

EXECUTIVE COMMITTEE BUDGET MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday June 9th, 2014

PRESENT: Representatives Smith, White, Ladd, Gionet, Friedrich, Mulholland, Townsend, Sykes. Commissioners Cryans, Richards and Lauer, Executive Director Clough and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: Nursing Home Administrator Craig Labore, Finance Director Dawn Jurentkuff, Farm Manager Donnie Kimball, IT Manager Brent Ruggles.

EXCUSED: Rep. Shackett

Representative White called the meeting to order at 9:04AM.

Nursing Home ~ NHA Craig Labore, Finance Director Dawn Jurentkuff

Revenue

NHA Labore stated that they are projecting a census of 132 for FY15. Due to the pending life safety and bathroom renovation projects they have budgeted six (6) months at a census of 126 and the other six (6) months at 132. They intend to keep the census as close to 132 as possible but are budgeting for a lower census during the six (6) month renovation just a precautionary measure incase changes need to be made.

Room & Board- They budgeted for a \$5 dollar a day increase for their private room rates which would bring the total to \$295 per day as well as the semi-private room rates which will be increased to \$275 a day.

Physician Billing- There is an increase of \$7,500. Effective last March all residents are now under the care of Grafton County providers.

Bed Tax-There is a \$100,000 increase due in large part by higher than expected quarterly payments through bed tax revenue through the state.

Expense

Nursing Home Administration

NHA Labore stated they are requesting two (2) part time twenty-four (24) hour per week positions in clerical support. He explained that this will ensure a presence at the reception desk after 4:00 in the evening and on the weekends as well as add more clerical support for the rest of the departments in the nursing home.

Office Supply Line- There is roughly a \$4,500 increase due to moving department copy charges into the administration line. NHA Labore explained that you will see corresponding decreases throughout the other department budgets.

Dues Licenses & Subscription- The line shows that it is under expended at the nine (9) month mark due to the fact that association dues aren't due till later in the year. ED Clough stated that they have spent \$3,000 to date this year.

Malpractice Insurance- NHA Labore explained that there is no entry due to their previous physician retiring and the county no longer covers the malpractice insurance.

Software Maint/Renewal- The increase is due to the Kaspersky antivirus renewal and other general increases in software fees.

Rep. Smith stated that the travel expenses are up \$1500 from last year and asked NHA Labore if that will be a continuing trend from now on. NHA Labore stated that they will probably see this total this year possibly into next year. He explained that the finance team attends meetings in Concord and other nursing homes learning about the new Medicaid Managed Care. They are having more employees out on the road traveling to trainings which leads to an increase in travel expense.

Rep. Ladd asked NHA Labore if he had to choose between his two (2) new part time positions or the increase in travel expense what would he choose. NHA Labore stated he would take the two (2) part time positions.

Dietary

Food Supply Line- There is a savings of \$17,000. NHA Labore explained that in December the nursing home moved forward to join a group purchasing program through US Foods which makes them eligible for better food prices and quality.

Rep. Ladd asked why there is no money spent to date in the New Equipment line yet they are budgeting \$2,000 again for FY15. NHA Labore explained that they use that line to purchase things such as plates, glass etc. He stated that money has been spent out of that account and will look into why it has not been posted.

Nursing

Wages, Physician- There is no money budgeted in this line item for FY15 due to the previous Physician retiring and the new physician being a contracted service. .

Rep. Friedrich asked if the residents were getting the same services through the contracted physician verses the physician who was an employee. NHA Labore ensured the committee that the residents are receiving the same care and that the contracted physician is working the same hours as the previous physician.

Rep. Ladd asked for an explanation regarding the Nursing Education and Conference line. NHA Labore explained that they are planning this year to have the nurses go through an IV

certification course. There are many educational programs the nurses attend that are through Dartmouth and costs less money.

Rep. Gionet asked if there are nurses that leave after they have received training through the county. NHA Labore stated that the nurses we employ have been here quite a while. They do have turn over in some nurses that come on board and leave within a couple months but they also have a core group that have been with Grafton County a while.

Restorative Nursing

Coordinator- NHA Labore stated that the position was originally budgeted for thirty-five (35) hours a week. They have budgeted for forty (40) hours this year due to the increased number of residents on the restorative floor.

Health Information Management

NHA Labore stated that as part of FY14 he had asked for a part time position under medical transcription to help with phase two (2) of managed care. He has taken that position out of FY15 due to the uncertainty of the program. In FY16 once managed care is up and running he will be asking for a full time position.

Activities

Vehicle Repair & Maintenance- NHA Labore stated that they have had a good year with the activities van and not needed to spend much of the budgeted money.

Rep. Friedrich asked how many volunteers the volunteer coordinator oversees. NHA Labore stated roughly thirty (30). They have had 2,096 hours of donated time from volunteers.

Pharmacy & Physician

There is a decrease in the oxygen line. This line depends on the amount of residents in need of oxygen.

Contracted Service

Physician Services- NHA Labore stated that this is where you will see the wages for the new physician.

Uncompensated Care- NHA Labore explained that this \$10,000 is budgeted in anticipation of Medicaid Managed Care. It is a pot of money to draw from in instances where the managed care organization refuses to authorize a specific service or test.

Therapy & Rehab Med B- They are projecting \$360,000 in revenue from Medicare B. The expense that you see under the contracted services is the percentage that the rehabilitation company is taking from that. They take 73% of the revenue which is standard across the long term care industry. NHA Labore stated that he is projecting a \$10,000 gain in revenue.

Beautician Services- NHA Labore stated that last year they had requested all residents' hair care to be provided and it was cut back to all residents except private pay. They are requesting again this year to have all residents hair care covered. He stated the residents have enjoyed the service.

Social Services

Cable TV- NHA Labore stated that they have over expended the cable TV line due to the implementation of a Satellite TV system. He stated that the satellite TV system will save the nursing home money.

Capital Outlay

NHA Labore stated they are looking to replace the toilets in the 1969 section of the nursing home. He explained that they need to replace roughly twenty-seven (27) toilets in that building due to the ADA height requirements. Currently the toilets set too low and the residents are not able to get themselves off of it so they have a set up a raised seat to allow the residents to push themselves up. He went on to explain that when they upgrade these toilets they are going to a toilet that uses less water. Right now they use 4.5 gallons of water per flush and the new toilets would only 1.6 gallons per flush which in turn would have an annual savings of \$1,600.

NHA Labore stated that in the 2003 building they have almost every bathroom on Granite Unit where the vinyl flooring is separating itself from the wall which poses an infection control concern. They are proposing to put in a different type of flooring. The vendor they have spoken with stated that this new flooring will solve their problems and keep the flooring in place.

Laundry Booster Fan Project- NHA Labore stated that they have a series of four (4) gas powered dryers. When the building was constructed it wasn't done well enough to vent the steam out of the building. The fourth dryer works much harder than it should because it isn't vented properly. With moving forward with this project it will create more efficiency and save money. At a 15% reduction in propane usage there would be a \$4,100 annual savings and \$5,400 at a 20% reduction.

NHA Labore stated that they have seen over the past seven (7) years a steady increase in the amount of parts that have been purchased for the residents' beds. They stated that they are spending more money in bed parts then it would be to replace the entire bed. They are looking to go to a new brand of bed that is used in Rockingham, Merrimack and Hillsborough County Nursing Homes.

Egress Lighting- NHA Labore stated that they found out during a power outage that the egress lighting does not work in the stair wells. There is no generator coverage in those areas. They are proposing to move forward with an emergency lighting system for the stairwells that are battery operated and will provide lighting if needed.

ED Clough stated that the way we normally contribute to the Capital Reserve fund is monies that would come from Proshare funds that are over and above what is budgeted for revenue. The amount is still to be determined at this point. They have budgeted for \$800,000. If they receive

more than they budgeted for ED Clough will recommend that we appropriate a dollar amount that would be used for all of the other expenses in the renovation and life safety project.

ED Clough informed the committee that she has not received any additional information regarding the renovation and life safety projects.

Farm ~ Manager Donnie Kimball

Revenue

Sale of Milk- FM Kimball stated that he has increased the revenue for the sale of milk by roughly \$40,000 to \$420,000. He stated that he estimated low for the price of milk.

Produce to the Nursing Home- FM Kimball stated that they do not charge the Jail for produce used from the Farm. The nursing home does not use as much as the jail so he isn't charging them either. He stated that even though they do not charge the Jail and nursing home they still track all produce that goes to both departments. He stated that they raised over \$70,000 in produce to the jail and nursing home that you do not see in the budget.

Services to the Nursing Home- FM Kimball stated that they pick up garbage twice a day and slop that comes from the nursing home. It equates to three (3) hours a day of farm labor.

Sale of Produce- FM Kimball explained that he would have been over revenue last year if it wasn't for the potatoes getting blight towards the end of the season.

Misc. Farm Revenue- FM Kimball explained that this is revenue made from selling hay and cow manure.

Expense

Health Insurance- There is an increase in the health insurance line due to an employee who picked up a family plan that was previously receiving wages in lieu of health insurance.

Capital Outlay

FM Kimball stated that he is requesting a new used tractor and has budgeted \$50,000 for that. He currently has a 1980 tractor that is in need of replacing.

Roof over Gutter Cleaner- FM Kimball explained that he wants to put a lean-to cover over their gutter cleaners to keep them under cover and keep water out of barn.

Re-floor Silo- FM Kimball stated that he has done two (2) out of their three (3) silos. Right now they are currently concrete silos and the acid from grass and corn eats away at the concrete.

Rep. White asked about possibly leasing a tractor. FM Kimball stated they leased a tractor back when the barn burnt. They leased it for three (3) years and spent more on that lease than what the tractor was worth.

Information Technology ~ Manager Brent Ruggles

ITM Ruggles stated that his budget is up 12% from FY14.

PRI Campus Cost- Closing in on a three (3) year project that will get the entire campus on one (1) phone line versus seven (7). This will create an annual savings of \$13,200 over current costs.

Equipment Repair and Maint- Funded \$6,000 to cover the jail's security video surveillance system. The equipment is now coming out of warranty and the equipment is very expensive. ITM Ruggles explained that he does not plan on spending it but want to have it in case it is needed.

Education- ITM Ruggles stated the IT Department has never budgeted for any education and training. He stated he is looking to purchase online trainings to avoid travel or travel to Nashua to a training facility they have down there.

Software- There is a \$10,000 increase due to the new laserfische digital archiving system. It is currently being used by the Human Resources department. He stated that looking to expand to Commissioners Office, Human Services, IT and Maintenance with this. He went on to state that the other part of the increase is due to the security software Kaspersky coming up for renewal that costs \$6,000 for three (3) years.

Internet Access- ITM Ruggles stated they will be using retired PCs to create a computer lab at the jail to allow the inmates to do the online testing for their HISET. There will be a \$1,000 increase due to providing internet access to the Jail for their HISET testing.

Rep. White asked ITM Ruggles for the spreadsheet that breaks down the increases in the Software and Software Maintenance & Renewal Lines and requested that ITM Ruggles returns Friday with those answers.

Capital

ITM Ruggles noted the following capital outlay expenses.

Cell Phone Concentrator- ITM Ruggles has budgeted \$3,000 for a cell phone concentrator. This will provide cell phone coverage in the Commissioners' office as well as UNH Ext and other meeting areas on the first floor.

Avaya Phone system- ITM Ruggles stated they are looking to finish integrating the Avaya phone system for campus in the Nursing Home, Sheriff's office and Attorney's office. It is priced out over a four (4) year lease after which the county will then own the phones.

ITM Ruggles explained that he is looking to add an alert system to the basement of the white building. They have split the core server room into two (2) locations, the second being in the basement of the white building in case something happens to the administration building. He stated he would like something to alert them of what's going on with that server room incase something were to happen.

ITM Ruggles stated he is budgeting to replacement fourteen (14) PCs and laptops throughout the campus.

Commissioners Office ~ Executive Director Julie Clough

Revenue

Abandon Property & Federal PILT

- Both have increased

Interest

- ED Clough stated this is the interest that is earned on all the county's investments

Courthouse Rent

- ED Clough stated they have renewed their four (4) year lease with the State. There is no increase in FY15 but there is an increase in FY16-FY18 rates.

Recoveries

- These are monies the county gets back from State from Health and Human Services Department.

Misc. Revenue

- ED Clough reviewed and explained the various misc. revenue line items with the Committee. They total \$123,000 in revenue.

Expenses

Commissioners Office

Audit Services- ED Clough explained that the county is required every other year to do an actuarial attestation on the Other Post-Employment Benefits and this year they are required to do that at a cost of \$5,000.

Equipment Rental- There is an increase due to in the increase in the amount of copies that are being made.

Rep. Ladd asked how the NHAC dues are calculated. ED Clough stated that she did not know but she would find out.

GCEDC

They requested \$50,000. Commissioner Richards stated that it is well worth every penny. Mark Scarano and his group are doing a great job bringing in and maintaining new businesses in Grafton County.

Conservation District

- ED Clough explained that the county pays for the administrative assistant. This budget is strictly the employee's salary, benefits and some travel.

Regional Planning Commission

- The county pays dues to North Country Council and Upper Valley Regional Planning Commission. ED Clough explained that they previously allocated monies for North Country RC& D but they have not requested any funds in the past so that money was removed from the budget.

Wage and Benefit Adjustment

- ED Clough explained that last year the county instituted an earned time buyback program and budgeted \$100,000. When it was implemented the Employee Council stated that they did not want the FMLA wording to be changed and requested that it be reversed back the old policy therefore no money has been budgeted for that in FY15.
- Employee Benefit Pay Out- ED Clough explained that when employees get done they receive a payout for their earned time and benefits. Departments don't normally budget for that and in turn try to go without replacing an employee to try and make up for those costs. This will be money that would be spent out of salary lines but is now allocated under this new line item. This is the average payout over the last three (3) years. If it does not need to be spent it will not be spent.

Bonded Debt

- ED Clough added in Bond Fees and they will only be used if the bond for the Nursing home is approved.
- Other Lines are the other current bonds the county has. There are currently four (4) bonds, the nursing home, water tank and two (2) for the DoC.

Contingency

- County Government Promo- The NHAC Conference from last fall and Open Barn Day will come out of this line item. It has been decreased this year due to the fact that Grafton County is not hosting the NHAC Conference.

Unemployment Insurance

- ED Clough stated that the premium this year was \$33,000 and anticipates an increase so \$36,000 was budgeted for FY15. She stated that this renews on a January cycle and this fall she will meet with HRD Cramer. They are monitoring their unemployment costs and they may go back to self-funded. They saw a large spike in the unemployment in 2013, this year has come way down so they may go back to being self-funded and not spend the \$36,000.

Rep. White stated that the plan for Friday is to leave here with a recommendation for the Delegation and not meeting on the 16th.

12:05 PM With no further business the meeting adjourned

Sincerely,

Suzanne Smith, Clerk