

EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
May 22nd, 2017

PRESENT: Representatives, Sykes, Darrow, Maes, Abel, Hennessey, Schwaegler and Campion. Commissioners Lauer, Ahern and Piper. County Administrator Libby and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: RD Monahan, Treasurer Hill

EXCUSED: Rep. David Binford and Rep. Smith

4:00 PM Rep. Sykes called the meeting to order and began with the Pledge of Allegiance led by Rep. Campion.

Rep. Sykes asked if everyone has had a chance to read the minutes from the March 20th Executive Committee Meeting.

Rep. Abel moved to approve the minutes from the March 20th meeting. Rep. Darrow seconded the motion and all were in favor.

Treasurer Hill gave the following Treasurers Report:

TO: GRAFTON COUNTY EXECUTIVE COMMITTEE
FROM: KAREN LIOT HILL, TREASURER
SUBJECT: TREASURER'S REPORT
DATE: MAY 22, 2017



CURRENT CASH POSITION (as of 4/30/17)

Grafton County General Fund

Checking Account (ICS @ .70%) Bank)	\$3,726,384.06 (Woodsville Guaranty Savings Bank)
General Fund CD (.60%)	\$1,000,000 (Meredith Village Savings Bank – mat. 6/22)
General Fund Municipal Savings Acct (.50%)	\$500,972.59 (Mascoma Savings Bank)

Grafton County Committed Accounts

Deeds Surcharge CD (.55%)	\$132,301.86 (Woodsville Guaranty Savings Bank)
Dispatch Capital Reserve (.35%)	\$168,208.01 (Service Credit Union)
Nursing Home Capital Reserve (.35%)	\$137,632.81 (Woodsville Guaranty Savings Bank)

RECENT TRANSACTIONS of NOTE

The Combined Accumulated interested in the current fiscal year (7/1/16-4/30/17) is \$26,329.98.

Rep. Darrow moved to accept the Treasurer's Report. Rep. Abel seconded the motion and all were in favor.

Commissioner Lauer gave the following Commissioners' Report:

Commissioners' Report

- Union Negotiations with the NCEU (National Correctional Employees Union) at the Jail have started. There have been two (2) meetings thus far with (2) additional meetings scheduled. Negotiations with the UE (United Electrical Workers) at the Nursing Home still have not begun. No schedule dates have been established.
- The County has been awarded funding from the State of NH Office of the NH Drug Offender Program. The funding was approved retroactive to January 1, 2017. We should receive approximately \$100K in unanticipated revenue in fiscal year 2017 from this funding.
- Felonies First started in Grafton County on April 1st. Thus far things have been working out okay in the Attorney's Office since implementation.

Rep. Darrow asked if it is unusual for the United Electrical Workers Union at the Nursing Home to be at this point of the year and not have started negotiations. County Administrator Libby stated that it is not normal. They are usually finalized with their contracts by now and explained various changes within the organization that are affecting the process.

Rep. Darrow moved to accept the Commissioners' Report. Rep. Campion seconded the motion and all were in favor.

CA Libby gave the following County Administrator's Report:

County Administrator's Report

- ❖ Jail Census: 79 in-house; 4 on Electronic Monitoring;
- ❖ Nursing Home Census 130.

Review of Financial Reports:

- ❖ Monthly Variance Report
 - Revenue:
 - Nursing Home revenue continues to look good. We budgeted for an average daily census of 127 for fiscal year 2017. Through April the average daily census has been 127. The breakdown of the payor sources that were budgeted were: 25 Private Pay; 6 Medicare A; 3 Veterans and 93 Medicaid patients. Our budgeted Medicaid rate was \$157.50. Through April the average daily census by payor source has been: 29 Private; 8 Medicare A; 0 Veterans and 90 Medicaid. Our Medicaid Reimbursement Rate also increased to \$161.82 on January 1st. Because of the increase in

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private pay and Medicare A residents our revenues are up because they are higher reimbursement rates. The average daily census for April was 129. It appears that if the current trends hold the Nursing Home should finish the year well in revenue.

- Proshare – Receive all at once in June. Proshare transaction is scheduled to take place on June 13th. Bed tax revenue is quarterly. These reports include 3 quarters. We are slightly ahead on bed tax at this point. I anticipate these revenues will be on target at year end.
- Department of Corrections revenue includes a grant that is not received on a regular monthly basis. The DoC revenues should finish on target.
- Farm – Milk prices are finally above budget. If milk prices and production stay up the farm revenue should finish the year close to projections.
- County Attorney/Victim Witness – both grants and will be fully collected at year end.
- Alternative Sentencing – There have been some restructuring of drug court fees. Participant numbers in all programs are increasing. We have been approved to receive funding for Drug Court through the State. The first request for reimbursement for January – March has been submitted and we are awaiting receipt. The reimbursement will be for \$40,000+. This is unanticipated revenue. There will be another reimbursement for April – June which will likely be greater than this quarter.
- Other – Based on previous years returns we budgeted \$100K for a “premium holiday” from Primex (Worker’s Comp) we found out in July (after budget) that there would be no premium holiday this year.

○ Expenses

- Bonded Debt – All principal payments have been made. This line will finish with a \$300K+ surplus due to the bond refinancing that was done in October.
- Nursing Home
 - Several factors going on in the nursing home expense budget.
 - The nursing home budget is based off an estimated census for the year – broken down into different payor sources: Medicaid, Medicare A, Private Pay, Veterans. Medicare A is our highest payor source. This year of Medicare A (skilled rehab) population has been running higher than projected. Which, has resulted in an increase in revenue but also there is an expense associated with the residents. Because of the increased census we are seeing an increase in expenses as well. This is the reasoning for the over expenditures in both the pharmacy and contract services departments.

❖ Pro-rated Report –

- 83.33% of the fiscal year completed. On the pro-rated report I factor in the revenue and expenses that are either over or under at this point in the fiscal year. Based on the April report we are at 83.63% or over revenue by \$120K and at 80.33% or under expended by \$1.2M. This all factors into the unassigned fund balance which at this point is \$1,488,831.42. Compared to FY 16 April we were at (\$793,000). That is a \$2.4M turn around! These numbers continue to improve from last fiscal year.
- ❖ Over Expenditure Report
 - There are quite a few accounts on this report – this is not unusual at this point in the fiscal year. As we go through the remainder of the fiscal year I will identify if there are any departments that will be bottom line over expended by greater than \$5K that will need EC approval. Appropriation transfers as outlined in the Delegation By-laws will be completed during the upcoming weeks.
 - The largest of the over-expenditures is attributed to the Contracted Nursing services and the Med A census as discussed previously.

Rep. Schwaegler asked how many departments over \$5,000 over-expended does the county typically have each year. CA Libby stated they typically only have one (1) and that is the farm.

Rep. Abel stated that he is very pleased to see the financial improvement throughout the year. He stated that he wonders if they should consider if there is the ability to use a larger amount used to reduce taxes. CA Libby stated that this year we are holding even this year with the surplus because we lost those funds last year. She stated that she has broken out projected revenues and expenses at year end and is comfortable using the \$1,030,000 for the amount to be used to reduce taxes.

Rep. Maes moved to accept the County Administrator's Report. Rep. Schwaegler seconded the motion and all were in favor.

New Business:

Rep. Sykes stated that at their last meeting he brought up the idea of having a subcommittee to discuss revenues at the Nursing Home and how changes in laws will have long term effects on the county. CA Libby stated that she thinks that if everything plays out how they are hoping it will in Concord and the implementation of Medicaid Managed Care is delayed to July 1st 2019 there will be a lot of discussion regarding the county's role in long term care funding. Rep. Campion asked if the goal be to understand how all these changes may affect what they can expect for funding, revenue and demand. Rep. Sykes stated that a subcommittee could start taking a look at those questions. Rep. Schwaegler stated that she feels it is a good idea to have a subcommittee to discuss these issues. The committee further discussed the issue of Medicaid Managed Care. Rep. Sykes asked if there was anyone who would volunteer to be on this subcommittee. Reps. Campion, Abel and Schwaegler volunteered to be a part of this subcommittee.

Audience Comments:

RD Monahan asked how many times they have changed insurances in the last five (5) years. CA Libby stated that she would have to look it up. RD Monahan stated that she wanted to bring it to the attention of the Executive Committee that every time they move insurances they see good rates in the first year but then an increase in the rates the following year. She stated that she believes they have changed insurances three (3) times within the past five (5) years. The employees have jumped through hoops to keep this rate low. CA Libby noted that the first change in health insurance they had no choice. Primex stopped providing health insurance so they had to change providers. They have had one (1) change since then and that was last year when the county switched to Harvard Pilgrim. She noted that they are not changing providers this year; they are changing the structure within their policy. RD Monahan stated that coming from an employee point of view she wanted to note the sacrifice on the employees. Rep. Schwaegler stated that it is typical for a company to shop around each year because the rates increase each year. A lot of time and resources are spent looking to find what is going to be an equal or better policy and very rarely do you get that so unfortunately there has to be a give somewhere. She stated that she understands RD Monahan's frustrations.

Rep. Sykes thanked the Executive Committee members for making the meetings as it is important to have a quorum.

Rep. Sykes discussed the budget meeting process with the Committee and what to expect throughout their meetings in June.

Rep. Darrow stated that they know a member of the committee will not be present for some of the budget meetings. He asked if they can be replaced by someone else on the Delegation. Rep. Sykes stated that there is nothing in the bylaws that he knows of in regards to replacing a member on a temporary basis. If a member is no longer on the Executive Committee because they have resigned or passed away there is a process to replace them but he is not aware of anything in the bylaws regarding a temporary replacement. He stated that they can change the bylaws at some point if they would like and that would be something to look into. CA Libby noted that if that was something the committee wanted to do she would think that whoever they chose to replace that seat should be in attendance at the budget meetings leading up to those few meetings so they have all the information they need. Rep. Sykes stated that he thinks this would be a good discussion point for new business at their next meeting.

4:50 PM with no further business the meeting adjourned.

Sincerely,

Stephen Darrow, Vice-Chair