

EXECUTIVE COMMITTEE BUDGET REVIEW

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday May 23, 2011

PRESENT: Representatives Bulis, Sova, Aguiar, Gionet, Almy, White, Brosseau, Townsend and Ladd, Commissioners Cryans, Ahern and Burton, Executive Director Clough and Secretary Martino.

OTHERS: D. Maes, G. Libby, K. Monahan, R. Clough, K. Clough, N. Clement, D. Lee, A. Farina, B. Patanovich, E. Bolander, J. Oakes, H. Wetherbee, M. Simpson, T. Andross, B. Sharp, H. Brown, N. Bishop and other who came and went at various times.

Rep. Bulis called the meeting to order at 9:08 AM. Representative Sova led the Pledge of Allegiance.

Rep. White moved to approve the budget minutes from May 9, 2011 which was seconded by Rep. Ladd. All were in favor.

Rep. Bulis went over the procedures for the various individual budgets and how they be addressed. He presented an agenda to follow.

Rep. Bulis began with the Treasurer's budget noting that Treasurer Elliott wanted to have another \$60 added for service fee increases.

Rep. White moved to add \$60 to the Treasurer's budget which was seconded by Rep. Sova. All were in favor.

Rep. Almy asked why there was an Education and Conference line in the Treasurer's budget and Director Clough replied that the Treasurer attends various seminars and conferences including the NHACo Conference. There was a discussion about reducing that line. Rep. White asked how the Treasurer's Education line compares to the same line in other departments and Director Clough said that line depends on who is required to have certain certifications, so it varies.

Rep. Sova moved to reduce the Treasurer's Education line by \$200., which was seconded by Rep. Brosseau. Rep. White was opposed while all others were in favor.

Rep. Sova moved to approve the Treasurer's budget as amended which was seconded by Rep. White. All were in favor.

Going back to the agenda, the Jail staffing and implementation and time table was next on the list.

Rep. Bulis stated that the Jail and the Nursing Home are large drivers of the budget and said they can't move forward until these items are decided.

There were a number of discussions as to the need for more people to staff the new facility and the dangers that remain in the current facility.

Rep. Bulis said that discussions about the actual staffing pattern for the jail should not be a matter of public record due to security reasons and Rep. Ladd disagreed, saying that the committee should have the right to know how the new Jail will be staffed.

Supt. Libby said he didn't have any problem showing the committee the staffing schedule in a non- public session.

9:28 AM Rep. Aguiar moved to enter into non-public session according to RSA 91-A:3, II (g), Consideration of security-related issues bearing on the immediate safety of security personnel or inmates at the county correctional facilities by county correctional superintendents or their designees, which was seconded by Rep. Almy. This motion requires a roll call vote. Reps. White, Townsend, Almy, Ladd, Sova, Bulis, Aguiar, Brosseau and Gionet all voted in favor. Rep. Bulis stated that a majority of the board voted yes and that they would now go into non-public session

10:52 AM Rep. Bulis declared that the meeting was back in public session.

Rep. Almy moved to permanently seal the minutes of the non-public session which was seconded by Rep. Ladd. Rep. Gionet was opposed, all others were in favor.

10:53 AM The Committee took a recess

11:00 AM The Committee resumed the meeting

The Committee continued to discuss the Jail.

Rep. Gionet moved to postpone the opening of the Jail for one year which was seconded by Rep. Brosseau.

Discussion

Rep. White said he doesn't want to see the opening postponed but would like to see Supt. Libby review what he has heard from the committee and to come back with a proposal. He said if Supt. Libby can't come back with something then it might be different but voting now to do this would be in error.

Rep. Almy said if this motion passes it would not just be until the end of the fiscal year and that the motion is incomplete because it doesn't contain any of the costs of not opening.

Rep. Sova said he could support the motion but would prefer something in between and would like to look at the liability and problems in the current facility. Rep. Aguiar said he agreed with Rep. Almy in that they have no idea what if any money would be saved by doing this.

Rep. Ladd moved to table the motion until Friday's meeting which was seconded by Rep. Almy.

Discussion

Supt. Libby said if he were to change anything he would bring that back to the Commissioners first.

Commissioner Cryans said he's not sure when Supt. Libby would have a chance to review things and then bring them back to the Commissioners before Friday.

The vote was taken to table the motion. Reps Gionet, Brosseau and Sova were opposed. Reps. Almy, Aguiar, Bulis, Ladd, Townsend and White were in favor. Motion passes.

Rep. Ladd moved to direct Rep. White to meet with Supt. Libby to discuss what was talked about during the non-public session and to bring back reductions in Corrections, to the Executive Committee on Friday, which was seconded by Rep. Almy.

Discussion

Rep. Bulis asked if Rep. White's schedule would permit this and he replied that he really did not have the time for this but hoped that Supt. Libby had heard and understood the changes that needed to be made, and that he would leave that to him to decide. He stated that he felt that the majority will not approve the budget as presented.

Rep. Ladd said he will remove mention of Rep. White from the motion which was seconded by Rep. Almy.

When the vote was taken, all were in favor.

Rep. Almy asked if it was feasible to come up with an estimate as to what it would cost to moth ball the new facility for a year. She said that cost for leaving a new building unoccupied would include heat, mechanical works, insurance and the loss of warranty. Rep. Ladd said the costs need to be made known in order to make a proper decision. Rep. Sova said, open or not, the costs are the same and Rep. Almy said the cost of operating the current facility needed to be taken into consideration. Rep. White said they're doing that anyway and Director Clough said they will be in operation all of FY12 and then there will be an overlap.

Rep. Bulis took the Committee back to the agenda and on to wages and benefits and asked Director Clough to explain what was decided this year for benefits. Director Clough said that no step increases were given last year but employees did receive a 2% COLA. This year there was a request to reinstate the step increases for eligible employees who are not maxed out, which would be based on their performance evaluations on their anniversary date of hire. There are 88 employees who are maxed out and the Commissioners have included a \$650 stipend for them, which will be paid out on their anniversary date. All unclassified employees (managers), receive their increases on July 1st.

There were questions about some salary lines and how they could be so different. Director Clough explained that the variances are because of changes. Some may be due to anniversary dates, if people are maxed out or not or if there have been changes to personnel.

Rep. Brosseau asked if these are contractual raises and Director Clough said the raises she discussed are set by policy. The only contractual agreements are with the Bargaining Unit employees.

Rep. Brosseau asked why they were talking about raises at all. He said that there isn't anyone out there who is getting a raise. He said no one, unless they are contractually committed, should receive a raise. He asked about Elected Officials. Director Clough said that those salaries have been set for two years and there is no call to deal with them at this time.

Rep. Almy said that not giving raises outside the Union is bound to get a bigger Union.

Rep. Aguiar said he would like to hear from the Commissioners.

Commissioner Cryans said the employees are taking on a higher deductible and discussed how the decision was made through the negotiations with the employees. He said he disagreed with Rep. Brosseau that no one out there is getting raises and that to make a blanket statement is not fair.

Rep. Sova asked about the changes to the health insurance and Director Clough went over them. There was further discussion about the health insurance.

Rep. Gionet asked everyone to keep in mind the people that the committee represents and the age of the population of those people. Rep. Aguiar said no one overlooks the reality of the constituency.

Rep. Almy said that DHMC who competes with Boston continues to give raises and Grafton County competes with DHMC for nurses. She said there sometimes needs to be increases in order to keep employees.

Rep. Brosseau stated that he does not mean that Grafton County employees don't do a good job but there are people out there who are living at a poverty level.

Rep. White said the every employee will soon have to be paying another 2% towards their retirement which is part of the equation. He said that is it important to take care of the employees we already have and don't lose any but it all has to be put into context.

Director Clough said that from what she heard recently, she wouldn't count on the State putting in the 25% contribution of the retirement which would mean another \$220K in this budget for group II (Corrections and Sheriff Dept.)

Rep. Bulis said that longevity has not been covered.

Rep. Almy said that in lieu of health insurance has been set for many years. She questioned whether or not increasing that amount would inspire people to get their insurance elsewhere. Director Clough said no, that all those who could go outside have already done so.

Rep. Ladd said that if the new personnel were not being added they would be looking at much smaller numbers for insurance.

Rep. Bulis said he supports the health insurance increase because everyone needs health insurance but there are a lot of folks struggling in these difficult times and he would not support increases in salaries. He felt that longevity should not be touched.

There was further discussion about wages and the Union versus Employee Council.

Rep. Brosseau moved that there be no increases in the form of a stipend or a step increase other than what the County is contracted to do with the Union, which was seconded by Rep. Gionet.

Discussion:

Rep. Ladd questioned what the Committee is allowed to get involved in and what their actual responsibility was. Rep. Bulis read a statute under Appropriations which he believed gave the committee the authority to set line items.

Rep. Ladd said that the employees of Grafton County would be the hires of the Commissioners and not those of the Executive Committee. He said the Commissioners negotiated with their hires.

Rep. Aguiar questioned whether they are stating a philosophy here or trying to deal specifically with numbers.

Rep. White said there are three issues, wages, health and retirement. He suggested they could freeze what the employees paid at the 6-30-11 rates. Rep. Almy said there's now a deductible coming into play.

Rep. Ladd read part of the newly adopted bylaws and stated his concern that the decisions being made here will alter what's available to the County Administration and how it will impact what is already in place.

Rep. Sova said they would just be negating what has been put into the budget.

Commissioner Cryans defended the Commissioners budget and said the proposal that they brought forth was a good one given what's being done with health insurance. He said that he was proud of the compromises between the employees and the Commissioners and said negotiations were equitable. He said that he didn't want to see a wedge put between Union employees and Employee Council members and said he feels good about what was done.

Commissioner Burton said the employees of Grafton County are to be commended for the work they do and he doesn't feel they should be pitting one against another.

Director Clough said the County is directed by law to negotiate with the Union and are in the middle of those negotiations now.

Commissioner Ahern said he did not want to see a reduction of the labor force but knows that times are tough. He noted that he didn't feel the budget was handled properly and there wasn't enough direction given to dept. heads from the start.

Rep. Sova opposed the percentage increases saying they were not fair to those making less.

Rep. Gionet asked to move the question which was seconded by Rep. Brosseau. Rep. White was opposed, all others were in favor.

When the vote was taken on the motion Rep. Brosseau made, Reps. Gionet, Brosseau, Sova and Bulis were in favor. Reps. White, Townsend, Almy, Ladd and Aguiar were opposed. Motion does not pass.

12:25 PM Committee recessed for lunch.

1:08 PM Meeting resumed.

Rep. White said he feels that there needs to be fairness for both employees and taxpayers and it would help to have a finance person to see things in real time. Director Clough said that she does the finances and can give him pretty much all the information needed.

Rep. White suggested giving the \$650 stipend to all employees and that there be no step increases.

Director Clough asked who that would be applied to as there are part time, per diem and full time employees. There was also a question as to what the cost of that would be as it might actually cost more.

Rep. Bulis said they need to get this issue resolved and offered the following motion.

Rep. Bulis moved to accept the recommendations of the Commissioners as presented which was seconded by Rep. Townsend.

Discussion

Rep. White said that percentage raises gives more of an increase to those higher paid employees, which is okay if that's what they want to do, but it ends up being too much money in total. Rep. Sova did not think it was right or fair to give percentage raises.

Director Clough informed the Committee that if they gave all 269 full time employees a \$650 stipend, with social security and retirement included, the cost would be \$207,407 as opposed to the Commissioners recommendations which would cost around \$230K.

Rep. White said those figures would be inaccurate because it doesn't take into account what the Union might negotiate.

Rep. Sova said if the motion fails he would like to go back to the \$650 stipend for all full time non Union members.

After some discussion:

Rep. Bulis withdrew his motion and Rep. Townsend withdrew the second.

Rep. Sova moved to give every non-Union full time employee a \$650 stipend for FY12 which was seconded by Rep. Almy.

Discussion:

Rep. Almy asked if that leaves the same amount in the budget for the Union. Rep. Bulis asked how they avoid pitting employees against each other. Rep. Almy said she has problems doing this after the Employee Council has already negotiated with the Commissioners. Rep. Bulis said the Employee Council has a conversation with the Commissioners, not a negotiation.

Rep. White said negotiations could always be done with the Union under a supplemental appropriation. He said he wants to be fair and reasonable but employees would be taking a step back.

Commissioner Cryans said that the Employees made a good presentation and the employees came up with some good decisions. He said he is in favor of leaving the budget alone regarding benefits.

Rep. Ladd said there are too many loose ends and feel that jumping into this could be disastrous.

When the vote was taken to give all full time employees who are non Union a \$650 stipend, Reps. White, Sova, Bulis and Ladd were in favor and Reps. Aguiar, Almy, Brosseau, Gionet and Townsend were opposed. Motion fails.

Rep. Gionet moved that no merit or stipend should be given to any employee which was seconded by Rep. Brosseau

Discussion:

Rep. White didn't think that would be a good idea and that it would not be negotiating with the Union in good faith.

K. Clough from the Employee Council asked if she could say something and Rep. Bulis said this was an Executive Committee meeting and that she could not.

When the vote was taken, Reps. Gionet, Brosseau, Sova and Bulis were in favor and Reps. White, Townsend, Almy, Ladd and Aguiar were opposed. Motion fails.

Rep. Aguiar suggested limiting the salary increase to \$200K total for all employees which was seconded by Rep. Ladd.

Discussion:

Rep. Aguiar said he feels that the Committee controls the bottom line of the budget and the Commissioners have to make this work. He said he would recommend allowing for some increases but up to a certain amount.

Rep. White said it takes into account that all new positions will be taken into consideration and he didn't think the current employees should be mixed in with future employees.

Rep. Ladd moved to amend the motion to limit the salary increase to \$100K which was seconded by Rep. Sova.

Discussion:

Rep. Ladd said the numbers are just being thrown out there without having any sense of what they're about.

Rep. Sova asked to move the question which was seconded by Rep. Brosseau. Rep. Gionet was opposed while all others were in favor.

On the vote on the amended motion of a \$100K salary limit increase, Reps Sova, Bulis and White were in favor which Reps. Brosseau, Gionet, Ladd, Almy, Townsend and Aguiar were opposed. Motion fails.

The vote was then taken on the original motion of a \$200K salary limit increase and Reps. Aguiar, Townsend, Almy and White were in favor while Reps. Brosseau, Sova, Gionet, Bulis and Ladd were opposed. Motion fails.

Rep. Bulis moved to adopt the proposal as presented by the Commissioners which was seconded by Rep. Aguiar.

Discussion:

Rep. Aguiar said he supports the motion with the caveat that the Commissioners explore other ways of compensation and to minimize the discrepancies.

Rep. Almy requested in the future, and for next year, there should be a report that comes back to the Exec Committee by the end of the fall on the discussion regarding wages and benefits. Director Clough said the plan is to have a committee review those things but it will not be ready by fall with all the other things that are up and coming.

When the vote was taken on accepting the proposed budget. Reps Aguiar, Almy and Townsend were in favor, Reps. White, Ladd, Brosseau, Gionet, Sova and Bulis were opposed. Motion fails

It was decided that the subject of wages and benefits will be table and brought up again at the meeting on Friday.

2:05 PM Meeting recessed
2:10 PM Meeting resumed.

The Committee went on to review the Maintenance Department budget. Maintenance Supt. Oakes was present and reviewed the budget for the Committee. He began with fuel costs as they had just accepted a bid for \$3.325 for #2 fuel oil and last years cost was \$2.52 which is a 32% increase. No bid has been accepted for propane at

this time but Supt. Oakes is expecting a 34% increase. Electricity is expected to increase 10%.

One new person has been hired for the Jail at present.

Rep. White moved to reduce Maintenance line 4165-002 by \$50K
Rep. Bulis said that would be premature at this time.

Supt. Oakes was asked to explain the new hires and what his current staff does, which he did.

There were discussions about training on the new equipment in the Jail and Supt. Oakes said there is a commissioning agent that will oversee the equipment in the beginning.

There were discussions about how the maintenance was allocated out to all the departments and how that differed from contract services.

2:30 PM Rep. Brosseau was excused.

Supt. Oakes reviewed his capital outlay requests. Rep. Sova asked what the definition of capital outlay was and Director Clough said that it is usually used for items that are a one time request, which are not to be bonded.

Rep. Gionet moved to adopt the Maintenance budget as presented which was seconded by Rep. Aguiar. Rep. White was opposed; all others present were in favor.

It was noted that the committee just approved a budget which included salary and benefit increases.

Rep. Bulis asked for a motion to reconsider.

Rep. Gionet moved to reconsider and was seconded by Rep. Sova. Rep. White was opposed and all other present were in favor.

Rep. White expressed his frustration and said that he wasn't sure what the purpose of the meetings was supposed to be if they weren't planning on making any recommendations or cuts.

There was a discussion as to how they wanted to proceed. Director Clough asked if the Committee had any sense of what they were trying to achieve for a bottom line budget and Rep. Bulis said that's what they need to try to figure out.

Rep. White said it didn't appear that anyone wanted make the changes and that maybe the budget should just be passed on to the Delegation as it is. Rep. Bulis said that is always an option. He said they need to figure out what their goals are and that for whatever reason; they don't seem to be able to make adjustments.

Rep. White said he is willing to recommend cutting out \$1M but not off the bottom line. He would prefer to be part of the decisions as to what should be cut.

Rep. Bulis said that no decision on the budget means that the Commissioners budget would become the operating budget Sept 1st .

Rep. Gionet suggested cutting the budget by \$3M and to send that back to the Commissioners.

Rep. Townsend moved to adjourn until Friday

Rep. Ladd said he agreed that the budget needs to be reduced and in particular, the wages and added that there are too many people. He said they need to come back with some decisions.

Rep. Aguiar seconded Rep. Townsend's motion.

Rep. Almy said there are a lot of areas in the older programs that could be cut because they come in under budget, thus adding to the surplus. She said they need to figure out how to do the new Jail less expensively and perhaps get rid of some old programs. Rep. Bulis said other Counties have had significant cuts and that the Committee hasn't looked at the Social Services yet. Rep. White said they need to keep in mind that the same group will be here next year too.

3:23PM All were in favor or adjourning.

Respectfully submitted,

Charles Sova, Clerk