

Sullivan County Still Needs Budget Fix

By BOB HOOKWAY

Valley News Staff Writer

NEWPORT, N.H. — Sullivan County department heads should prepare themselves for budget cuts, and probably some financial pain, as those cuts could run deep. That was the message from Sullivan County Commissioners last night as they met on short notice in hope of finding ways to dig the county out of the \$2.2 million deficit.

They acknowledged the situation is dire and said taxpayers would likely feel the sting as well.

Commissioners Ethel Jarvis, Jeff Barrette and Ben Nelson said they saw no way around having to make up for the

shortfall to the 2008-09 budget, a move they predicted would add somewhere between 45 cents and 60 cents per \$1,000 to property owners' tax bills next fall. Meanwhile, commissioners will add \$2 million more than expected to the county's usual short-term borrowing to cover expenses until this year's tax revenues start arriving.

Barrette was the most vocal of the commissioners last night on the issue of budget cuts.

"This is very serious," he said. "We're going to have to sit around the table, roll up our sleeves, and figure out where we're going to cut the budget."

He also expressed his displeasure that his suggestion of several weeks ago that

the department heads begin to make suggestions for cuts went nowhere.

"That didn't happen. We've asked the question, and the question hasn't been answered. We can't ask politely any more; we've got to take action," he said.

The commissioners scheduled meetings on two days next week at the commissioners' office in the Superior Court building on Main Street in Newport. On Wednesday at 4 p.m., the commissioners plan to have the department heads from all county agencies except the nursing home gather. Thursday's session at the same time will be devoted solely to the nursing home, they said.

Barrette said he was against one possi-

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ble option: going to the county delegation for a "supplemental budget" to cover the shortfall. He was set to add the \$2.2 million to the 2008-09 budget last night, but the commissioners decided instead to first get some legal advice.

"I don't think you've got a plan yet," said Rep. Peter Franklin, D-Newport, the county delegation chairman.

"Well, everything's on the table to be cut, I guess is what we're going to be talking about Wednesday," Nelson said.

Jarvis said she had never dealt with a deficit before as commissioner, and wasn't aware there was one until independent audits of Genesis HealthCare's management of the nursing home from January 2005 until July of this year revealed the shortage. Jarvis said she has no doubt now, however, the county is in financial trouble.

"We have one; that's clear," she said of the deficit. "I'm not clear on how to handle it. We'll get legal help."

Sunapee Selectman William Roach, who attended last night's meeting, called for strong action.

"I guess there's got to be some draconian steps taken here," he said. But Roach said it was also incumbent on the commissioners and administrators to ensure that such a problem won't happen again.

Franklin said the commissioners' recovery plan should include seeking money he said the county "overpaid" Genesis HealthCare.

The Commission voted last June to end its contract with the firm to run the 156-bed nursing home, which is now managed by Landmark Health Solutions of Haverhill, Mass., on a six-month contract. Independent audits of

the financial records during the Genesis years showed the home ran an \$804,000 operating deficit in the 2006 fiscal year and a \$780,000 deficit in fiscal 2007.

As she arrived for last night's meeting, Jarvis, the Commission chairwoman, sounded weary of all the issues pertaining to the nursing home over the past year, but said she and her fellow commissioners would have to keep at it.

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County Commissioner