motion: To reduce the County Convention Legal Expense line 4110-7200 from \$30,000 to \$15,000. By Comm. Clemons, second by Comm. Holden. Clemons-yes, Holden-yes, Pappas-No. Motion carried with one opposition vote.

There was discussion about the County Convention - Travel In-State line. M. Rusch informed the Board that each Executive Committee meeting costs approximately \$1,500 and all the Sub committees have yet to meet, as well as four Executive Committee meetings, the Public Hearing, and the Delegation meeting. She noted that attendance has been strong this year.

Motion: To reduce the County Convention, Travel-In State line 4110-7700 from \$35,000 to \$30,000. By Comm. Clemons, second by Comm. Holden. Motion carried.

The Board discussed the County Commissioners Consulting Expense line and the number of contracts subject to review in the coming year. Mr. Wenger noted that the bargaining teams have reached tentative agreement on three contracts, noting if those pass they are two-year agreements, and if they all pass, this line could be reduced.

Motion: To reduce the County Commissioners Consulting Expense line 4130-7230 from \$30,000 to \$25,000. By Comm. Clemons, second by Comm. Holden. Motion carried.

The Board held a second discussion relative to Out of State Travel. One option discussed was to cut this line significantly, but leave the option open for Departments to present any request for Travel that includes valuable training. It was noted that taking it out of the individual budgets discourages spending the funds just because they are available in the budget. Comm. Pappas noted that she feels confident that people in the County don't spend the money just because it is in the budget. Comm. Pappas explained that as President of the NH Associations of Counties, she believes that she should advocate for Out of State Travel, because County representatives attend the NACo Conference. The Board agreed to leave that line as it is for now.

Comm. Holden noted that that the Contingency Buildings line 7960 is still at \$322,500. Mr. Wenger explained that those funds were designated for the Complex and for the re-location of

the Court at Chestnut Street. Comm. Holden asked if it would be appropriate to use some of the funds for this year to which Mr. Wenger responded that could be accomplished with a transfer.

There was discussion about issues with the flat roofs at the Complex as well as the cost of moving the Court, the Sheriff's Communications Equipment, and County Attorney's staff. Mr. Wenger noted that the move is anticipated to cost approximately \$800,000. Comm. Clemons inquired if the State would pay for the renovations for the Court at Chestnut in the manner that the County would wish to have the space developed. Mr. Wenger noted that it has not been determined yet what the State will pay for; that still has to be negotiated. He explained that there will be more information available toward the end of the budget process.

There was a discussion relative to hiring a Maintenance/Security person for the Temple Street Courthouse at \$75 a day plus the cost of overtime and roll-ups. The proposal would place a person on site to react to security issues as well as being able to handle routine maintenance and avoids having two persons performing these two functions. Further discussion centered on the advantages of having this person in place, whether or not the County Attorney's staff moves into that building. There have been security-related issues at the Registry, which the Board wished to address. A six month probation period was discussed. Comm. Clemons noted that he is not necessarily in favor of this action. Mr. Wenger asked the Board to approve the \$19,500 correct the budget so that the \$72,000 bailiff could be taken out of the budget.

Motion: To amend the Temple Street budget line 7010 Salaries & Wages line to reflect the request to fund a security officer at \$19,500 with associated rollups and including the Uniform at \$1,000 and Radios at \$15,00. By Comm. Holden, second by Comm. Clemons. The motion carried.

The Board agreed that in light of the previous motion, the Building Repairs line at Temple Street could be reduced.

Motion: To reduce the Temple Street Building Repairs line 4197-7810 from \$20,000 to \$15,000. By Comm. Holden, second by Comm. Clemons. Motion carried.

There was further discussion relative to the Nursing Home paperless computer project with consideration of the fact that the Nursing Home is mandated to be paperless with its record keeping by 2011. Mr. Wenger emphasized the importance of utilizing a consultant for design of this project, as well as educating both the Nursing Home and the CIS Department relative to the needs of the Nursing Home with this project. Mr. Wenger reiterated that a consultant can review the existing technology and determine what is needed; he noted that the County may have to add to its capabilities and could be looking at increasing band width or adding internet connections, further noting that a consultant would research the project and determine if it fits the mandated criteria as well as removing the CIS Department from the Nursing Home issues. Mr. Wenger went on to say that each year, money has added for computer expense on a piecemeal basis; he offered that since there is money in this year's budget for a consultant, it seems worthwhile, that the Board put together a proposal for a Capital Reserve Fund for the remaining project cost; he remarked that the numbers provided by the Nursing Home seem to be extremely conservative, noting that the telephone project was a very difficult project, fraught with issues that could have been prevented had a consultant been involved from the beginning. Mr. Wenger noted that he is not sure that \$50,000 for the consultant is enough, but he would not increase that at this time; he

suggested that the Board propose that the Surplus fund the Capital Improvements program to carry this project out over the next couple of years. He noted that since he has been here, there have been three different software programs, and noted that if it is done right, it will save money in the end. It is important to have something in this budget because it is important to be working on the project now so that it can be completed by 2011. The Board agreed to make their decision at the next meeting. Comm. Holden noted that it is important to get the right equipment and training in place. Mr. Wenger noted that the Nursing Home's goal is to do most of their operation over the internet, and even though the County keeps expanding its band width; it may not be sufficient. There was discussion of removing the Nursing Home computer costs related to this project from the current budget and putting them into a Capital Reserve fund. Mr. Wenger will provide relative information at the next meeting.

Mr. Wenger explained that a Capital Reserve fund may be appropriate for projects going forward, such as Sheriff's Department vehicles, and Nursing Home vehicles rather than items in the current budget.

The Board reviewed some of the Nursing Home lines including overtime, insurance, and salaries with the intent of looking for savings and asked Mr. Wenger to come forward with any pertinent recommendations; he noted that between the salaries and the insurance lines, the budget reflects an expense of close to 2 million dollars. At the Board's request, he agreed to speak with the Departments and return to the Board with further information relative to potential cuts.

Comm. Pappas requested a motion to recess to meet with Counsel.

Motion: To move into recess to meet with Counsel under RSA 91-A:2 I (b). By Comm. Holden, second by Comm. Clemons. Pappas-yes; Holden-yes; Clemons-yes. Motion carried.

The Board consulted with Counsel. No action was taken during recess.

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

The Board moved out of recess and returned to regular session at 3:39 p.m. Comm. Holden was recognized for the following motions:

Motion: To remove the Family Intervention Program from the Human Services budget because it is no longer a County responsibility. By Comm. Holden. The motion failed for lack of a second.

Motion: To remove the new LADEC position from the Human Services budget. By Comm. Holden. The motion failed for lack of a second.

Motion: To remove the new Alcohol Drug & Diversion program from the Human Services budget along with all associated costs, noting that the two case worker positions in this program are unnecessary. By Comm. Holden. The motion failed for lack of a second.

Comm. Holden noted that her reasons for the previous motions are because it is her belief that these services are not essential services to the County in looking at what the County needs to fill its mission.

Mr. Wenger requested a Non-Public Session under RSA 91-A:3 II (a) to discuss compensation.

Motion: To move into Non-Public Session under RSA 91-A:3 II (a) to discuss compensation. By Comm. Clemons, second by Comm. Holden. Pappas-yes, Holden-yes, Clemons-yes. Motion carried.

The Board moved into Non-Public Session at 3:45 p.m.

The Board discussed employee compensation with Mr. Wenger. No action was taken at this time.

The Board moved out of Non-Public session at 4:52 p.m.

Motion: To come out of Non-Public session. By Comm. Holden, second by Comm. Clemons. Motion carried.

The Board agreed to meet the following Monday at 1:30 p.m. and to eliminate the Thursday meeting.

Motion: To recess the meeting. By Comm. Holden, second by Comm. Clemons. Motion carried.

The meeting adjourned at 4:53 p.m.

(SIGNED 7/8/2009)

Comm. Michael Clemons, Clerk
Hillsborough County Board of Commissioners

Date

