

GRAFTON COUNTY COMMISSIONERS' PROPOSED FY18 BUDGET PUBLIC HEARING
3855 Dartmouth College Highway
North Haverhill, NH 03774
May 22nd, 2017

PRESENT: Commissioners Lauer, Ahern and Piper. County Administrator Libby and Admin Assistant S. Norcross.

OTHERS PRESENT: see attached sign in sheet

Commissioner Lauer called the public hearing to order at 6:00PM and began with the Pledge of Allegiance led by Commissioner Ahern.

Commissioner Lauer reviewed and discussed the attached power point.

Rep. Erin Hennessey asked of the total of 4.84% expense increase how much of that is health insurance related. County Administrator Libby stated that it was 1.6% of that increase.

Rep. Duane Brown stated that he had read in the Commissioners' minutes that Commissioner Ahern had voted against the budget and asked why. Commissioner Ahern stated that his concerns were based upon his experience in county government. He is concerned about the additional staffing. He also noted that he is against any out of state travel for trainings with Skype and webinar trainings that are now offered. He can understand why person to person interaction is important but many of those sessions can be done within the state via internet. He went on to also note that the county is under a lot of rules and regulations that create a lot of additional expenses that are out of their control. Commissioner Lauer stated that she feels face to face interactions are very important and the new positions in the budget are critical. Commissioner Piper noted that she agrees with Commissioner Ahern but agrees with Commissioner Lauer as well.

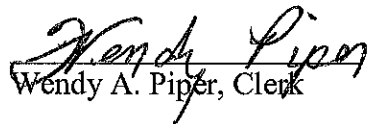
Commissioner Lauer noted that they had a salary survey done last year to assess the county's wage charts. She explained that the 2% COLA that is in the proposed budget for all employees was based on that survey as it recommended to bring the wage charts up to market value. She stated that they have tried to be as fair to the taxpayers and employees and tried to find the best balance. The budget will now go to the Executive Committee for them to review and present their recommendations to the full Delegation.

Rep. Duane Brown noted that he will leave his questions regarding the budget for the Executive Committee but wanted to applaud Commissioner Ahern for wanting to take a 10% pay cut. He stated that he was disappointed that the comment was made that it does not help the bottom line. He stated that he believes leading by example is a great thing. Commissioner Piper stated that she was the one who made that comment and would like to speak to it. She stated that she works for a living, as everyone does, and does not think that county and state salaries for elected officials are lavish. She stated that she wants to respect that it is the principle that he is talking about. She stated that she is happy to provide the service that she does and in her opinion a small

salary cut is symbolic and does not get them any closer to the goal of reducing the budget, with a 1.9 million increase in expenses. Rep. Duane Brown stated that all of these small changes add up and make a difference in the bottom line. Commissioner Lauer stated that although the vote was not unanimous the majority opinion of this board was that this was the best balance they could find. It is not perfect on either side and she would never say any tax increase is good but it was the best balance they could find.

Commissioner Lauer thanked everyone for coming.

6:37 PM With no further business the meeting adjourned


Wendy A. Piper, Clerk

Public Hrg. Commissioners Proposed FY18 Budget

May 22nd, 2017



Sign In Sheet ~ PLEASE PRINT

1 Heather Bryant
2 Deelene Boldue
3 David Dow
4 Ann Nichols - Genesis
5 Jo Lacaille
6 Sue Foxo
7 Craig Cahore
8 Don Palmer, Farm Manager
9 Richard Abel
10 Jim Oakes
11 Karen Clagh
12 Nancy Bishop
13 Polly Cassion
14 Gary Sykes
15 Kevin Mauer
16 Pam Gilbert
17 Roberta Berner
18 Duane Brown STATE REP. Gilp
19 Bill Childing
20 Steve Darrow
21 Erin Hennessy
22 Linda Lauer
23 Wendy Piper
24 Omer Abern Jr.
25 Julie Libby
26 Sam Norcross
27 Martha Richards
28 Doug Dutille
29 Tom Andross
30 Brent Buggles

31 Kelley Monahan

32 Lara Saffo

33 Tom Elliott

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Fiscal Year 2018 Proposed Budget

Grafton County Commissioners

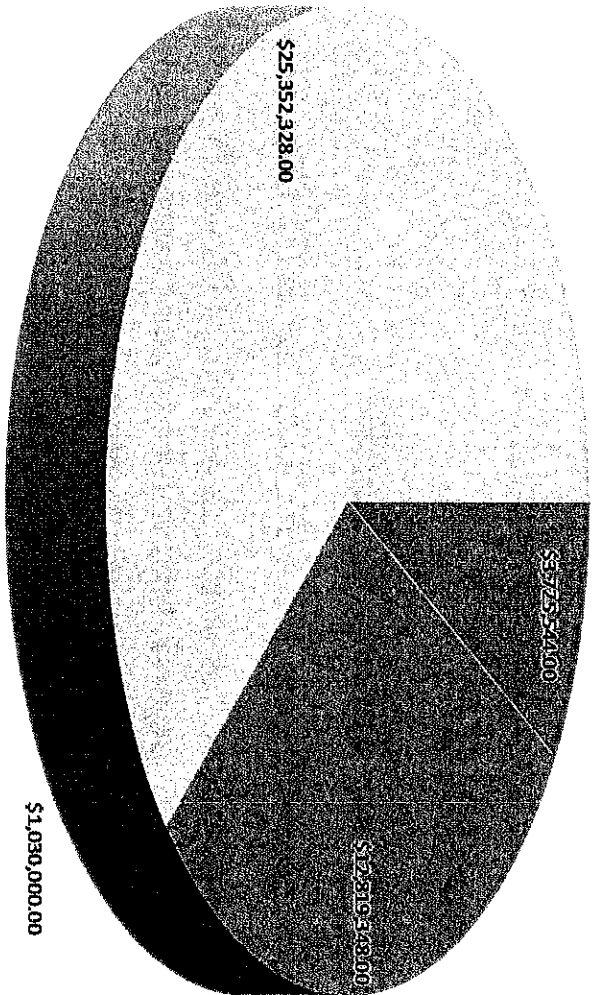


GRAFTON COUNTY REVENUE COMPARISON

DEPARTMENT	2017	FY 2018	Increase/(Dec)	%
	BUDGET	Comm'r	FY 17 v FY 18	Change
Total Revenue Abandon Property	\$ 20,000.00	\$ 20,000.00	\$ -	0.00%
Total Revenue Federal/State	\$ 90,000.00	\$ 100,000.00	\$ 10,000.00	11.11%
Total Revenue County Attorney	\$ 110,000.00	\$ 145,000.00	\$ 35,000.00	31.82%
Total Revenue Register of Deeds	\$ 921,000.00	\$ 921,000.00	\$ -	0.00%
Total Revenue Sheriff's Dept	\$ 1,079,924.00	\$ 1,082,300.00	\$ 2,376.00	0.22%
Total Alternative Sentencing	\$ 7,500.00	\$ 358,000.00	\$ 350,500.00	4673.33%
Total Revenue Dept of Corr	\$ 220,531.00	\$ 235,158.00	\$ 14,627.00	6.63%
Total Revenue Farm	\$ 522,761.00	\$ 534,761.00	\$ 12,000.00	2.30%
Total Revenue Extension Svc	\$ 5,000.00	\$ 5,000.00	\$ -	0.00%
Total Revenue Interest	\$ 25,300.00	\$ 26,800.00	\$ 1,500.00	5.93%
Total Revenue Rent	\$ 318,840.00	\$ 323,525.00	\$ 4,685.00	1.47%
Total Revenue Human Svc	\$ 75,000.00	\$ 55,000.00	\$ (20,000.00)	-26.67%
Total Revenue Div/Refunds/Misc	\$ 133,000.00	\$ 33,000.00	\$ (100,000.00)	-75.19%
Total Revenue Nursing Home	\$ 12,487,857.00	\$ 12,819,348.00	\$ 331,491.00	2.65%
SubTotal	\$ 16,016,713.00	\$ 16,658,892.00	\$ 642,179.00	4.01%
Transfer to Capital Reserves	\$ (88,152.00)	\$ (114,000.00)	\$ (25,848.00)	
Surplus Used to Reduce Taxes	\$ 1,030,000.00	\$ 1,030,000.00	\$ -	0.00%
County Taxes	\$ 23,985,629.00	\$ 25,352,328.00	\$ 1,366,699.00	5.70%
****TOTAL ALL REVENUE****	\$ 40,944,190.00	\$ 42,927,220.00	\$ 1,983,030.00	4.84%

What Sources does the County get Revenue From?

REVENUE SOURCES



- All Other Revenue Sources
- Nursing Home
- Surplus
- County Taxes

Revenue Highlights

- Revenue is increasing 4.01%
- Nursing Home Revenue – Increasing 2.65%
- Projected Census increased from 127 in FY 17 to 129 in FY 18
- Changed projected payor sources to include additional Private Pay residents and Medicare residents. These are both high reimbursement rates and more accurately reflect what the Nursing Home has been experiencing.
- Medicaid revenue has increased due to an increased reimbursement rate that was received in January, 2017.

Revenue Highlights

Alternative Sentencing

- Became eligible to be reimbursed by Medicaid for services provided by the Dual-Licensed Clinician for all the Alternative Sentencing Programs.
- Drug Offender Program – The County is now eligible to receive up to \$300,000 in funding from the State of NH to offset the costs to operate the Grafton County Drug Court Program.
- These two (2) new revenue sources have reduced the total costs to the taxpayers for the Alternative Sentencing Program by \$142,000.

Revenue Highlights

- Dividends/Refunds/Misc.
 - Decrease of \$100,000. FY 17 included a Premium Holiday from Primex (Workers' Comp) of \$100,000. This was not received and it is not anticipated for FY 18
- Surplus Used to Reduce Taxes
 - FY 2017 provided stabilization to the County's Fund Balance. We will be using the same amount of funds as "surplus to reduce taxes" in FY 18 as we did in FY 17. That amount is \$1,030,000.

Revenue Highlights

- Operating Revenue Increased – 4.01%
- Change in Surplus Used to Reduce Taxes – 0.00%
- Increase in the Amount to be Raised by Taxes – 5.70%

GRAFTON COUNTY BUDGET COMPARISON FY 17 v FY 18

FUND 01 DEPARTMENT **2017** **FY 2018** **Increase/(Dec)** **%**
BUDGET **Comm'r** **FY 17 v FY 18** **Change**

4100	Commissioners Office	\$ 352,390.00	\$ 372,014.00	19,624.00	5.57%				
4109	Treasurer	\$ 12,262.00	\$ 13,859.00	1,597.00	13.02%				
4110	County Attorney's Ofc	\$ 1,120,652.00	\$ 1,375,502.00	254,850.00	22.74%				
4111	VAWA Grant	\$ 109,400.00	\$ 109,684.00	284.00	0.26%				
4112	Victim/Witness	\$ 261,655.00	\$ 277,272.00	15,617.00	5.97%				
4116	Alternative Sentencing	\$ 678,991.00	\$ 527,266.00	(151,725.00)	-22.35%				
4118	Drug Court	\$ -	\$ 366,886.00	366,886.00					
4120	Register of Deeds	\$ 461,055.00	\$ 491,698.00	30,643.00	6.65%				
4130	Human Resource Dept	\$ 85,519.00	\$ 88,383.00	2,864.00	3.35%				
4135	Information Technology	\$ 368,497.00	\$ 419,521.00	51,024.00	13.85%				
4140	Sheriff's Dept	\$ 1,511,241.00	\$ 1,597,797.00	86,556.00	5.73%				
4145	Dispatch	\$ 1,122,201.00	\$ 1,172,935.00	50,734.00	4.52%				
4150	Medical Referee	\$ 42,500.00	\$ 45,000.00	2,500.00	5.88%				
4165	Maintenance	\$ 2,101,902.00	\$ 2,139,407.00	37,505.00	1.78%				
4190	Human Service	\$ 6,988,367.00	\$ 6,970,068.00	(18,299.00)	-0.26%				
4191	GCEDC	\$ 50,000.00	\$ 50,000.00	-	0.00%				

GRAFTON COUNTY BUDGET COMPARISON FY 17 v FY 18

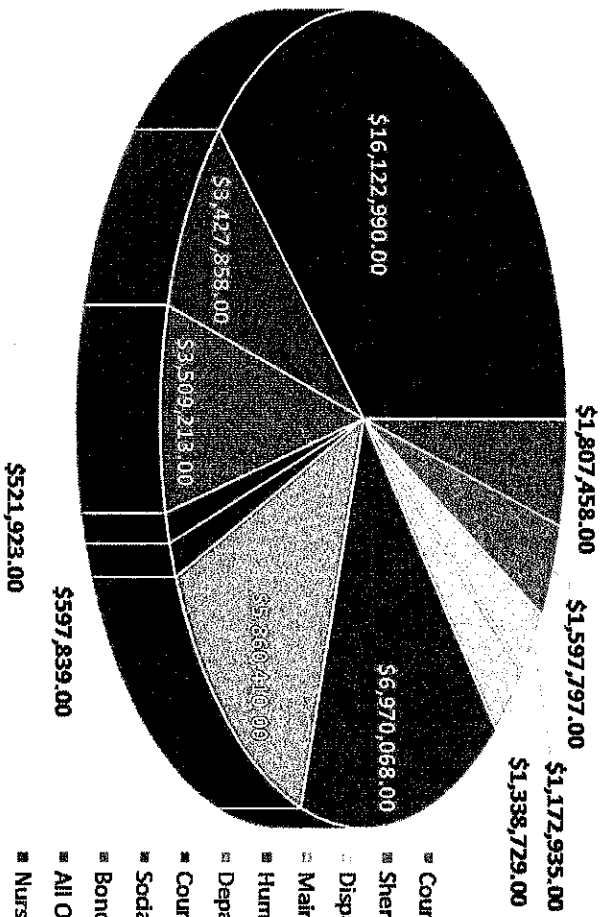
2017 FY 2018 Increase/(Dec) %
FUND 01 DEPARTMENT BUDGET Comm't FY 17 v FY 18 Change

6100	Dept of Corrections	\$ 5,004,090.00	\$ 5,179,788.00	175,698.00	3.51%
6115	Community Corrections	\$ 476,738.00	\$ 499,568.00	22,830.00	4.79%
6125	Governor's Commission	\$ 98,784.00	\$ 106,816.00	8,032.00	8.13%
6130	Nightwatchmen	\$ 61,157.00	\$ 62,718.00	1,561.00	2.55%
6135	RSAT	\$ 11,520.00	\$ 11,520.00	-	0.00%
7100	County Farm	\$ 577,515.00	\$ 597,839.00	20,324.00	3.52%
8360	Extension Service	\$ 301,447.00	\$ 312,053.00	10,606.00	3.52%
8600	Social Service	\$ 505,923.00	\$ 521,923.00	16,000.00	3.16%
8650	Conservation Dist	\$ 73,923.00	\$ 77,430.00	3,507.00	4.74%
8655	North Country	\$ 1,457.00	\$ 1,462.00	5.00	0.34%
8670	Wage & Benefit Adj	\$ 170,723.00	\$ 205,285.00	34,562.00	20.24%
9100	Tax Anticipation	\$ 7,500.00	\$ 20,000.00	12,500.00	166.67%
9120	Bonded Debt	\$ 2,839,210.00	\$ 2,839,585.00	375.00	0.01%
9200	Capital Outlay	\$ 276,527.00	\$ 425,501.00	148,974.00	53.87%
9210	Contingency	\$ 26,500.00	\$ 31,500.00	5,000.00	18.87%
9270	Unallocated Insurance	\$ 20,000.00	\$ 15,000.00	(5,000.00)	-25.00%
9370	Delegation Exp	\$ 10,000.00	\$ 10,000.00	-	0.00%
TOTAL FUND 01		\$25,729,646.00	\$26,935,280.00	1,205,634.00	4.69%
4165	Maintenance (Allocated)	\$ (796,924.00)	\$ (800,678.00)	(3,754.00)	
		\$24,932,722.00	\$26,134,602.00	1,201,880.00	4.82%

GRAFTON COUNTY BUDGET COMPARISON FY 17 v FY 18

DEPARTMENT	2017		FY 2018 Comm'r	Increase/(Dec) FY 17 v FY 18	% Change
	BUDGET				
FUND 02 - NURSING HOME					
5100 N. Home Admin	\$ 2,126,617.00	\$ 2,269,681.00	143,064.00	6.73%	
5130 Dietary	\$ 1,762,337.00	\$ 1,746,313.00	(16,024.00)	-0.91%	
5140 Nursing Svc	\$ 7,839,402.00	\$ 8,194,111.00	354,709.00	4.52%	
5141 Physical Therapy	\$ 303,094.00	\$ 310,183.00	7,089.00	2.34%	
5142 Health Information Mgmt	\$ 257,392.00	\$ 267,822.00	10,430.00	4.05%	
5145 Therapeutic Recreation	\$ 518,369.00	\$ 550,665.00	32,296.00	6.23%	
5150 Plant Operation	\$ 796,924.00	\$ 808,678.00	11,754.00	1.47%	
5160 Laundry	\$ 329,555.00	\$ 321,112.00	(8,443.00)	-2.56%	
5170 Housekeeping	\$ 546,581.00	\$ 597,824.00	51,243.00	9.38%	
5180 Pharmacy & Physician	\$ 65,000.00	\$ 96,996.00	31,996.00	49.22%	
5185 Contracted Svc	\$ 528,952.00	\$ 714,390.00	185,438.00	35.06%	
5190 Social Service	\$ 234,263.00	\$ 245,215.00	10,952.00	4.68%	
5192 Capital Outlay	\$ 11,603.00	\$ -	(11,603.00)	-100.00%	
5195 Bonded Debt	\$ 691,379.00	\$ 669,628.00	(21,751.00)	-3.15%	
TOTAL FUND 02 - NURSING HOME	\$16,011,468.00	\$16,792,618.00	781,150.00	4.88%	
GRAND TOTALS ALL	\$ 40,944,190.00	\$ 42,927,220.00	1,983,030.00	4.84%	

Expense Breakdown



- County Attorney's Ofc
- Sheriff's Dept
- Dispatch
- Maintenance
- Human Service
- Department of Corrections
- County Farm
- Social Service
- Bonded Debt
- All Other
- Nursing Home

Expense Highlights

- Total Increase in Expenses – 4.84%
- Increases Summarized by Large Items:
 - Health Insurance
 - Retirement
 - Capital Expenditures
 - New Positions
 - Contract Nursing Services
 - Medicare Expenses
 - Cost-of-Living Adjustment – 2%

Health Insurance

- Health Insurance Renewal – 15.74% increase
- County will switch our HMO \$15/\$500 plan to a Super \$25/\$500 – changing primarily the amount of the copayment.
- Add “Value Formulary” to all offered medical plans – which is a change in the Prescription Drug coverage.
- These changes reduce the increase from \$438,500 to \$319,340

Retirement

- Employer Rates for the NH Retirement System, which is mandated by law will increase as follows:
 - Group I – Currently 11.17% - Rates Effective July 1st – 11.38%
 - Group II (Correctional Officers & Sheriff's Deputies)
 - Currently 26.38% - Rates Effective July 1st – 29.43%
 - Rates Increases will result in a \$154,000 increase in contributions during fiscal year 2018.

Capital Projects

- Increase of \$149,000 over Fiscal Year 2017.
- Replace County Sewer line – total Project \$210,000
 - Funding broken into two (2) years - \$105,000 included in FY 18 and additional \$105,000 will be requested in FY 2019.
- Pavement of Parking Lots
 - This will be a four (4) year project and will include repaving all the parking lots with the exception of the Department of Corrections.
 - Total estimated cost \$348,000
 - Fiscal Year 2018 – Year # 1 included \$95,000 for the Courthouse lot.

New Positions

- County Attorney's Office – Two (2) new full-time positions & Increase a part-time Assistant County Attorney to full-time.
- Assistant County Attorney & Legal Assistant – the need for these position arises out of the implementation of “Felonies First” in Grafton County as well as a continued increase in caseload.
- The increase from part-time to full-time is for the Circuit Court Prosecutor who is providing services to several towns within the County. This position is nearly 100% funded by the towns that utilize the services.

New Positions (continued)

- Alternative Sentencing – 1 new full-time Drug Court Coordinator
 - Position is required to receive State funding. Position is 100% funded by the State.
 - Alternative Sentencing is also abolishing the position of Administrative Assistant and upgrading that position to a Case Manager.
- Register of Deeds – 1 new full-time Clerical position (January 2018)
 - This position previously existed in the Deeds Office and two (2) years ago was vacated.
 - Register Monahan did not immediately replace the position and in FY 17 due to budget constraints the position was not budgeted for. Register Monahan stated at that time she would need to fill the position but would wait another year due to the budget issues. She has again agreed to delay the position until January 2018 ~ but the position can not wait another year to be filled.

Nursing Home Increases

- Medicare A and B Expenses
 - In order to reflect current populations the expenses for Therapy & Rehab Services for both Med A & B have been increased in the FY 18 proposed budget. There is a corresponding increase in the revenue for both of these as well as mentioned previously.
- Contract Nursing Services – Increased \$400,000 from FY 2017.
 - FY 17 Actual Expenses will likely exceed the budgeted amount by \$400,000
 - The usage of Contract Nursing is being driven by a severe shortage of licensed nursing staff that is being experienced around the Country.
 - Due to this shortage: In order to meet our minimum staff levels, the County has had to and anticipates continuing to need to use a large amount of Contract Nursing services. Therefore, the budget has increase substantially to reflect this.

RECAP

- Revenue Projections – Increase – 4.01%
- Expense Projections – Increase – 4.84%
 - Fiscal Year 2017 – Expense budget was flat (increase in taxes due to reduction in Surplus)
- Amount to be Raised by Taxes – Increase – 5.70%

Thank you very much for attending!