

SULLIVAN COUNTY DELEGATION – EXECUTIVE FINANCE COMMITTEE

Sullivan County Commissioners Room

14 Main St. Newport

Meeting Date: May 30, 2014

Present: Reps. Jim Grenier, Suzanne Gottling, Ray Gagnon, Virginia Irwin and

Absent: Andy Schmidt

Staff present: Jessie Levine, County Manager

Guest Present: Liz Chipman from Community Alliance

Rep. Gottling asked Liz Chipman to respond to questions about the operation of the Community Alliance. The initial concern was prompted by notice that the Volunteer Driver Program was not funded until the end of the fiscal year. Ms. Chipman reviewed the 10 month statement of expenses dated April 30, 2014. There was a general discussion about how the County funds are apportioned to the Volunteer Driver Program. Rep. Grenier wanted to know if more could be used towards paying the mileage to the drivers and not for operations. Rep. Grenier indicated that the amount going towards the program was not as much as expected.

Rep. Gottling was concerned about the management costs. She indicated that COA from New London does not pay their drivers yet they have a similar program.

Ms. Chipman explained that since coming on board she is reviewing the overall operations of the agency. The Alliance Board is looking at ways to become more efficient. Rep. Grenier talked about the funding from area towns and his belief was that the funds were for transportation and not other agency programs.

Rep. Gottling asked if the agency must purchase the size of busses they run rather than smaller vehicles. Rep. Gottling suggested that Community Alliance ask the Congressional Delegation about other ways to use the federal ICT funds. Rep. Gottling would like the agency to be more cost effective.

Rep. Grenier asked about providing service again to the Sullivan County Complex to bring employees. It has been eliminated as of this date.

Ms. Chipman talked about future plans to work with the City of Claremont to help fund the transportation service.

The EFC made some suggestions to Ms. Chipman about other groups to work with. Ms. Chipman was invited to come back to the EFC in early September.

Rep. Gottling asked for a sample bus route for a typical week. Rep. Gottling would like to see the rider ship, stops etc. It was suggested it be the first week in August.

Ms. Levine went over her memo of May 29, 2014. See attached.

Rep. Grenier asked about the parking project at the County Complex. There was an increase of \$325,000 to include more of the Complex rather than just the area around the biomass project. Rep. Grenier asked for a more through explanation for the delegation meeting.

There was a question about the parking lot in Newport. It is still an ongoing project but it needs to be addressed fairly soon.

The unassigned fund balance is \$5,654,484. The Commissioners have taken \$709,100 for capital projects. That leaves us with \$4,945,384 of unassigned funds. There is also \$478,792 in the Capital Reserve fund. Ms. Levine said she would rather leave the \$478,792 in place until there is a long term capital expenditure plan. Rep. Grenier asked if we could take more of the fund balance to level fund the tax rate.

There was a discussion about the new positions: half increase in the County Attorney's Office, half time retained in the Registry Office, full-time laundry worker; and half increase in the Facilities Department. Ms. Levine is meeting with Ted Purdy to talk about the Complex positions and she stated that the Registry position is not needed.

Rep. Grenier asked about the interns and the summer positions for the County Forester. Rep. Grenier is concerned that the interns be supervised especially for our liability.

Rep. Irwin asked about the increase in staffing in the Facilities Department. This person would support both the County Forester and the general maintenance department and the biomass facility on the weekends. There is also a little bit of confusion about the role of the Conservation District and our forestry / land needs. Ms. Levine will look into this relationship and determine if we get reimbursed from the USDA for the Conservation District Manager's, Lionel Chute, time.

There was general discussion about the votes other than the budget that are needed at the County Convention. These votes are to authorize the County Commissioners to accept and expend other funds and to authorize the County Commissioners to create two new accounts and make expenditures from them. Ms. Levine will prepare them for the meeting. They relate to giving her authority to draw from certain accounts.

There was general discussion about the numbers of employees in the Registry Office. Right now there are three and a half employees and a Registrar. Rep. Grenier moved and Rep. Irwin seconded that the half position be eliminated. The vote was unanimous. This is a savings of \$14,778. The EFC also supported the half increase in the Facilities Department.

There was general discussion about the capital projects. There are also two projects being funded from the assigned fund balance; Nursing Home market study and countertops for the Nursing station. These are not "capital" projects. Some of the other items being funded are also not capital. See attached memo (carpeting, dryer units etc.)

The next discussion was about County grants – It was recommended that the EFC fund the following:

- Good Beginnings of Sullivan County \$30,000
- West Central Behavioral Health \$10,000
- Lake Sunapee Area Mediation Program \$10,000
- Big Brothers Big Sisters \$5,000
- Turning Points Network \$60,000
- Community Alliance of H.S. – Family Services \$25,000
- Community Alliance of H.S. – Transportation \$25,000
- Claremont Soup Kitchen \$15,000

The recommendation is not to fund His Helping Hands but a final decision was not made.

Rep. Gottling gave out minutes which we need to approve at the next meeting. We will meet June 10 at 9 AM in Newport.

Respectfully Submitted,


Rep. Virginia Irwin
Secretary Pro-Temp

VI/kbs

Date minutes approved: 6/24/14



Sullivan County State Delegation
Executive Finance Committee

Meeting Notice & Agenda

Date: Monday, May 12th, 2014
To: Sullivan County Executive Finance Committee Members
From: Suzanne Gottling, EFC Chair
Cc: Delegation Members
Board of Commissioners
County Manager
Public

Dear Executive Finance Committee Members,

The Sullivan County Delegation Executive Finance Committee meeting has been rescheduled from 8:30 AM to 11:00 AM for **Monday, May 19th**. The EFC will convene on the following dates to continue a review of the Fiscal Year 2015 Proposed County Budget:

Monday, May 19th, 2014, 11:00 AM

Place: Unity County Complex - Ahern Building
5 Nursing Home Drive, Unity NH 03743

Friday, May 30th, 2014, 8:30 AM

Place: County Administration Building - Commissioners Conference Room 1st
Floor, 14 Main Street, Newport NH 03773

Memo Distribution List

Delegation Members: John Cloutier - Chair, Cynthia Sweeney - V. Chair, Suzanne Gottling - EFC Chair, Andy Schmidt - Clerk / EFC Member, Ray Gagnon - EFC Member, Virginia Irwin - EFC Member, Jim Grenier - EFC Member, Ben Lefebvre, Philip Osgood, Skip Rollins, Andrew O'Hearne, Steve Smith and Linda Tanner.
County Commissioners: Jeffrey Barrette - Chair, Bennie Nelson - Vice Chair, and Ethel Jarvis - Clerk.
County Manager: Jessie Levine

Notice posted at the: County Commissioners Office window in Newport, Sullivan County Health Care and Department of Corrections bulletin boards in Unity, at the County's website: www.sullivancountynh.gov and distributed by e-mail to press/media, and each Town Clerks Office and Claremont City Hall in the county Sullivan.

SULLIVAN COUNTY NH – STATE / COUNTY DELEGATION

ATTENDANCE SHEET

DATE OF MEETING: May 30, 2014 – 8:30 AM

LOCATION OF MEETING: Newport, Remington Woodhull Building, 1st Floor

TYPE OF MEETING (*Full Delegation, Executive Finance, Special and type*):

Executive Finance Committee

Directions: Please sign beside your name below and place a check mark in the appropriate column if you attended the Executive Finance Committee Meeting and / or Full Delegation Meeting.

Please return this sheet at the end of the meeting to Commissioners Office staff. Thank you.

<i>REPRESENTATIVE NAME</i>	<i>EFC</i> ✓	<i>FULL MEETING</i> ✓	<i>SIGNATURE</i>
Rep. John Cloutier			
Rep. Ray Gagnon	✓		<i>Raymond Gagnon</i>
Rep. Sue Gottling	✓		<i>Sue Gottling</i>
Rep. Jim Grenier	✓		<i>Jim Grenier</i>
Rep. Virginia Irwin	✓		<i>Virginia Irwin</i>
Rep. Benjamin Lefebvre			
Rep. Andrew O’Hearne			
Rep. Joe Osgood			
Rep. Skip Rollins			
Rep. Andy Schmidt			
Rep. Steve Smith			
Rep. Cynthia Sweeney			
Rep. Linda Tanner			

MEMORANDUM

To: Sullivan County Delegation

From: Jessie W. Levine, Sullivan County Manager

Date: May 29, 2014

Re: Sullivan County Board of Commissioners' Proposed FY2015 Budget

Enclosed please find the Board of Commissioners' proposed budget for FY2015. The total appropriations budget is **\$29,823,386**, which is just under a 3% reduction from the approved FY2014 budget of \$30,730,122. However, the FY2014 budget included \$1.5 million in financing related to the biomass project, which inflated appropriations and revenues in that year. Without the \$1.5 million, FY2014 appropriations were \$29,230,122, and therefore the Commissioners' proposed FY2015 budget reflects a net operating increase of approximately **\$593,000**.

That said, as shown below, the portion of the Commissioners' proposed budget that would impact property taxes has increased by only **\$128,515**, which is less than a 1% increase in property taxes for the Sullivan County communities. *For a home in Sullivan County valued at \$150,000, this budget would increase the property tax bill by \$4.50.*

	% Proportion of County (2013)	Apportionment of County Budget FY2014	Est. Apportionment of County Budget FY2015	Municipal Grand List 2013	County Tax FY2014	Est. County Tax FY2015
Acworth	2.2593%	313,723	316,621	\$ 95,107,940	3.30	3.33
Charlestown	6.0419%	838,949	846,719	\$ 271,276,694	3.09	3.12
Claremont	16.8462%	2,339,198	2,360,846	\$ 787,313,508	2.97	3.00
Cornish	4.1443%	575,457	580,787	\$ 185,970,659	3.09	3.12
Croydon	2.0592%	285,934	288,579	\$ 93,645,145	3.05	3.08
Goshen	1.5934%	221,251	223,301	\$ 76,196,955	2.90	2.93
Grantham	10.4375%	1,449,314	1,462,724	\$ 515,125,870	2.81	2.84
Langdon	1.3390%	185,926	187,649	\$ 61,153,302	3.04	3.07
Lempster	3.3241%	461,570	465,843	\$ 161,301,336	2.86	2.89
Newport	9.2711%	1,287,355	1,299,263	\$ 420,701,883	3.06	3.09
Plainfield	6.0101%	834,544	842,263	\$ 259,904,713	3.21	3.24
Springfield	4.0385%	560,770	565,960	\$ 200,707,622	2.79	2.82
Sunapee	25.3470%	3,519,582	3,552,158	\$ 1,150,960,231	3.06	3.09
Unity	2.6274%	364,825	368,207	\$ 133,380,114	2.74	2.76
Washington	4.6610%	647,205	653,198	\$ 226,014,149	2.86	2.89
Total		\$13,885,603	\$14,014,118	\$ 4,638,760,121		

Notable changes reflected in the proposed budget include:

1. **Revenues:** In the General Fund, the Board of Commissioners recommends the use of \$709,100 of undesignated fund balance to pay for the capital projects listed in paragraph 8, below (in FY2014, \$1,090,500 in fund balance was used for capital projects and to reduce the property tax increase). In "Fund 40," which is the enterprise fund for Sullivan County Health

Care, budgeted revenues are projected to increase by 6.4%, largely the result of estimated increases in revenue from Medicaid and the State of NH Proportionment Share Fund.

2. Health Insurance: Facing a 4-6% increase in health insurance premiums for its employees, Sullivan County went out to bid for health insurance in February. In April, the Board of Commissioners voted to change health insurance plans to a high deductible, site-of-service HMO plan offered by Anthem through HealthTrust, one of the State's public employer insurance pools. Members of the AFSCME union subsequently voted to accept the proposed health plan, reducing the health insurance budget by roughly 30% and saving money for employees. The reduction in health premiums is evident throughout the County budget (the County's cost for funding the deductible and the related third party administration are reflected in the increase in the Human Resources budget).
3. Information Technology Consulting Services: In the past, information technology support has been budgeted separately in each department and has totaled about \$40,000, not including hardware and peripherals. Following a request for proposals process, the County changed vendors and consolidated IT spending into the administrative portion of the budget, which shows an increase of \$140,000 for this purpose. It is fully expected that this budget will drop after the initial year of assessment, planning, and implementation of the consultant's recommendations. Already, efficiencies have been identified that will reduce future costs for software, backup systems, broadband connections, etc.
4. Human Services: Counties in New Hampshire are responsible for the non-federal share of long-term care for seniors, whether they are residents of the nursing home, another long-term care facility, or receiving home care. This is an annual cost to taxpayers of more than \$5 million, and the proposed FY2015 budget contains an estimated increase of \$459,365.
5. Audit: Proposals for audits and Medicaid/Medicare cost reporting were lower than in previous years, allowing us to reduce the budget for those purposes.
6. Implied Transfer: In FY2014, the implied transfer -- which is the amount of taxpayer funds needed to cover the anticipated reimbursement shortfall of Sullivan County Health Care -- was approximately \$1.9 million. In FY2015, due to cost savings from employee health insurance and anticipated revenue increases for resident care, the implied transfer has been reduced to about \$300,000.
7. New Positions: The proposed FY2015 budget includes three additional full-time employees: 1) an additional support staff position in the County Attorney's office; 2) an additional laundry worker at the Nursing Home; and 3) the change of a facilities maintenance position from part-time to full-time for the Facilities Department in Unity.
8. Capital Projects: The following in capital projects are included in the proposed FY2015 budget, the cost of which will be offset by the use of undesignated fund balance (\$709,100):

	<u>Amount</u>	<u>Project</u>
DOC: Flooring	\$18,000	Remove and replace asbestos tile in medical, laundry, and main hall of jail. Includes cost of required asbestos testing.
Woodhull: Carpeting	\$10,000	Replace carpeting on third floor (Probate Court).
Unity: Hay Barn Renovation	\$5,000	For completion of hay barn renovation
Unity: Paving Project	\$325,000	To be added to the \$175,000 set aside from assigned fund balance from FY2013 for Unity complex paving project, including permitting.
Unity: Sugar House Roof	\$9,500	Existing roof leaks, causing damage to equipment
SCHC: HVAC Controls	\$5,000	Upgrade software for HVAC system controls
SCHC: Laundry Dryer Vents	\$25,000	Upgrade venting system to improve dryer performance and shorten cycle time
SCHC: Stearns Foundation	\$10,000	Fix leak in foundation
SCHC: Stearns Roof	\$210,000	This winter was particularly hard on the Stearns building roof and sunroom roof, causing more leaks to the boiler room (which now contains more sophisticated equipment that should be protected). Project to be combined with Sanders roof funded by assigned fund balance from FY2013.
SCHC: New Vehicle	\$4,800	Replace 2003 Ford Taurus wagon used for patient transport with three-year leased Subaru Outback (cost reflects one-year of lease payments).
SCHC: Nurse Station Counter	\$2,000	Replace countertop
SCHC: Feasibility Study	\$25,000	To fund feasibility/market study for nursing home
SCHC: Misc. Equipment	\$59,800	Bladder scanner; furniture; resident beds; network server
	\$709,100	

The following table provides a further breakdown of significant budget changes, by department.

FY2015 – Summary of Significant Budget Changes

<u>Department</u>	<u>Change</u>	<u>Description</u>
Commissioners' Office 10.400	\$140,000	One of the Commissioners' goals was to assess IT functions, improve services, and plan for the future. The budget includes \$140,000 to accomplish this county-wide (other departmental budgets have been reduced by the amount of their previous IT contracts, approx. \$40,000).
Natural Resources	\$27,500	This is the first budget following the first full-year of this new department, and the budget reflects projects for the management of

<u>Department</u>	<u>Change</u>	<u>Description</u>
10.406		County land: <ul style="list-style-type: none"> • Install dock on fire pond for nursing home resident enjoyment, fishing, and overall beautification (\$2,000); • Gate, parking and signage at Marshall Pond (\$1400); • Field maintenance (\$4800, anticipated to be annual expense for first few years of field reclamation); • Repair fence around orchard (2,000); • Repair root cellar to enable use (\$2,750); • Fix Spooner Rd intersection & related access improvements (\$4,500); • Remove trailer from Unity Mountain Forest (\$2,600); • Demonstration landscaping at Unity complex (\$5,000); and • Engage summer interns for above projects and others (\$2,500).
Emergency Reserve Fund 10.407	\$10,000	Given the unexpected and costly repairs to the HVAC system at the Woodhull complex that overspent the FY2014 emergency reserve fund, proposed budget increases emergency fund for FY2015 from \$10,000 to \$25,000.
Cooperative Extension 10.475	\$15,934	Slight increase due to salary/benefits and overlap of staff in advance retirement of administrative assistant. Bulk of increase is related to building costs (propane, internet) that had not previously been budgeted (94% reimbursed by UNHCE).
County Grants 10.861	\$4,500	See chart below reflecting proposed grants to community organizations.
Bonded Dept 10.970	\$32,428	Reflects first full year of biomass debt payments (\$226,000/year).
SCHC Administration 40.500	\$112,000	Primarily for increase in Medicaid bed tax (\$99,000), and also requested increases for certain contract services.

COMMUNITY ORGANIZATION GRANT REQUESTS	FY2014 Final Budget	FY2015 Grant Requested	FY2015 Commission Budget
Good Beginnings of Sullivan County	\$27,500	\$30,000	\$30,000
West Central Behavioral Health	\$10,000	\$10,000	\$10,000
Lake Sunapee Area Mediation Program	\$7,500	\$10,000	\$7,500
His Helping Hands of Claremont		\$12,500	\$6,000
Big Brothers Big Sister of Western New Hampshire	\$5,000	\$7,500	\$7,500
Turning Points Network	\$55,000	\$60,000	\$60,000
RSVP Bone Builders		\$2,408	\$0
Community Alliance of Human Services: Family Services	\$25,000	\$30,000	\$25,000
Community Alliance of Human Services: Transportation	\$30,000	\$32,250	\$25,000
Road to Independence	\$1,500	\$2,500	\$0
Claremont Soup Kitchen	\$15,000	\$17,000	\$15,000
TOTAL FY 15 REQUEST	\$181,500	\$214,158	\$186,000

Elected Official Salaries
(proposed by EFC)

Elected Officials	SULLIVAN	Budget	Recommended	Budget	Recommended
	2014	FY2015	Cal. Year 2015	FY2016	Cal. Year 2016
Commissioner (Chair)	\$ 9,885	9,943	\$ 10,000	10,070	10,140
Commissioner	\$ 9,885	9,943	\$ 10,000	10,070	10,140
Treasurer	\$ 4,965	4,983	\$ 5,000	5,035	5,070
Register of Deeds	\$ 55,788	55,788	\$ 55,788	56,179	56,569
County Attorney	\$ 78,895	80,948	\$ 83,000	83,581	84,162
County Sheriff	\$ 67,300	64,650	\$ 62,000	62,434	62,868