

# Hillsborough County Executive Committee Budget Review

Bouchard Building

Goffstown NH

May 25, 2007 9:00 AM

**Present:** Representatives D. Essex, M. Pilotte, L. Movsesian, P. Cote, P. Hinkle, S. Jasper, N. Kurk, P. Manney, E. Rochette, C. Rosenwald, R. Rowe, M. Reuschal, G. Shattuck, B. Shaw, A. Simon, S. Spratt, S. Stepanek, J. Ulery, S. Vaillancourt. Also present: Comm. Holden, Comm. Pappas, C. Pappas, Treasurer, M. Wageling, County Attorney, C. Beaulac, P. Boardman, M. Lenski, R. Mercer, B. Moorehead, M. O'Neil, E. Robinson, M. Rusch, G. Wenger.

## Executive Committee Budget Review

### Subcommittee A Nursing Home – Chairman Rep. Cindy Rosenwald

Chairman Essex stated that Rep. Rosenwald is the Chairman of the Nursing Home subcommittee and he requested that she review the Nursing Home budget and the changes that were made during the Subcommittee.

Rep. Rosenwald stated that the Subcommittee met on May 7, 2007 and there were 11 assigned members of the subcommittee. She also noted that the Nursing Home has 300+ beds, the average census is between 275 and 280 residents, she continued noting that there are approximately 215 Medicaid patients, there are about 25 Medicare A patients and 35 are self pay. The expected increase for F/Y 08 is 1.3% over last year's figures. Rep. Rosenwald stated that improvements have been slow and steady during previous years. Rep. Rosenwald stated that she will only be reviewing lines with significant changes.

Rep. Rosenwald stated that the Board of Commissioners approved the reorganization in the Nursing Home Business Office. Ms. Rusch stated that the numbers that are in the new book under Board of Commissioners and Subcommittee approved are different from the numbers that were presented to the Subcommittee noting that the bottom line is not accurate. She stated that this is because of the software glitch in Munis which has been fixed. Rep. Rosenwald briefly reviewed the correct figures.

Mr. Moorehead stated that he is requesting a reorganization in the Business Office and this is necessitated due to a large volume of Medicaid Part A census. Part A does require an extraordinarily large amount of billing data entry; he noted that this is putting a small demand on the billing department as it currently set up. Mr. Moorehead stated that he is suggesting adjusting the Account Clerk II position (Grade 13) and fund it at \$1.00. Create an Account Clerk III position (Grade 15) and fill the position by promoting the person currently in the Account Clerk II position (K. Holt).

Mr. Moorehead stated that in Step 2 they would adjust the Account Clerk II, part time position (Grade 13) and fund it at \$1.00 and adjust the Secretary I part time position (Grade 13) and fund at 1.00, which is currently vacant. He would then create a full time Account Clerk I position (Grade 11) using the hours created by adjusting the above. He stated that one of the current switchboard operators (Linda Carr) would move to this position, at the same grade she currently holds and she has been performing the duties of an Account Clerk I for many years.

Step 3 would be to create a full time Switchboard Operator position (Grade 9), Monday through Friday, 7:00 AM to 3:00 PM to replace a position previously held by Linda Carr. Brief discussion ensued regarding the positions. Rep. Kurk stated that it is important to put 0's in positions because the only way to create a position is to go through the Board of Commissioners and then to the Executive Committee. There was a lengthy discussion regarding the numbers in the Board of Commissioners and the Subcommittee salary lines. Mr. Wenger stated that there was a fatal error in the Munis Software and everything had to be recreated. He stated that the Budget Subcommittee numbers are correct, what has happened in the Board of Commissioners lines is that the software picked up the changes that the

**Hillsborough County Executive Committee**  
**May 25, 2007**

Subcommittee made and now the two columns are the same noting that it is too difficult to go backwards. Rep. Kurk asked as we go forward if there are changes can we make changes at the Executive Committee Meeting on June 20, 2007. Mr. Wenger stated that he has no record of the changes that have been discussed in the NH Business Office and to his knowledge they have not been done. Discussion ensued regarding the software problems. After the discussion the Executive Committee made a decision to do the motion.

Motion by Rep. Rosenwald, second by Rep. Kurk to approve Account Clerk I position, including roll-ups, at \$39,166 noting that this amount of money was in the Switchboard Operators (Linda Carr) salary, to put \$0.00 under Kathy Holt position and delete position Account Clerk II position held by Lucille Martineau and delete Secretary I position (9649) and to delete Switchboard operator, Linda Carr position, she is becoming the Account Clerk I. On a voice vote motion adopted unanimously.

Rep. Rosenwald stated that the next major change is in Line 7230, Consulting, the Nursing Home is phasing out Harmony Healthcare and there is a reduction in this line. She also noted that in Line 7290, Other Fees, Comcast is starting to increase the rates and charge the Nursing Home for cable. In Line 7960, Buildings, the Subcommittee took out the Rubberized Flooring for \$95,000 Rep. Rosenwald stated that there was a lengthy discussion regarding this issue noting that the Company offered to do one room for free to see if it will reduce injuries, etc. The Subcommittee suggested that the Nursing Home have the one room done for free and come back next year with information. There are one time capital expenditures this year that will come out of Surplus, this was discussed previously, and one of the items mentioned is the rubberized flooring. Rep. Stepatek stated that the revenue line for Surplus will be reduced by \$95,000 to offset the deletion of this item in the expenses this will be done when discussing the Revenue Line.

Motion by Rep. Rosenwald, second by Rep. Spratt to approve the Nursing Home Administration Budget as amended, which includes changes to roll-ups. On a voice vote motion adopted unanimously.

**Nursing Home Maintenance**

Rep. Rosenwald stated that there were no changes made in the Salary Lines. There is one change in Line 7730 Auto Repairs, the Subcommittee reduced this line by \$1,000 because of the purchase of a new bus there will not be repairs to the old bus.

**Nursing Home Dietary**

There are no changes to this department noting that this is the 3<sup>rd</sup> year of the contract with Fitz-Vogt for Food services.

**Nursing Home Nursing**

Chairman Essex requested Mr. Moorehead explain the changes in Nursing salaries. He stated that there was a request for six additional per diem positions which include LPN's, and RN's that are funded at \$1.00. Mr. Moorehead briefly gave an explanation of the reasons for the per diem positions noting that it gives the Nursing Home flexibility on hiring at no additional costs to the taxpayers.

Rep. Rosenwald stated that the Nursing Home would like to start a scholarship program for LNA's or non nursing individuals who would like to go to Nursing School and get their RN license. She stated that the Board of Commissioners reduced this line by half to fund the request for Nursing Scholarships at 50% for the initial start-up year of the program. In exchange the individual would take a position for a minimum of five years at the Nursing Home upon completion of the program. She stated that this is a

**Hillsborough County Executive Committee**  
**May 25, 2007**

good recruitment and retention tool. There was a brief discussion. Rep. Pilotte and Rep. Vaillancourt objected to the Nursing Scholarship Program.

**Nursing Home Activities**

Rep. Rosenwald stated that there was a lengthy discussion regarding the Salary Line, 7010, the position of the PR Coordinator during the Subcommittee. Mr. Moorehead stated that it is very beneficial to have the individual in this position continue, she has brought some positive public relations to the public through the newspapers throughout the County regarding the Hillsborough County Nursing Home. Rep. Vaillancourt stated that the individual should be aware of other areas to do PR work, such as radio, TV, and public access television in Manchester. Lengthy discussion ensued.

**Nursing Home Social Services**

Motion by Rep. Vaillancourt, second by Rep. Kurk to eliminate \$10,868 from Line 7290, Other Fees. Lengthy discussion ensued regarding paying for religious services. On a show of hands motion fails, 6 ayes to 11 nays.

**Pharmacy**

There was a brief discussion regarding the contract with Unicare versus getting medicines at other entities.

**Nursing Home Rehabilitation**

Mr. Moorehead stated that the changes in positions in this department are similar to what was done in Nursing. He requested six positions, all of which are per diem, three per diem Physical Therapists, one per diem Occupational Therapist, one per diem Occupational Therapy Assistant and one Physical Therapy Assistant, all at \$1.00. This will give us the flexibility of hiring according to the census and need. In response to a question regarding the increase in this budget Mr. Moorehead stated that the County Nursing Home is reimbursed for most of these services. He did state that the budget request was initially wrong. Rep. Rosenwald stated that all the numbers are different from what the Subcommittee had to work with. Mr. Wenger stated he would go back and take a look at the numbers. Discussion ensued regarding the increase over F/Y 07 numbers. Ms. Rusch stated that because of the software glitch the Budget Request numbers and Board of Commissioners numbers are wrong.

**Subcommittee F Chairman Rep. Stephen Stepanek**

**Revenue**

Rep. Stepanek stated that this has been another good year with regards to revenue with a 6.5 million surplus. He explained the Board of Commissioners are taking \$6, 347,950 out of surplus for the reduction of taxes and this will still leave Hillsborough County with approximately \$17,000,000 in Surplus at the end of the year. The Board of Commissioners have included some capital expenditures and earmarked surplus revenue towards these projects, such as the elevator at the Nursing Home, emergency generator at the Nursing Home, vehicles, for Nursing Home, telephone system for County etc. A lengthy discussion ensued in response to a question by Rep. Kurk regarding Hillsborough County being too conservative, he asked if Hillsborough County has been underestimating revenue and over appropriating. He states that we should be as exact as we can on these estimates. Another discussion ensued regarding the tax rate and surplus.

**Hillsborough County Executive Committee**  
**May 25, 2007**

Rep. Jasper stated that in the past salary lines have been over funded along with the Insurance Lines and this has built up a surplus for the County over the years. It is important to get a handle on the real needs of the County in Salaries, Overtime and Insurance Lines.

Rep. Stepanek recognized the County Treasurer, Chris Pappas noting that he is here to discuss the Counties policies with regards to investments short and long term.

Rep. Stepanek stated that in reviewing the various lines there was some disagreement on the Registry of Deeds Fees, Line 3402. He stated that the Subcommittee increased this line by \$250,000 noting that the Register of Deeds is usually pretty conservative in her recommendations. Rep. Stepanek stated that another line the Subcommittee disagreed on is Invested Funds Earnings, Line 3502. He stated that there is 12 to 15 million in a floating account that is used for everyday expenses and then there is another \$15 million in long term CD's . He reviewed the interest rates.

Chairman Essex introduced Chris Pappas, County Treasurer, to answer any questions that the Executive Committee might have. Mr. Pappas gave a brief overview of where the County money is invested, noting that there is approximately \$4,000,000 in the overnight account and we also just made another investment of \$2,000,000 in the overnight account. He briefly reviewed the reasons behind the investment policy. He stated that the County does shop around and Citizens has been very responsive to the County needs over the years and the County does not pay any fees in the overnight investment account. He also reminded everyone that the County does have a bidding process that we have to abide by. He did note that the County is always looking for better rates and requested that if anyone has additional information that would be helpful with regards to investment accounts from their towns to please let him know. Rep. Vaillancourt stated that he has had conversations with other people and he really feel we should be getting 4% in the overnight investment account versus the 2 ¼% that we are currently getting. Rep. Stepanek stated that there have been significant changes since last year in the way the money is being invested and he thinks this is excellent. Brief discussion ensued. Mr. Pappas stated that he is very comfortable with the numbers that are being kept in the overnight account

Motion by Rep. Rowe, second by Rep. Hinkle that any and all surplus above 10% of the budget be applied to the subsequent years budget. Rep. Rowe stated that he feels 25% surplus is far too much, 10% is the reasonable. After a brief discussion regarding the amount of surplus that is required by the DRA for bond ratings, etc. the motion failed. Rep. Kurk stated that the amount in the F/Y 08 surplus, Line 3100, may have some relationship with the document that was distributed by Mr. Wenger to Rep. Kurk on May 22, 2007, which contains some numbers that might effect surplus numbers, there is absolutely no connection between the numbers and the document. For instance the rubberized flooring is listed with an expense of \$95,000 (in surplus, under capital expenditures) that does not mean that \$95,000 has to be spent on the flooring.

Recess for lunch at 12:00 PM.

Returned from recess at 1:00 PM

Chairman Essex stated that before Special Projects is discussed we are going to briefly return to the Nursing Home Rehab Department. Rep. Rosenwald reviewed the breakdown of the Rehab salaries for F/Y 08, she stated that when reviewed earlier there was confusion.

There was some discussion regarding the glitches in the software and Rep. Kurk stated that in the future the Executive Committee and Subcommittees will need more accurate numbers to work from. Mr. Wenger stated that the 2007 numbers that are in the budget today are correct. There was a lengthy discussion regarding the software issues. It was suggested that the Executive Committee Officers meet

with the Business Office to discuss the salary issues and format for next year immediately following the end of this budget cycle. Rep. Kurk and Rep. Jasper suggested that on the salary sheets the names and corresponding numbers of employees be listed on a master sheet.

**Special Projects – Chairman Rep. Movsesian**

Rep. Movsesian introduced Ms. Meghan Brady and Mr. Jack Lewis from St. Joseph's Meals on Wheels Program. She proceeded to give a brief history of the program. Ms. Brady, Director of the Program gave a brief synopsis of the funding for the program. Rep. Movsesian stated that the funding will remain at the same level as the Subcommittee approved which is \$63,000.

**County Attorney – Chairman Rep. Cote**

County Attorney Wageling provided an analysis to the Board of Commissioners and the Subcommittee regarding the new positions for the County Attorneys office and comparisons to other County Attorneys Offices throughout the State. She distributed a copy of the analysis. Lengthy discussion ensued regarding the salary lines. There was discussion regarding the budget lines that were changes by the Subcommittee. Noting there was no change to any of the line items there were no motions.

It was also noted there were no changes to Medical Referee and to the Law Library.

**Human Services – Chairman Rep. Movsesian**

**Temple St. Courthouse**

Rep. Movsesian reviewed the Human Services budget and stated that there were not that many changes, the Subcommittee did make a few changes. She stated that one of the major changes is the elevator repairs, this has been put off for a few years and it will be done this year. Ms. Robinson stated that she takes care of the building even though her department does not reside in the building. She briefly reviewed some of the services in the budget. Ms. Robinson stated there were no other major changes in this budget.

**Human Services Administration**

Motion by Rep. Jasper, second by Rep. Pratt to increase postage Line 7380 to \$4,500. On a voice vote motion adopted.

Motion by Rep. Movsesian, second by Rep. Jasper to approve the Human Services Administration budget as amended to \$917,851. On a voice vote motion adopted.

**Public Assistance**

Ms. Robinson reviewed the Public Assistance Budget noting that Old Age Assistance and APTD has been projected in the red, this is something that has been known since the beginning of the fiscal year. She briefly reviewed the reasons why. She noted that for F/Y 08 there are increases in both of these lines. Ms. Robinson stated that actions on part of the Senate Finance Committee to change County liability, they are pushing for the County to pay 100% of the costs for Nursing Home Care and Home and Community Based Care. They will give the County \$5,000,000 credit and they are scaling the credit based on the number of Medicaid recipients in each particular County. She continued noting that the State is giving the County all the risks and is taking the Children's Services away from the Counties. Lengthy discussion ensued.

Motion by Rep. Spratt, second by Rep. Jasper to increase Line 7560 by \$500,000. On a show of hands motion adopted. Nay votes Rep. Pilotte, Kurk.

**Hillsborough County Executive Committee**  
**May 25, 2007**

Motion by Rep. Movsesian, second by Rep. Simon to change the bottom line to \$29,430,000. On a voice vote motion adopted. Nay vote Rep. Pilotte.

Chairman Essex stated that this meeting would recess until May 29, 2007 at the Department of Corrections at 9:00 AM.

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Rep. Lori Movsesian, Clerk  
Hillsborough County Executive Committee

Date \_\_\_\_\_

**DRAFT**