

EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday July 29, 2009

PRESENT: Representatives Mulholland, Williams, Aguiar, Ford, Ward, Friedrich and Laliberte, Commissioners Cryans and Richards, Executive Director Clough and Secretary Jeri Martino.

EXCUSED: Representatives Preston and Gionet.

OTHERS PRESENT: Representative Rick Ladd and Register of Deeds Bill Sharp

Rep. Mulholland called the meeting to order at 9:06 AM

Rep. Laliberte moved to accept the minutes from June 15, 2009, which was seconded by Rep Williams. All were in favor.

Rep. Laliberte moved to accept the minutes from June 22, 2009, which was seconded by Rep Williams. All were in favor.

Rep. Laliberte moved to accept the minutes from June 29, 2009 Delegation Meeting which was seconded by Rep Williams. An edit was made. All were in favor.

Director Clough reviewed the monthly variance and pro-rated reports. The County ended the year almost \$2M over revenue and \$1.5M under expended with an undesignated (unaudited) fund balance figure of \$3.6M. Director Clough said that she may have to move the FMAP money out of the fund balance. . She said there is still more FMAP money to come and that she and the auditors are working on the procedures as to how that money can be expended.

Director Clough said that the Commissioners have approved \$841K in encumbrances. Rep. Williams asked how the encumbrances are done procedurally.

Commissioner Cryans said that Director Clough made clear to Department heads that money could not just be carried over for use and that roughly 70% of the encumbrance money is for the Jail project.

Rep. Ward stated that DRA is cracking down on encumbrances and that you have to have either a binding contract or a purchase order to be able to encumber money or else it can not be done. He said that this is how all the towns are required to do this.

Director Clough agreed that there had to be an ongoing project or an invoice coming in on a particular project.

Director Clough asked for approval for the appropriation transfers which totaled almost \$940K and said that the largest amount, \$206K, was for outside council (legal fees).

Rep. Ward said that in the past he can't remember transfers being more than \$250K and asked what was being done to prevent over expenditure of items.

Rep. Ford suggested that most of the transfers are within their own departments which are fairly common. Director Clough said that in the last four years or so, transfers have easily been in the \$1M range.

Director Clough informed the committee that there has been an appeal to the Supreme Court in the Elected Officials case and the scheduling order for briefs in the Jail case will be forthcoming.

Rep Williams moved to approve the appropriation transfers, which was seconded by Rep. Ford. All were in favor.

Director Clough said that she would have the audited figures in draft by the September meeting.

Rep. Mulholland asked Commissioner Cryans about the lawsuit regarding the retirement system and had been asked by Rep. Almy to let the County know that they shouldn't be spending a lot of money on another lawsuit. Commissioner Cryans said that the County was contacted via a letter from LGC, the School Board Assoc. and NHAC who, in agreement, disagree with the State's reduction in their portion of contributions to the Retirement System and the increase in the liability passed onto the municipalities including the County, saying that the impact would be phenomenal. The request was that a pool of money be collected in which to be able to use to challenge this issue. The County's portion would be around \$3400 and a motion by the Commissioners was approved to do this under the proviso that the other Counties also join in. So far two other Counties have agreed.

Director Clough informed the committee that the request for bids for the TAN's went out last week and are due in today. She said that the Treasurer will be making recommendations to the Commissioners next week and that the County is still in good shape moneywise. The plan is to ask for a \$9M line of credit.

The next Executive Committee meeting will be on September 21st. Director Clough said that they are supposed to receive the estimated costs on the Jail project around the first of September and asked if the committee would like to have a presentation to the full delegation on that date. It was decided that the discussion on longevity could be postponed until the October meeting and that a presentation on the Jail would be a good idea. There will be a regular meeting from 9:00 AM to 10:00, and then the presentation.

Rep. Ward stated that the County had until September 1st to make its final budget recommendations and in consideration of this he compiled a list of budget adjustments that he wanted to recommend which if considered would result in a tax reduction. Rep. Ward went over his list and provided explanations for his proposal, one of which was that the figures he was using were not available at the time of the budget and have since been realized.

Rep. Ladd weighed in saying that the town of Haverhill, along with other towns in the County, were facing a revenue sharing problem and it would be nice to see some of that made up with County money.

Commissioner Cryans said that the information presented by Rep. Ward would take some time to mull over, but that in his opinion the County portion of taxes represented only a small portion overall. Rep. Ward said that Littleton pays 5% to County taxes.

Rep. Laliberte said her concern is that if you reduce the taxes any further, next year it will appear as though the taxes have soared and that she would prefer to see stable taxes rather than seeing them go up and down. She said that the main problem is the school taxes.

Commissioner Cryans said that there had been a long process to get this budget down and it resulted in a 5.5% decrease. He said that he had concerns also about the taxes fluctuating over the years and about trying to balance the town tax problem through the County.

There was further discussion on this topic and Rep. Williams said that this is not about cuts but about bookkeeping and it needs to be reviewed. He said they didn't want to be looking at another lawsuit for any reason. Commissioner Cryans said that he has full confidence in the Executive Director to handle the financing and didn't see any reason why a lawsuit would even come into play. He said that the County is audited regularly.

Rep. Ward said that the material and suggestions that he has made are time sensitive and need to be voted on by the Delegation in August.

Rep. Friedrich agreed that this should be looked at and in her opinion believes that taxpayers will understand that this reduction in taxes would be a one time shot and that they would be aware and understanding of that when their taxes increase the following year. Commissioner Cryans said he strongly disagreed with this assumption and said that taxpayers would likely be upset at a large increase and not at all pleased nor remember the reason for the prior year's decrease. He did not think this was a good idea.

Director Clough agreed and said that if this proposal is accepted the increase to the budget would be phenomenal next year.

Rep. Ward said that he is only suggesting that the money from the figures that were not available at the time of the budget, be used to reduce taxes. He said that this would not disrupt any other figures or departments.

Director Clough reiterated that they may already have to take \$400K out of the undesignated fund balance and to reduce that further could be tragic.

Rep. Ward moved to have a meeting of the full Delegation on August 31, 2009, to take up the budget reductions as proposed, which was seconded by Rep. Williams.

DISCUSSION:

Commissioner Cryans said again that the budget came down over 5% and that he hadn't heard of any towns or schools that had done that. He said that the County presented a good budget and he didn't think that an ebb and flow in taxes would be accepted very well.

Rep. Mulholland said that she thought this was a prudent budget and believes it also to be a cautious budget and agreed it should be left alone until next year.

Rep. Williams said that the Delegation meeting could be cancelled if everyone looks at this and feels that it's just not going to work but agreed that the meeting should be called.

Commissioner Richard brought up the biomass project and the need for money for that if in the future it is decided positively upon.

The question was called.

Reps. Ford, Friedrich, Aguiar, Williams and Ward were in favor of the meeting, Reps. Laliberte and Mulholland were opposed. Motion passed.

Rep. Williams moved to adjourn which was seconded by Rep. Laliberte. Reps. Ford, Friedrich, Williams, Ward and Mulholland were in favor. Rep. Aguiar opposed.

10:29 AM Meeting adjourned.

Respectfully submitted,

Phil Preston, Clerk