

Budget Meeting of the
Hillsborough County Board of Commissioners
April 18, 2013
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. T. Pappas, Comm C. Holden, Comm. S. Ziehm, J. Hardy, C. Beaulac, D. Dionne, C. Kirby, M. Montminy, B. Moorehead, E. Robinson, Castonguay, G. Wenger, and L. Stonner

Call to Order

The budget meeting reconvened at 9:05 a.m.

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

Ms. Robinson led the Pledge of Allegiance.

Accounts Payable

Motion: To approve the Accounts Payable Register dated April 17, 2013, in the amount of \$2,824,536.47, subject to review and audit. Motion by Comm. Holden, second by Comm. Ziehm. Motion carried.

Mr. Wenger provided the key points resulting from discussion with the Department Heads at the previous day's meeting relative to the budget and the Department Head's concerns. He explained that there is always the fear that if the departments offer any cuts at this point in the budget process, there will be further cuts as the budget moves to the Executive Committee and Delegation.

Mr. Wenger added that the previous day's meeting produced recommendations for the Board's consideration; however, the departments have real concerns that no matter what they offer, further cuts will be made.

In response to a question from Comm. Ziehm, Supt. Dionne identified the priorities for the Department of Corrections; he noted that the radios are critical for the safety and security of the officers, staff, and inmates; it is critical to be able to provide immediate response in a life safety situation. He added that the jail management package (JAMIS) that takes care of all the records needs to be upgraded; it has been in use since 1996 and it is supported by only one person. He added that if their system goes down because the person is "hit by a bus," they will be in serious difficulty and all the records could be gone. He further added that upgrading to a more secure system with a larger company is critical.

Mr. Wenger identified changes that have been made by the Board as well as further recommendations:

- \$1,000,000 has been increased in the Registry of Deeds Revenue line
- \$1,015,264 has been reduced in the Human Services Public Assistance line
- \$ 425,957 will be reduced in the Insurance lines across the County
- \$2,205,471 in increases will result in a 5% increase in the amount to be raised by taxes
- \$2,750,000 is recommended as the amount to use from Surplus

- These changes affect the budget by \$7,397,692 and leave the County in a position to find another \$1,000,000 through increasing Revenue and/or decreasing Expenses. He addressed additional reductions in Expenses and increases in Revenue; they include:
- \$83,882 can be reduced in the Sheriff's Drug Asset Forfeiture line
- \$20,000 can be reduced by eliminating the fee for a Chief Negotiator
- \$25,000 can be reduced by conducting banking as it has been done, thereby eliminating bank fees
- \$180,000 can most likely be reduced in the Insurance lines; it can be affirmed the following week

He added that the aforementioned cuts/increases result in a budget change of \$422,971, leaving \$577,029 yet to be found.

Mr. Wenger added that Board is starting the day with an increase in the amount to be raised by taxes of \$3,377,424. He presented additional increases to Revenue that developed from the meeting the previous day:

- \$136,510 can be increased in the Nursing Home Revenue line 3405 related to Medicaid
- \$ 50,000 can be increased in the Nursing Home Revenue line 3404
- \$150,000 can be increased in the DOC Revenue line 3403

He emphasized that the departments are confident they can reach their budget; however, if there is going to be a significant reduction in the County's labor force, it will affect the County's ability to deliver the services it provides today. The budget numbers agreed to by the departments are strongly based on their ability to deliver the services they provide.

The Board discussed its position relative to the budget; Mr. Wenger added that there is a reasonable expectation that the County will be able to deliver these Revenue lines and the goal is to get a reasonable budget that the Board believes will pass and has justification behind it. Comm. Pappas expressed the belief that the message should be that "if you do not cut our staff, and our resources, we can do this."

Mr. Wenger offered additional changes:

- \$50,000 can be increased in DHHS reimbursements, Revenue line 3357
- \$20,070 can be reduced in County Complex expenses
- \$34,500 can be reduced in Nursing Home Equipment line if the lint collector move is postponed
- \$16,666 can be reduced in Nursing Home Equipment line if 1/3 of the HVAC project is postponed one year
- \$100,000 can be increased in the Registry of Deeds Revenue line

Mr. Wenger noted that with the use of Surplus set as 2.8 million dollars, the Board will have a budget it can comfortably present and reach its goals.

Discussion ensued relative to the cuts and the needs of the departments. Supt. Dionne observed that yesterday's meeting gave the departments a better understanding of the overall budget; he added that he will do his best to work within the budget but noted that he is hopeful that there will not be any last minute cuts, such as last year, because he has cut everything he could possibly cut; he added that there is no extra money in his budget.

Comm. Holden added that it is important to note that the Commissioners are delivering a true budget; it correlates with what is required to provide the services the County needs.

It was observed that there has not been an opportunity to have a discussion with the Sub Committees or Executive Committee in the past, nor have they discussed the impacts of cuts with the departments; discussions with Department Heads would provide an opportunity for the Department Heads to provide input that would be critical to the Sub Committees, Executive Committee and Delegation as they work through the final stages of the budget process.

Sheriff Hardy explained that his priority is to make certain that prisoners are safely transported; he noted that because of cars that were cut in prior years, the fleet is getting older and the department spent \$65,000 for repairs the previous year. Sheriff Hardy explained that while Drug Asset Forfeiture funds increase Revenue, there are limitations to how those funds can be spent.

Comm. Holden asked Sheriff Hardy to identify which vehicles were purchased with Drug Asset Forfeiture funds; the Sheriff provided that information, identifying 3 vehicles, adding that there will be 2 more, and 1 vehicle that will be going to the State for auction. Sheriff Hardy added that because of the cuts made over the last couple years, every day they are on triage status, there is no spare help and the workload continues. He pointed out that the budget increases primarily relate to increases to wage-related items, insurance and the impacts of the Affordable Care Act.

Mr. Wenger observed that if the Board presents a budget with a 5% increase in the amount to be raised by taxes, and if one looks at the last 5 years, the average increase for Hillsborough County would be .328%; the tax has been reduced or level for the past 4 years.

Ms. Robinson noted that the State budget is in a state of flux; she budgeted the Cap based on current law.

Mr. Moorehead explained that his budget is “squeaky tight” and stressed that any further budget cuts will affect safety and compliance. He added that if one looks at the Nursing Home’s budget, there was an increase of \$137,000 in FY 2014 because of increases in retirement; also, the bed tax revenue in the Nursing Home budget dropped by between \$700,000 and \$750,000 because of the State taking away approximately 25% of the bed tax; he observed that that is the million dollars that the departments are trying to find in the budget now. He added that it is important to let the legislators know that if they had not passed the “punts” down to the County, the budget would have likely been up by perhaps 2% or at break even. He added that his FY 2014 budget increased \$283,000, almost all of which can be attributed to increases in retirement and health insurance expense. He emphasized that any further cuts will affect revenue, care, compliance, and safety.

Attorney Kirby added that it is her belief that the departments have worked very hard to develop the budget and there is not a lot of room. She added that as she observes the departments being told to cut, cut, cut, she is getting nervous because she sees exposure increasing to all the departments. She added that the County is trying to be very vigilant in watching things very closely.

Comm. Ziehm noted that she will support the budget and added that she wished that the Executive Committee would be open to a dialogue with the Board.

Mr. Wenger informed the Board that he received an email from Betsy Miller relative to recognition of County employees at an upcoming Governor & Council breakfast; he asked if the departments wished to nominate anyone. He noted that Comm. Ray Burton would like to honor a "VERY long-term County employee. Mr. Moorehead and Sheriff Hardy mentioned employees that deserve recognition. The departments will give consideration to potential candidates and discuss it at the Board's next meeting.

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

The meeting recessed at 10:35a.m.

The meeting reconvened at 10:56 a.m.

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

Sheriff Hardy provided the Board with information requested at an earlier meeting by Comm. Ziehm relative to expenses that are pending.

The Board addressed the following motions:

Motion: To increase Registry of Deeds Revenue line 3402 by \$100,000, and to fund the line at \$4,100,000. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To reduce Human Services line 4444-7560 by \$1,015,264, and to fund the line at \$29,818,842. By Comm. Ziehm, second by Comm. Holden. Motion carried.

Motion: To reduce line 7140 Insurance-Worker's Comp/Liability equitably across all Departments by a total of \$425,957, noting it is due to an insurance holiday. By Comm. Ziehm, second by Comm. Holden. Motion carried.

Motion: To reduce line Sheriff's Office Drug Asset Forfeiture line 4212-7232 by \$83,082, and to fund the line at \$181,318. By Comm. Ziehm, second by Comm. Holden. Motion carried.

Motion: To reduce Consulting line 4140-7230 in the Commissioner's Office of Administration & Finance by \$20,000, and to fund the line at \$20,000. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Comm. Holden added that the previous motion is to reduce the negotiator expense.

Motion: To reduce line 4140-7261, Bank Charges, in the Commissioner's Office of Administration & Finance by \$24,999 and to fund the line at \$1. By Comm. Ziehm, second by Comm. Holden. Motion carried.

Motion: To reduce the County Complex line 4198-7610, Electricity, by \$4,000 and to fund the line at \$66,000. By Comm. Ziehm, second by Comm. Holden. Motion carried.

Motion: To reduce the County Complex Fuel line 4198-7650 by \$9,000 and to fund the line at \$120,000. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To reduce the County Complex Building Repairs line 4198-7810 by \$3,370 and to fund the line at \$27,000. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To reduce the County Complex New Equipment line 4198-7970 by \$3,700, and to fund the line at \$635. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To increase Revenue line 3100, Budgeted Surplus to fund the line at \$2,800,000. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To increase Nursing Home Income line 3405 by \$136,510 and to fund the line at \$21,330,666. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To increase Nursing Home Misc. Income line 3404 by \$50,000 and to fund the line at \$657,726. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To increase DOC Income line 3403 by \$150,000 to fund the line at \$1,291,600. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To increase Human Services line 3357 by \$50,000 to fund the line at \$420,000. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To reduce Nursing Home Administration-Buildings line 4411-7960 by \$51,166 and to fund the line at \$58,734. By Comm. Holden, second by Comm. Ziehm. Motion carried.

Motion: To reduce Insurance Line 7120 equitably across the County by \$180,000. By Comm. Holden, second by Comm. Ziehm. Motion carried.

The Board agreed to balance the budget by adjusting the tax line; a final decision can be made at the next Board meeting.

Comm. Pappas thanked all the Department Heads, Elected Officials, and staff for the work done to develop the budget.

Lacking further business, Comm. Pappas entertained a motion to Recess the meeting.

Motion: To recess the meeting and reconvene on April 24, 2013. Motion by Comm. Holden, second by Comm. Ziehm. Motion carried.

The meeting recessed at 11:30 a.m.

Approved June 12, 2013

Comm. Sandra Ziehm, Clerk
Hillsborough County Board of Commissioners

Date