

Sullivan County NH

Type of meeting: Board of Commissioners – Special Public Meeting Minutes
Plan of Action to Draft Audit Financials & Management Letter

Date/Time: Thursday, November 8, 2007; 6 PM

Place: Newport – Remington Woodhull County Complex

Attendees: Commissioners Ethel Jarvis - *Chair*, Bennie Nelson – *Vice Chair* and Jeffrey Barrette - *Clerk*; Ed Gil de Rubio – *County Manager*; Sharon Johnson-Callum (minute taker).

Other attendees: Aaron Aldridge – *Eagle Times Staff Reporter*, Sharron King – *Registrar of Deeds*, Bob Hookway - *Valley News Staff Reporter*, Sullivan County Delegates Suzanne Gottling, Larry Converse and Peter Franklin (Mr. Franklin arrived a few minutes later), Ellen Nelson – *Sunapee resident*.

6:00 Commissioner Jarvis, as Chair, brought the meeting to order.

Agenda Item No. 1 DOC Compliance Letter & Tour Notes

The Board reviewed the DOC compliance letter & tour notes submitted from Superintendent Cunningham.

6:01 Commissioner Nelson moved to accept the DOC compliance letter. Commissioner Barrette seconded the motion. There was no discussion. A voice vote was taken. The motion carried, unanimously.

6:02 Representative Peter Franklin entered the room.

Agenda Item No 2. DOC Officer(s) Request of Secondary Employment; Board of Commissioners Authorization Required Per Sullivan County Personnel Policy, Appendix C, Part D

Commissioner Jarvis read through, verbatim, the following Sullivan County Employee Policy item, Page 30: "*D. Conflict of Interest, 2., No member shall accept employment with other law enforcement agencies without the approval of the Superintendent and the Board of Commissioners*". She pointed out Superintendent Cunningham approved requests that came from Officer Holbrook and Lockhart. It was noted the officers were requesting to take on second employment with the Charlestown Police Department. Commissioner Barrette questioned if it was prudent for a DOC officer to be an arresting officer of a possible inmate; he also expressed concerns regarding an officer watching over inmates in an overcrowded jail, if the officer has been working two jobs and has had little sleep. A brief discussion commenced. The Board decided they would approve the request, but include a stipulation that officers could not work more than 20 hours in their secondary job.

6:06 Commissioner Barrette moved to approve the two officers requests with the stipulation that they could only work up to 20 hours per week in their

second job. Commissioner Nelson seconded the motion. There was no discussion. A voice vote was taken. The motion carried, unanimously.

Agenda item no. 3 Complete and Ratify Plan of Action to Auditor's Request on how to handle the FY07 deficit and pay future bills

Commissioner Jarvis noted she had requested a print out showing the line of credit which they disbursed copies of at the beginning of the meeting. She noted it was distributed as an FYI and would not be discussed at today's meeting.

Commissioner Jarvis noted a draft monthly report of expenses and revenues was distributed at the beginning of the meeting for informational purposes only.

The Board asked for clarification of the deficit amount. Mr. Gil de Rubio confirmed the last e-mail he received from Melanson Heath & Associates indicated 2.2 million and that they were still debating the amount.

Commissioner Jarvis asked for options.

Commissioner Barrette noted he would not approve a supplemental budget.

Commissioner Jarvis noted there was a sheet distributed to show tax projections. Mr. Gil de Rubio noted Mr. Brown had not received 2007 property value rates from DRA, but per the Chair's request, they provided projections based on 2006 property values. Commissioner Barrette noted the spreadsheet was based on a 2.5 million deficit and reflected cost per thousand. He indicated it fell between .45 cents and .60 cents per thousand. He noted this could be managed in short-term borrowing and understood they could place this as a deficit in FY '09 budget.

Commissioner Jarvis wants to put in the motion to cut the FY 07 budget. She requested of the Board members a Plan of Action – how we are going to handle the 2.2 million dollar deficit and avoid this moving forward.

Commissioner Nelson expressed concern that borrowing again in January will increase their deficit further. Commissioner Barrette noted the second part of the piece is to cut expenses; he proposed meeting soon, to "role up the sleeves", in order to figure out where to cut expenses.

Mr. Gil de Rubio confirmed if they elected to go with Commissioner Barrette's proposal, he could bring to their next meeting a draft of a revised budget, as a starting point for discussions. At this point Commissioner Barrette interjected they requested this five weeks ago with the Department Heads and it was not done, that he can't politely ask now, but needed to take action. He added that they take the "heat" and need to be responsible.

Commissioner Barrette noted the new Sullivan County Health Care Administrator, Ted Purdy, begins Nov 12th, and he will be there to greet him. After a brief discussion, the Board noted they would all greet Mr. Purdy at 10 a.m.

The group then decided to set two meetings to meet with County Department Heads/Elected Officials: Wednesday November 14th at 4 p.m. for all Department Heads and Thursday November 15th to focus on the nursing home. Both meetings would be held at the Newport Complex [Commissioners Conference Room] at 4 p.m. Commissioner Barrette requested a memo to be sent to the Department Heads to come to the meeting with "ideas".

Ms. King, Registrar of Deeds, noted they had already held those discussions with her and for her to cut expenses from her budget would be "slim pickings". Commissioner Barrette noted those discussions would be reserved for Wednesday.

Commissioner Barrette discussed the type of motion they could make. Commissioner Jarvis noted they needed to cut Fund 42.

6:32 Commissioner Barrette moved to continue the 2.2 million deficit into the '08 budget, to be included as a line item, and dealt with in next years tax bill.
(This motion failed later as no second was made).

Commissioner Nelson feels they need to attain Delegation approval before taking this action. The Chair directed the question from Mr. Nelson to Mr. Franklin. Mr. Franklin noted 2.5 million was borrowed in '07. Commissioner Barrette pointed out they were discussing two different issues, deficit vs. cash. Mr. Franklin concurred whatever they decide today they need to go before the Delegation. Mr. Franklin asked what the point is to place it as a line item in the budget, as, when December 17th arrives, it will be wiped out and they would need to borrow again. He noted as they continue to borrow the deficit will increase next year.

6:38 Commissioner Barrette noted he had another commitment and left the meeting.

Mr. Gil de Rubio reminded Commissioner Jarvis there was a motion on the table. Ms. Johnson-Callum pointed out there was no second to the motion. Commissioner Nelson questioned if they could legally do the proposal. Mr. Gil de Rubio noted he could pass this by the County Attorney and concurred with Mr. Franklin they would incur more debt short term borrowing, but doing this would build it into next year budget. Commissioner Nelson proposed they allow the motion to die and seek the County Attorney's opinion. Mr. Gil de Rubio confirmed he would attain his opinion and contact the Chair. Commissioner Jarvis requested Mr. Gil de Rubio run the idea by Melanson Heath & Associates. He confirmed he would do so.

Commissioner Nelson pointed out, for public sake, that Fund 42 represented capital expenses. Mr. Gil de Rubio confirmed there were big-ticket items in there.

Mr. Gil de Rubio requested a five-minute Executive Session for a personnel matter that came up today.

Commissioner Jarvis opened the floor to public participation.

Rep. Gottling asked where the payment for interest was reflected on the draft reports disbursed earlier in the meeting. Mr. Gil de Rubio noted it was reflected in Fund 10.900.20092 as \$80,000. Rep. Gottling indicated it was essential for the Board to look for as many cuts as they could.

Rep. Converse questioned why they had to pass the deficit on into the next budget if they pay it off December 18th. Representative Gottling responded, indicating, "we have to have a plan for not having a deficit".

Bill Roach commented that when they collect taxes from the towns/city to pay the 2.2 deficit, they began FY08 budget in the hole. He questioned how the County was performing in the '08 budget. Mr. Franklin referred him to the draft report distributed earlier in the meeting. Mr. Roach noted he thought the Board was meeting tonight to discuss what they are going to do to avoid the deficit happening again, yet he had not heard them discuss this.

Commissioner Nelson asked if Mr. Franklin had specifics regarding the \$150,000 he had quoted was a grant deficit. Commissioner Jarvis noted it was detailed on one of the pages in the audit. Mr. Franklin noted the management letter said the records are not clear regarding grant agencies, particularly 946, 945 and 947 which have been grouped together, that expenses and incomes for these have been grouped together, and auditors are unable to break it down into where monies have gone. He also pointed out on the monthly report distributed, "if you look at Fund 24 in Expenses, there is a new grant agency, taken over from another grant agency, called the Strategic Prevention Framework and they have a person listed on the Position Listing sheet as being on the County payroll. We are getting out of the frying pan into the fryer, to go from losses in one to losses in another". Commissioner Jarvis noted they would address the grant situation in their meeting. Mr. Franklin noted Genesis was overpaid and they needed to act on this immediately. He noted the Board, the Delegates and the public need to receive more detailed reports than the revenue and expense reports they currently receive. He pointed out, reflected on the October expense report, the revenue for the first 4 months is a little over 4.3 million and expenses were 6.5 million – which illustrated a 2.2 million over expenditure. Commissioner Nelson interjected this occurs each year and they had not received ProShare funds yet. Mr. Franklin noted there should be a report from management to show where over expenditures are happening so the Board could see where over expenditures are occurring. Rep. Franklin then requested all to view the nursing home revenue and expense totals, which reflected: 3.6 million revenue and 3.1 expenses. He noted, "as you can see the nursing home is not the cause of the deficit in these months, yet". He noted to the Board they needed to know where they are going.

The Board noted they would go into an Executive Session for a personnel issue. The Chair requested all to leave.

7:00 Commissioner Jarvis moved to go into Executive Session for a personnel issue [RSA 91:A-3.II.c.] Commissioner Jarvis seconded the motion. There was no discussion. A roll call vote was taken. Both Jarvis and Nelson voted in favor of the motion. Commissioner Barrette was not present for the vote. The motion passed.

7 PM Everyone left the room except the three Commissioners, County Manager and the minute taker.

7:16 Commissioner Nelson moved to come out of Executive Session. Commissioner Jarvis seconded the motion. There was no discussion. A

voice vote was taken. The motion carried, unanimously. Commissioner Barrette was absent from the vote.

7:17 Commissioner Nelson moved to adjourn meeting. Commissioner Jarvis seconded the motion. There was no discussion. A voice vote was taken. The motion carried, unanimously. Commissioner Barrette was absent from the vote.

Respectfully submitted,



Jeffrey Barrette, Clerk
Board of Commissioners

JB/s.j-c.

Date signed: 12/18/07