

GRAFTON COUNTY COMMISSIONERS' MEETING

Budget Reviews

3855 Dartmouth College Hwy

North Haverhill, NH

Thursday March 28, 2013

PRESENT: Commissioners Michael Cryans, Martha Richards and Ray Burton and Director Julie Clough

OTHERS PRESENT: Representative Catherine Mulholland

Commissioner Cryans opened the meeting at 9:05 AM with the Pledge of Allegiance.

Commissioner Burton noted that the Valley News is running a series of articles regarding Mental Health. Commissioner Cryans commented the Supt. Libby did a great job on the radio program with him on Monday.

Nursing Home Administrator Labore and Finance Manager Patanovich arrived to present the Nursing Home budget.

NHA Labore discussed the FY 14 revenue budget for the Nursing Home. Revenue is based on 132 residents. They are projecting a 2% decrease in the Medicaid rate as a conservative approach. There is a substantial increase in Private Pay revenue as rates are budgeted to increase \$10/day from current rates. The new rates will be \$290 and \$270 respectively. They are reducing meals revenue as the plan is to charge employees \$2 v \$3 for a meal as they are changing the menu to soup, salad and sandwiches. Cost for County will dramatically decrease. ProShare payments budgeted at \$800K NHA Labore feels that this is comfortable and could possibly be increased; more discussion is taking place at NHAC in the next few weeks.

There was a discussion regarding what ProShare was and when it began.

Physician revenue increased due to the hiring of Lili Cargill – as more resident's transfer over to her service he expects that revenue to increase.

Bed tax is budgeted to decrease \$325K – based on current numbers.

Overall revenue budget increased .08% NHA Labore feels there is possibly still room for improvement.

Commissioner Burton asked if anticipated managed care contracts are impacting the revenue side. NHA Labore stated that if implemented between now and July – phase II will not go into effect for another year so he doesn't anticipate it will impact his FY 14 budget. He also stated that the Nursing Home is supposed to maintain the Medicaid rate under managed care.

Commissioner Burton stated that if everything works out there will be an all district health councils meeting on April 26th via video conference with Commissioner Nick Tompas.

Commissioner Cryans asked if there is any rule of thumb as to how long it takes private pay residents to spend down their savings. FM Patanovich stated it is typically takes 6 months to 1 year for them to go through their savings and transfer to Medicaid. Commissioner Burton asked how much money we are owed currently. FM Patanovich stated he did not know an exact amount but that there was nothing alarming at this point. They do have some that are in the process of transferring to Medicaid.

NHA Labore discussed the expense budget.

Administration Budget – Medicare Cost Report will be done in house again this year and FM Patanovich will attempt to do the Medicaid Cost Report this year as well. The Nursing Home is canceling their postage machine lease and will be sharing the postage meter in the Commissioners' Office. Computer Hardware & Maintenance – Software for electronic medication administration and treatment record has been budgeted at a cost of \$40K this will increase efficiency with medication and the Nursing Home will be able to communicate electronically with the pharmacy.

Total Administration Budget is up \$22,473 or 1.69%.

Dietary:

Standard increases

Supply line - projecting slight decrease due to ordering paper products and cleaning chemicals through purchasing instead of purchasing through Fitz Vogt.

Total Dietary Budget up \$6,897 or .43%

Nursing

Decrease in wage lines for RN, LPN and LNA; the main driver is taking out monies budget for staff meetings – attendance has been poor. The meetings will now be held on the units for those who are working and can attend. Wages for APRN are now included within the budget. Commissioner Burton inquired about traveling nurses. FM Patanovich explained that the expense is included within RN and LPN salary line.

Total Nursing Budget is up \$105,467 1.45%

Restorative Nursing

Standard Increases

Total Restorative Nursing increase is \$7,144 or 2.55%

Health Information

Wage Line - Addition of a 25 hour per week position. This is in preparation for Medicaid Managed Care; NHA Labore feels that this will result in increased work flow in this department. He doesn't intend to hire until a decision is made regarding Managed Care. He will wait to see how it plays out.

Total Health Information increase is \$30,946 12.64%

Activities

Standard increases

New equipment \$800 safety precaution – when residents go out in the bus sometimes they are in areas with no cell phone service these funds are for a communications radio for the bus in case of an emergency.

Total Activities increase is \$8,806 or 1.88%

Plant Maintenance

Decrease of \$106,715 or 11.45%

Environmental Svc

Standard increases \$7,526 or .92%

Pharmacy & Physician

Total increase of \$470 or 3.47%

Contracted Svc

Savings on Psychiatrist – Lili Cargill has assumed these duties as part of her salary instead of on a contract basis. NHA Labore is proposing that the Beautician be brought on staff as a contracted svc. The residents are entitled to \$65/month. Beautician services take a large portion of their monthly monies. This would benefit the residents. The weekly contracted amount would be for \$500 – 40 hours. She would still be responsible for supplies. This would benefit the entire facility. There is also a requested increase in the salary for the Chaplin to \$200/month from \$140/month. Pastor George Hemway joined the Nursing Home in Sept. very positive feedback since he started.

Decrease in Contract Svc \$7,480 or 2.64%

Social Services:

Standard Increases 1,571 or .78%

Decrease on cable TV – proposing a satellite TV service – current cable provider moving to all digital line up – taking channels away have to have a specific digital receiver very complicated remote – too much for the residents. The proposed system will come from the TV Guy in Woodsville with very little change for the residents. Costs for equipment needed are included in the Capital Reserve.

Total expenditures for the Nursing Home increased \$77,105 or .57% of that increase \$70,526 is due to the retirement rate increase.

Commissioner Richards asked if Activities has ever used the NH State Council on the Arts for grants or the Arts Alliance of Northern NH. NHA Labore stated that have worked with Arts Alliance. She encouraged him to keep looking into that.

Commissioner Richards asked about the Dentist contract and how often they were there. NHA Labore replied that there are six (6) visits from the dentist per year and six (6) visits by a hygienist. Dental services are provided each month by the Molar Express.

There was a brief discussion regarding the Nursing Home Capital Reserve account and what might be deposited in that based on current year's Revenue collections and expenditures out of the CR for FY 14.

Superintendent Oakes arrived to present the Maintenance Budget.

Commissioner Burton stated that he had received an email from Kelley Monahan expressing an interest in documentation of the demolition of the Old Jail. He brings this up as an item of interest. He stated that as he has noted before he wants a scrapbook of the Old Jail done and a copy to be given to: the Haverhill Historical Society, NH Historical Society and our own Historical Room. Supt. Oakes stated that if she (Kelley) has the idea and the time she is welcome to take on the project of documenting the old facility. Commissioner Cryans stated that whoever does it should know that there is to be no interruption to the crew. Supt Oakes will be taking pictures of the demolition itself. Commissioner Burton stated that the project is under the jurisdiction of the County Commissioners. Commissioner Cryans stated that whoever does this should be someone who works for the County. Director Clough will talk with Register Monahan.

Supt Oakes reviewed the summary sheet of his budget that he had prepared. This budget is not firm as he is waiting on trash and woodchip bids to be opened on April 9th – adjustments will be made. Overall the budget is down \$304,550 or 13%.

FY14 MAINTENANCE BUDGET – SUMMARY

FY13 Overall Budget - **\$2,387,448**
FY14 Overall Budget - **\$2,083,177**
(Difference - **\$304,550** / Overall Decrease **13%**)

Caveat: Not firm due to pending trash and wood chip bids

- 1. Wages & Benefits \$17,925**
 - a. Merit increases
 - b. Overtime up due to FY13 rate calculation error and much greater number of call ins
- 2. Contracted Services \$13,652**
 - a. Services previously covered by construction contract and warranty services have ended at DOC
 - b. Water tank due 5-year cleaning & inspection
 - c. Cleaning of water oil separators at Maint/Farm Bldg & DOC
 - d. 30% increase in hydrant fees
- 3. Electricity (\$101,661)**
 - a. GV rates decreased 1.3 cents per kwh and G rates 1.3 cents per kwh after the 1st 750 kwh
- 4. Water \$2,970**
 - a. WW&LD raising FY14 water rates 30%. Shown increase skewed because FY13 actual rates were lower than projection and some decreases in usage
- 5. Sewage \$9,659**
 - a. Woodsville Fire District raising FY14 sewage rates 30%.
- 6. Fuel (\$274,319)**
 - a. #2 Fuel decreased 27 cents per gallon
 - b. Diesel decreased 34 cents per gallon
 - c. Propane decreased 56 cents per gallon
 - d. Demo of old jail eliminates 9,000 gallons of #2 fuel
 - e. Biomass displaces remaining 81,000 gallons
- 7. Building & Vehicle R&M \$25,560**
 - a. Vehicle R&M (\$3,830)
 - b. Nursing Home increased \$6058 due to increase failure and rising cost of bed parts
 - c. DOC increased \$17,925...1-year warranty expiration

Commissioner Burton asked if the proposed budget included fees and mileage for employees to take required courses. Supt. Oakes stated that it did.

Representative Mulholland asked about the 30% increase in Sewage & Water is that catch up or what is happening? Supt Oakes stated that on the sewage this is the 2nd year of increases. On the water Supt Oakes explained that the EPA has changed its standards and WW&L has had to make capital improvements and those costs are being passed onto

their customers. Supt Oakes stated he could not predict if we would continue to see increases like this.

Commissioner Richards stated that she feels that Woodsville Water & Light is still jerking us around on rates and she is concerned she would like to pursue this further with the Woodsville Commissioners. She feels as though the County is being taking advantage of. Commissioner Cryans does not share this concern. Woodsville is still a business and has the right to run their business as they see fit. He is pleased with the nice decrease in electricity costs this year.

Supt. Oakes stated that the Automated Isolation Value is working very well.

Commissioner Richards asked how many staff Maintenance has; Supt. Oakes stated four (4) custodians FT; one (1) Unskilled Assistant; eight (8) Skilled Assistants and Jim makes a total of 14 staff. She asked about staff at the new jail, he stated he has three (3) staff; two (2) on days and one (1) on evenings. Nights are covered by pager.

Maintenance Capital Outlay Budget:

Supt Oakes reviewed the items he was requesting funding for and stated that he is still waiting for a quote on the lightning protection at the Nursing Home and repairing the system on the Admin bldg. The Capital budget total without price for lightning protection is \$43,270.

Consultant Cindy Swart and Nancy Bishop arrived to review the Social Service requests for FY 14.

Cindy discussed several major issues impacting Social Service Agencies. Three children's centers closed during the year Hannah House, Lisbon Children's Center and North Country YMCA. Hannah House and Lisbon are definitely due to financial reasons. She stated that children's services in this State are a disgrace. Other agencies have had to make significant staff reductions and cut services.

Cindy discussed Tri-County CAP and the issues that they are facing, staff has taken pay cuts and they are looking very closely at the programs. Cindy feels very confident that any monies giving to CAP will be safe. They are being very closely monitored now.

Cindy stated that Mental Health issues starting to get some attention and she is hopeful that this situation will improve.

She stated that it remains to be seen what impact the Sequestration will have on Social Service Agencies. There are anticipated cuts for programs.

The last topic was Medicaid Managed Care, it was supposed to be effective July 01, 2012 that did not happen now it is being said that it will be July 01, 2013. Cindy is not sure that

will happen either. Who knows what the impact of the Affordable Care Act will have all though expanded Medicaid services would be helpful.

Cindy reviewed the funding that she had recommended for agencies. She has the agencies broken down into the following groups: Senior Services, Mental Health, Developmental Services, Child Services, Women and Other. She explained how funding was determined for different agencies.

Commissioner Burton asked if all agencies were advised of the funding opportunity and all applications came in on time. HS Bishop stated yes.

Mental Health

The three (3) Community Mental Health agencies were discussed. Cindy recommended similar funding for these agencies for adults without criminal issues.

Developmental Services

Pathways - She did not recommend funding for ESS & Health Babies – services have been dramatically cut and staff members lost. Program has shown a surplus. They did not demonstrate their need for County funding for this program.

Children

ADAPT was not funded last year due to the Delegation cuts. Cindy believes this program should be funded there are very few programs in the Lincoln/Woodstock area.

Boys & Girls Club – new program. Raised privately \$122K last year – Cindy very impressed with their program. Cindy believes that they should be charging more per kid.

CADY – Cindy recommended that they get more money than last year because this year they are either going to close or going to have to find another way to live. The Restorative Justice Program is their main focus. If County decides to fund through the County budget Cindy would assume this funding would go away.

There was a discussion regarding the funding of the youth. Commissioner Cryans stated that the State agreed to take on the juvenile population in 2008 and the County took over the elderly. Now those programs are not being funded and the County is being asked to fund them to take care of the juvenile population as well as the elderly.

Women

All are struggling along. No issues with any of them. Voices has a new Executive Director.

Other

Bridge House is amazing. It is the only homeless shelter in Grafton County.

North Country Transit – no funding has been recommended. Cindy feels it is not sustainable.

Commissioner Burton asked Cindy if she is seeing people apply to NH Charitable Foundation. She replied absolutely – everyone applies to them. But they don't typically fund forever programs.

The Commissioners thanked Cindy for coming in.

With no further business,

12:04 PM Commissioner Burton moved to adjourn seconded by Commissioner Richards. All in favor.

Respectfully submitted,

Raymond S. Burton,
Clerk