

COÖS COUNTY DELEGATION
2011 ANNUAL BUDGET MEETING
Saturday, March 12, 2011 - 9:00 a.m.
Coös County Nursing Home - Berlin, NH

Present: Representatives John Tholl-Chair; Herb Richardson-Vice Chair; Yvonne Thomas-Clerk; Gary Coulombe, Duffy Daugherty, William Hatch, Evalyn Merrick, Larry Rappaport, Bill Remick, Robert Théberge and Marc Tremblay. Also present: County Commissioners “Bing” Judd, Paul Grenier and Thomas Brady; County Administrator Suzanne Collins; Director of Finance Jennifer Fish; Superintendent Craig Hamelin; Nursing Home Administrator Louise Belanger; Nursing Hospital Administrator Laura Mills; County Attorney Robert Mekeel, Sheriff Gerald Marcou, Chief Deputy Keith Roberge, Registrar of Deeds Carole Lamirande, County Treasurer Fred King, Assistant County Attorney John McCormick, Victim/Witness Advocate Jessica Riendeau, Administrative Assistant Linda Harris, representatives of agencies supported by the County, members of the press and the public.

Chairman Tholl called the meeting to order at 9:18 a.m. He asked everyone to rise for the Pledge of Allegiance. The roll was called by the Clerk, Representative Yvonne Thomas. There were 11 members present.

Review & Approval of Minutes: A motion was made by Representative Rappaport, seconded by Representative Tremblay to approve the minutes of the February 19, 2011 meeting. The minutes were unanimously approved by a voice vote.

Subcommittee Reports:

Representative Richardson apologized for not having any subcommittee meetings for the Sheriff, County Attorney Subcommittee.

Representative Daugherty reported on the farm subcommittee meeting held on February 19. He reported that it was an emotional meeting. There were issues worthy of comment, one being the request to wait one year and do another study. Representative Daugherty’s personal belief was there was never any prohibition to doing studies. Waiting another year is just kicking the can down the road. The meeting justified closing the dairy operations. He asked that the minutes of the meeting be accepted into the record.

Representative Rappaport reported that prior to the Corrections’ subcommittee meeting the group took a tour of the Department of Corrections. The Superintendent requested that the cameras for the video surveillance equipment be upgraded and no one objected.

Representative Hatch asked if all Delegates could be notified of subcommittee meetings. Chairman Tholl stated it was a good idea. Representative Théberge inquired if this request should be part of a motion and Chairman Tholl replied it did not need to be as the discussion will be part of the minutes.

Representative Remick, Chairman of the Nursing Home Subcommittee, commented that the greatest concern was the lack of residents at the Nursing Hospital in W. Stewartstown. He thanked Sue and all nursing home employees for the excellent work as both nursing homes received high ratings from CMS.

Opening Remarks:

County Administrator Sue Collins welcomed members of the Delegation, the public and the press to the Annual Coös County Budget Meeting. She explained that she would only be explaining the

Commissioners' recommended revisions to the proposed 2011 budget that was presented at the public hearing. She also explained there were budget revisions for the Unincorporated Places.

Coös County has collective bargaining agreements with the SEA for most positions at the Department of Corrections and with AFSCME for most positions at the Nursing Home here in Berlin. Both collective bargaining agreements expired on December 31, 2010.

The new SEA Collective Bargaining Agreement agreed to is a one-year contract. It was formally approved by the SEA membership on Friday, March 11.

The Agreement includes a few language changes:

- A Corporal in charge of shift will be authorized to approve 4-hour personal leave if certain conditions are met;
- A bargaining unit member who is covered by County sponsored health insurance provided by spouse is not eligible for the \$1,200 opt out payment;
- Once every two years an employee may purchase a black duty belt approved by Superintendent (this item is a uniform component already covered by agreement - it allows the employee some flexibility in style selection to a maximum of \$30).

The cost item changes included:

- Health Insurance renewal 7/1/2011 - new deductible plan with higher office visit co-pays and higher co-pays for prescriptions. Staying with the current plan showed an increase of \$14.59% for both employer and employee. The agreed to plan shows an increase of 5.7% with a total cost of \$10,281 annually. That is \$5,140 for July 1, 2011 to December 3, 2011.
- Wage increase of 50-cents per hour effective May 1, 2011 - total cost \$7,600.

The Collective Bargaining Agreement with AFSCME is also proposed to be a one year agreement. The last negotiating session was on March 9th when a final offer was made by the County. The County proposal still needs to be ratified by the Board of Commissioners and presented to the Union membership.

The proposed cost items include:

- Health Insurance renewal 7/1/2011 - new deductible plan. The current AFSCME plan already has a high prescription co-pays. Staying with the current plan meant a 14.6% increase for a total county outlay of \$154,730 annually. The deductible plan means an overall increase of 10.2% a year or \$54,200 in additional funding for the second half of 2011. There are 85 covered members.
- Wage increase of 50-cents per hour effective May 1, 2011 - total cost is \$78,000.

Sue continued that the revised budget sent to members of the Delegation reflected a 2% wage increase for all employees effective July 3, 2011. After several rounds of negotiations and discussions, the Commissioners preferred an across the board 50-cents an hour during these hard economic times - it recognizes that the economic need of a dietary aide or a housekeeping aide is as high or perhaps even greater than the economic need of those in management positions.

Sue moved on to the revisions made to the appropriations budget since the public hearing in December:

Nursing Hospital Operating Budget

Health Insurance Line Item Adjustments - budgeted 2.5% increase for the last 6 months of 2011 (non-union) and incorporated some plan changes	\$30,100
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Wages (Includes \$21,000 for a nurse assistant who recently resigned and collected accrued sick/personal time).	69,450
Social Security, NH Retirement, Workers' Comp, Unemployment Insurance Adjustments	7,650
Plant: New Equipment - deleted some shop items and added 3 security cameras	-750
Pharmacist Services	<u>-1,400</u>
Total Operating Adjustments	\$105,050

Changes to Nursing Hospital Capital Improvements:

Replacement Windows	\$35,000
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Berlin Nursing Home Revisions:

Nursing Home Operating Budget	
Health Insurance Line Item Adjustments	\$42,500
Wages (includes replacement hours in physical therapy)	68,400
Social Security, NH Retirement, Workers' Comp, Unemployment Insurance Adjustments	4,675
Dietary - Equipment (purchased buffalo chopper in 2010)	-1,000
Nursing - Education & Conferences - no education loans for 2011	-10,000
Plant Operations - Outside Services (clean underground storage tank)	5,000
Plant Operations - Equipment Repair - lawn/plow tractor	-3,000
Plant Operations - Equipment - Outside Benches - Grant offset	<u>1,500</u>
Total Operating Adjustments	\$108,075

Sue continued with revisions to the County portion of the budget.

County Administration:

Health Insurance - Increase for one Employee Shared with Unincorporated Places	\$300
Wages	550
Legal Services - Increase due to on-going legal dispute brought by County Attorney	<u>5,000</u>
Total Adjustments County Administration	\$5,850

County Finance:

Wages	\$ 700
Social Security, Workers' Comp, Unemployment	<u>300</u>
Total Adjustments County Finance	\$1,000

County Attorney:

Wages	\$ 950
Health Insurance	900
Social Security, Workers' Comp	<u>900</u>
Total Adjustments County Attorney	\$2,750

Sue explained that one item that was not reflected in the budget as presented is the additional estimated cost of rent and associated costs of locating the County Attorney's Office in the former Lancaster National Bank building on Main & Middle Streets in Lancaster. Sue prepared an estimate which she presented to the members of the Delegation. She projected that \$3,300 more will be needed in 2011 to be shared by both the County Attorney and Victim Witness Program. \$2,300 is needed in the County Attorney budget and \$1,000 is needed in the Victim Witness budget. This estimate is predicated on the Commissioners' plan to renovate the current Register of Probate space into offices for the County Attorney and Victim Witness Program. The move to the bank space will occur around April 1st. Representative Merrick inquired if the two departments were moving together and Sue replied in the affirmative. Representative Richardson noted that electricity, janitorial services, etc. are all inclusive in the courthouse rent but now the County will have to pay extra at the new location and Sue replied yes. Representative Th  berge asked if the Commissioners had negotiated a lease with the bank. Sue replied that the Commissioners are the only ones who can sign a lease and it is a month-to-

month commitment with the bank. Sue explained that if the building owners were to find someone with a long-term commitment or if the building is sold the County would be at the mercy of the new owner. Representative Daugherty asked if there was a Plan B and Sue replied no. Representative Rappaport asked if the Judge had ruled in favor of the Passumpsic location. Sue replied that the Judge had ruled that the current space is unsuitable. The space at the Passumpsic Bank is the space that the County Attorney has advocated for. County Attorney Mekeel stated that his calculations were a little different from the Commissioners'. The countersuit regarding the proposed space was denied. The cost of renovations to move to the probate area was quoted under oath as being \$75,000 with no offset for the County. It is not adequate space. Chairman Tholl noted that previously the County Attorney had stated that there would be no cost for moving to the bank space and now the County Attorney is requesting \$1,500. Attorney Mekeel replied that the offer was made prior to the lawsuit and was made in the spirit of let me move now and I'll move myself. Months later after spending his own time on this lawsuit and spending his own money he will not go back to his original offer. It is not right and no one does it that way. Chairman Tholl stated the way he read the Judge's order is that the Commissioners had to provide adequate space.

Sue continued with the revisions:

Victim Witness

Wages	\$500
Health Insurance Opt Out	<u>-850</u>
Total Adjustments Victim Witness	\$ -350

Registry of Deeds

Wages	\$1,150
Social Security	<u>100</u>
Total Adjustments Registry	\$1,250

Sheriff

Wages Full Time Employees	\$1,750
Health Insurance	<u>1,800</u>
Total Adjustments Sheriff	\$3,550

Sue stated that the Sheriff would like to speak to the Delegation about the appropriation for gasoline for his fleet of vehicles. The current conflict in the Middle East was not foreseen when the original budget was prepared. The cost of gasoline has gone up and Sheriff Marcou needs to make a request for \$10,000 additional funding for gasoline.

Sheriff Marcou explained that when the budget was prepared in October the price of fuel was \$2.50 per gallon. The Sheriff's Department has a contract with the Department of Transportation until June 1 for \$3 per gallon and that is the figure he used for his budget. Currently the price per gallon is unknown after June 1. He was given an estimate of \$3.50 to \$4.00 per gallon. He estimated the mileage for his fleet is 200,000 to 240,000 miles a year. He anticipates that the \$10,000 increase will let him break even. One of the reasons for the mileage increase is due to the state prison parolees. Representative Daugherty asked if the Sheriff could provide a closer mileage figure and the Sheriff replied he could not. Commissioner Brady also noted that the Sheriff could not provide an accurate figure as crime could increase which would mean an increase in transfers. Chairman Tholl explained that the Sheriff has no control on his travels. The Sheriff's additional request was not included in the budget and would need to be added during the final budget approval.

Corrections

Wages (includes a reduction in longevity due to a retirement)	\$ 8,250
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Health Insurance Adjustments	12,900
Social Security, NH Retirement, Workers' Comp, Unemployment Insurance Adjustments	900
Counseling Services - overlooked some contracted hours in error	3,000
New Equipment - deleted shop equipment and added Taser cams	<u>450</u>
Total Adjustments Corrections	\$25,500

Cooperative Extension

Wages	\$ 500
Health Insurance	<u>700</u>
Total Cooperative Extension Adjustments	\$1,200

Coös Conservation District

Wages	<u>\$400</u>
Total Coös County Conservation District Adjustments	\$400

County Farm

Total Farm Adjustments	-\$227,450
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Sue explained that the County Farm budget was reduced by \$227,450 yielding a farm budget of \$200,000. An optional County Farm budget was sent to members of the Delegation should they decide to grant a one year moratorium on closing the dairy operation. The optional budget total is \$429,050. Sue reported that she had spoken with the Farm Manager and Commissioner Judd and they thought that few costs could be trimmed so perhaps if the Delegation were to re-consider, the farm could try to function with \$415,000 in 2011. An example of savings would be to purchase only half the regular amount of fertilizer - the farm should be able to get an acceptable level of nutritional value from the grass and corn to make it through one more summer with half of the amount of purchased fertilizer.

Federal Funds

NRCS: Conservation Easement Re-appropriate balance of 2010 grant (REVENUE OFFSET)	\$64,990
CDBG: Dean Brook Park Re-appropriate balance of 2010 grant (REVENUE OFFSET)	<u>\$497,500</u>
Total Federal Funds Adjustments	\$562,490

Sue concluded that the total of all the revisions to the 2011 Budget was \$623,515 of which \$562,490 is federal grant funding that is offset by revenue leaving \$61,025 in revised requests.

Sue reviewed the revenue revisions:

Nursing Hospital

Medicaid NH - Rate Increase 1/1/11 of \$5.26; however, it was necessary to adjust occupancy projections to a more realistic level resulting in a reduction in the Medicaid budget of \$135,100.	-135,100
Vermont Medicaid - Rate Increase 1/1/11	1,800
Farm Closing adjustments for meals and administrative services	-3,850

Nursing Home

Medicaid NH - Rate Increase 1/1/11 of \$3.58 per day + 1 additional resident in occupancy projection	164,200
Grant for Outside Benches	1,500
Additional ARRA – FMAP Projection; program ends June30, 2011	100,000
Investment Income - Reduction due to low interest rates	-7,500
County Farm - Projecting closing dairy operations by end of May, revenue from sale of livestock and some equipment	-65,500
CDBG Housing Grant re-appropriated	497,500

NRCS Conservation Easement Re-appropriation of balance of ARRA Stimulus Grant	64,990
Surplus to Reduce Taxes from December budget amount of \$1,760,300 to revised amount of \$2,219,000	458,700
County Tax from December budget amount of \$13,639,600 to \$13,186,375	<u>453,225</u>
Total Revenue Adjustments	\$623,515

Sue reported that currently the proposal before New Hampshire House Finance Division III is to divert \$33M of MQIP funds to replace State General Fund dollars in the Home support area. According to the NH Department of Health & Human Services, around \$11 million of that is county revenue. Should that happen, a portion of that \$11 million gap might be covered by the so-called ProShare funds in 2012 but she forewarned Delegation members that if \$33 million is diverted to home care, the County will be requesting a supplemental budget during the summer to make up the MQIP shortfall. In 2010, Coös County received \$1,382,789 for Coös County Nursing Home Berlin and \$980,906 for Coös County Nursing Hospital West Stewartstown. A significant part of that \$2,363,700 is currently at high risk of being downshifted to the County tax.

Representative Richardson wanted to remind the Delegation that it had been said by the leadership of the NH House that there would be no cost downshifting to taxpayers. He urged the Delegation to remind the leadership of that statement. Representative Hatch stated that the MQIP cuts and Medicaid reimbursement cuts are huge and he could not see how that will not happen. Delegates should be careful with every budget decision. He cannot see how towns will not be impacted if this cut goes through.

Chairman Tholl noted that people need to understand that if County taxes are increased it will be passed down to the town and then to the property tax bills. In his opinion this is downshifting. Sue reviewed the Medicaid Quality Incentive Program for the new delegates. Sue also explained that the House Leadership speaks of not downshifting costs to the towns and cities but they do not mention the counties.

County Treasurer Fred King explained that the Chair of Division III in Finance went to Commissioner Toumpas and asked for more cuts. The cuts were provided but the Commissioner does not support them. The Commissioner fears that these cuts will affect the residents of the North Country the worse. Mr. Kurk is after \$18 million and he proposed to increase bed the tax to 6%. He hopes to take this money and divert to areas of the budget that need money. Mr. King hopes that the leadership makes it clear no downshifting to property taxes. The Delegates need to remind the leadership that this is unacceptable.

Representative Daugherty stated that there is another side to the downshifting equation and that is to cut spending. The assumption is don't spend more than what is expected in revenue. Mr. King stated that cuts will need to be made but the Delegates need to remember the nursing homes. The nursing homes are regulated by the federal government and there are also state mandates that need to be met in the operation of these homes.

Sue continued with the revisions to the Unincorporated Places budget.

Each of the Unincorporated Places budgets were affected by minor adjustments to the State Education Tax line items based on the actual warrants received from the NH Department of Revenue Administration in December. Other specific appropriation changes included:

- Dixville - general government contracted services increased \$1,600.
- Erving's Grant - general government contracted services increased \$150.
- Green's Grant - solid waste was decreased \$500 and ambulance services increased \$600.

- Kilkenny - \$3,300 was added for perambulation of the town line between Stark and Kilkenny.
- Martin's Location - ambulance services increased \$200.
- Millsfield - workers' compensation increased \$62; general government contracted services increased \$900; tuition in elementary and secondary education dropped by \$51,600 due to the receipt of National Forest Reserve Funds.
- Odell - general government contracted services increased \$150 and perambulation decreased \$1,000.
- Pinkham's Grant - solid waste decreased \$500 and ambulance services increased \$600.
- Success - legal services increased \$2,000 and solid waste was decreased \$400.
- Wentworth Location - workers' compensation increased \$119 and secondary tuition dropped by \$12,000
- The associated Municipal Tax, Local School Tax, and State Education Tax line items in the Unincorporated Places designated above were all adjusted to reflect the changes in appropriations.

After a short break, Chairman Tholl stated that he would read the bottom line for each department. At this time, Representative Daugherty made a motion that the two nursing home budgets totaling \$19,070,025 remain as presented and he requested a 5% cut on the remainder bottom line of the budget. Furthermore, the County Commissioners and the County Administrator can make the determination as to where the cuts should be made. The new proposed figure is \$31,135,039. Representative Rappaport seconded the motion.

Representative Hatch stated that the budget begins as a zero-based budget and the respected departments come up with needs. When the budget is done in this manner, the figures provided show what is needed to operate. The Commissioners also make cuts prior to the budget being presented to the Delegation. He did not agree with this motion.

Representative Daugherty stated that he does not believe in doing more with less. One should do less with less. Doing budgets the way it has been done is a time waster for him. The County Administrator and the County Commissioners know what is needed. The Delegation's job is to appropriate a number. His motion is a cut of \$635,220 or 5% of all items except the nursing homes. The budget as presented was \$31,770,259 and the new proposed figure is \$31,135,039.

Representative Richardson disagreed with the motion. The majority of the budget is the nursing homes; all departments are important. This budget should not be rushed through as this is the Delegation's responsibility. If cuts are to be made it should be 5% from all departments.

Representative Th  berge stated that the Delegation has never gone through the budget line by line. This is a slap in the face to the Commissioners and the constituents. He did not agree with the motion. There are new appropriation revisions that must be reviewed. Representative Merrick agreed with Representative Th  berge.

Representative Rappaport agreed with Representative Daugherty. The Commissioners have done a great job. This motion shows that the nursing homes are the most important part of the budget. The other departments need to show some expertise. This is a good approach and will keep taxes down.

Chairman Tholl asked that if the process was to be done this way what happens to the revisions that were requested earlier in the meeting? Representative Daugherty replied he was under the impression that all revisions were already included in the budget mailed to the Delegation. He was informed that the additional amounts for County Attorney and Victim/Witness rent and gasoline for the Sheriff's department were not included.

Representative Remick stated that cuts had to be justified.

Chairman Tholl re-read the motion. The motion failed by roll call vote 3-8.

Chairman Tholl began with the review of the budget. Chairman Theberge asked for clarification that all revisions were included in the budget except for the Sheriff's request and the County Attorney's rent. Sue replied in the affirmative.

While reviewing the County Attorney's budget, a motion was made by Representative Théberge, seconded by Representative Richardson to increase the County Attorney's budget to \$272,600. This figure includes the additional funds of \$2,300 for the rent. The motion was approved by roll call vote 9-2.

Representative Hatch asked about the moving costs being voted on separately. Representative Théberge asked if the costs for moving were part of the budget and the Chair stated they were not. Chairman Tholl stated that the County Attorney had provided the Delegation with revised budget increases that totaled \$7,452.50. Commissioner Judd informed the Delegation that the Commissioners had not seen this revised budget request. A motion was made by Representative Théberge, seconded by Representative Merrick to appropriate \$1,552.50 for moving costs.

Representative Richardson reminded everyone that in the August 13, 2010 minutes Attorney Mekeel had stated that the move would be done by volunteers. This is now being taken out on the taxpayers not on Commissioners and the County Delegation. He did not support the motion. Representative Rappaport agreed with Representative Richardson. This statement was sworn in court that the County Attorney would provide the move. Attorney Mekeel stated that he would withdraw the request.

For discussion purposes, a motion was made by Representative Hatch, seconded by Representative Merrick to appropriate an additional the \$5,900 for the County Attorney. Representative Rappaport asked if the Commissioners' figures in the first column of the County Attorney's new request were correct and Sue replied that the figures were correct. Representative Théberge stated that the County Attorney should have discussed the revised budget with Commissioners. He did not like how this was done. He does not like to do end runs around the Commissioners. Representative Merrick withdrew her second. Representative Coulombe seconded the motion to continue the discussion. Representative Hatch asked for clarification - the monies being requested for by the County Attorney are not recommended by the Commissioners. Commissioner Judd replied that the County Attorney did not submit a revised budget to the Board until the morning of the budget meeting. Chairman Tholl questioned the need for an \$800 desk. Attorney Mekeel replied that a desk is needed for the part-time person as the desk currently being used belongs to Superior Court. Representative Hatch understands that a desk is needed but was disappointed with the process used by the County Attorney. Chairman Tholl also expressed dismay that the budget was not brought forth to the Commissioners. Commissioner Brady stated that if everyone communicated, County departments could save money. Sue stated that there was a desk at the Nursing Hospital that could be loaned to the County Attorney's office. Representative Hatch was not comfortable with the budget as requested. He withdrew his motion and Representative Coulombe withdrew his second. The County Attorney's budget remained at \$272,600.

A motion was made by Representative Richardson, seconded by Representative Tremblay to increase the Victim/Witness budget to \$83,625. This figure includes the \$1,000 increase for rent. The motion was approved by roll call vote 9-2.

There were no changes to the Registry of Deeds budget; however Ms. Lamirande wanted to advise the Delegation that she had recently found a new company in Vermont to bind the registry books at a price of \$850 per book.

A motion was made by Representative Richardson, seconded by Representative Coulombe to increase the Sheriff's budget to \$709,800; this figure includes the \$10,000 requested earlier for gas and \$3,000 for on-call stipends. Representative Richardson explained that currently the on-call stipend is \$52. If an officer gets called for a transfer when he is on-call over the weekend, he loses the stipend and gets paid for the transfer only. The Commissioners made this policy but he feels that the on-call officer should not lose the on-call stipend. Chairman Tholl wanted it noted that the Sheriff had not requested this; it was Representative Richardson's request. Representative Th  berge stated that he had an issue with the fact that the Sheriff did not request this. Chairman Tholl stated that he would be abstaining from the vote as he was a part-time deputy. Representative Rappaport stated that the thought is there but the request did not come from the Sheriff and Commissioners; however he did support the request for gasoline. Representative Daugherty also agreed and stated that they should not add to county spending. Representative Richardson stated he had mentioned this issue at the public hearing but it was not acted upon. The motion failed on a roll call vote 1-9.

A motion was made by Representative Rappaport, seconded by Representative Tremblay to add \$10,000 to the Sheriff's budget for gasoline. The motion was approved by roll call vote 9-2.

A motion was made by Representative Richardson, seconded by Representative Daugherty (for discussion) to amend this budget to \$102,450. Representative Richardson explained that he was cutting \$45,000 for Co  s Economic Development. Sue noted that the funds requested were not specifically for CEDC. She explained that \$15,000 was requested for Tri-County Cap to assist in funding a position for economic development. Commissioner Grenier explained that the Commissioners believe in this cause. The Town of Gorham voted to appropriate funds for this position and the City of Berlin earmarked money for the position also. The County hopes to help fund a position instead of a whole entity. The remaining \$30,000 is for economic development in Co  s County. Representative Richardson stated that the Town of Lancaster voted to appropriate money for Tri County Cap and wanted to make sure they were not double dipping. He noted that the unemployment rate in Colebrook was 20%. He continued that CEDC has to prove itself. Representative Hatch stated that CEDC Chairman Mr. Diego has spent time explaining the changes to the Commissioners and to the Delegation. Commissioner Brady noted that the money will be controlled by the County. At that point Representative Richardson withdrew the motion and Representative Daugherty withdrew the second.

The total County Government figure was \$10,376,079.

County farm:

Representative Th  berge asked what the plan was going forward. Sue replied that if the dairy operations close the herd will be sold by June, some equipment will be sold and three employees will be laid off. The County will need to pay accrued time for the three employees. Chairman Tholl asked if it was true that one employee is eligible to retire and Sue replied that was correct. Representative Th  berge stated that earlier in the presentation Sue had stated that with an additional \$215,000 the farm could operate until the end of the year. Representative Daugherty stated that even with the increase in milk prices the budget as presented would still show a loss of \$93,000 and Sue stated that was correct. A motion was made by Representative Richardson, seconded by Representative Th  berge to amend the farm budget to \$415,000. Representative Richardson explained that this would keep it open for one year with the stipulation that a subcommittee be set up to see that it becomes a break even operation. This committee will report to the Delegation on a quarterly basis. Representative Richardson continued that the farm was not given a fair shake and the Delegation owes it to the public to give it a chance. If no one steps up, he will be the first in line next year to request it be closed.

Representative Rappaport disagreed with the motion. The farm has been losing money forever and the County cannot count on timber sales as part of the farm income. He has been approached to lease the farm and it should be considered. Once the farm is leased it is no longer the responsibility of the County.

Representative Th  berge stated that if one only looks at the bottom line, why not close both of the nursing homes. He asked if Representative Rappaport would be willing to privatize them.

Representative Merrick used Representative Richardson's prior comment. One needs to look at the entire County. Programs are being cut everywhere. She would be voting to close the farm.

Representative Daugherty stated that the vote in December of 8-1 was pretty clear. It has been an ongoing issue and he did not understand why the County was in the cow business. It is not a county taxpayer issue to keep an inefficient farm, he stated.

Representative Coulombe noted that when the vote was taken in December the price of milk was low. It is now back up. He asked that it be kept open until the end of the year and give the people who volunteered to look at operations and alternatives a chance. It will also give a chance to streamline the operation.

Representative Tremblay stated that numbers don't lie. He will vote no due to economic reasons.

Chairman Tholl stated that the farm is losing money. The Delegation has an obligation to take care of the people not cows.

Representative Rappaport stated that even though the price of milk has increased, the price of feed and oil has also increased. If anyone is ambitious enough, he will make this farm his own and he will not be a county employee. Even though the price of milk is up it is not meaningful enough to keep the farm open as the price of feed, fuel and fertilizer is also going up.

Representative Richardson replied that he was not aware that 3 or 4 people had expressed a desire to lease the farm. The Commissioners were not aware of this either. Representative Richardson asked what will be the economic impact on the area if the farm is closed. No study has been done. How many people have spoken in favor of closing? What about the rehabilitation program for inmates? He would like answers to these questions. Representative Daugherty replied that there are alternatives. There has never been any prohibition of any study and no County approval was required for a study. He continued that the Fish and Game Department is looking at alternative ways to purchase fish food as they currently purchase it out of state and he wondered if soy beans could be grown on the County farm to produce the fish food.

Representative Merrick stated that no one wants to see the disappearance of farms. In regards to the rehabilitation of prisoners, she suggested that some of the money from the proceeds of the farm be used to develop new programs at the Department of Corrections.

Representative Coulombe stated his position was to give a chance to find someone without losing the cows and also keep inmates at work.

Chairman Tholl noted that Mr. King had mentioned in December that it was a poor time of year to sell cows. If this is the case, the County would be looking at 2012 since the winter is not a good time to sell. Milk prices constantly fluctuate and it bothers him that this issue needs to be looked at. He will not support to keep the farm open.

Mr. King noted that he hoped that if the farm is sold that the Delegation dedicates money to dismantling the buildings. The county cannot keep the buildings empty. Chairman Tholl added that would be a decision for the Commissioners to make.

Chairman Tholl asked for a vote on the re-read the motion. The motion failed 4-7.

Representative Richardson questioned the loss in the transfer station and Sue explained a new contract will be negotiated in June with the 3 participating towns. She stated that the West Stewartstown county facilities are able to dispose of all solid waste at this facility and that is a tremendous cost savings.

The total for appropriations was \$30,898,315. Representative Richardson noted that even with the farm closing the budget was up \$13,300.

The Delegation recessed for lunch at 1:00 p.m. and reconvened at 1:45 p.m.

Chairman Tholl continued with the Unincorporated Places appropriations.

Commissioner Judd asked that the Delegation watch for SB2 and work to kill it. This bill would require the county to pay a fee of \$150 to DRA for each Intent to Cut and Intent to Excavate filed with the County.

A motion was made by Representative Hatch, seconded by Representative Th  berge to approve the appropriations for all funds of \$31,783,559. This figure includes an increase of \$13,300. The motion was approved by roll call vote 6-5.

Chairman Tholl reviewed the revenues. There was increase of \$13,300 in the amount to be raised for the County Tax.

A motion was made by Representative Th  berge, seconded by Representative Rappaport to approve the revenues for all funds in the amount of \$31,783,559. The motion was approved by roll call vote 10-1.

Other business:

A motion was made by Representative Richardson, seconded by Representative Th  berge to send a letter to Governor Lynch, with copies to the NH House and Senate Finance to keep the rest areas in Colebrook, Littleton and Shelburne open. Representative Daugherty asked that Sanbornton also be added to the list. The rest areas are important to the economic development of the North Country. The pamphlets, maps and tourism add to the North Country economy. Closing these rest areas is stupidity at its best.

Commissioner Brady added that the issue seems to be that the rest areas were originally under the Department of Transportation budget and then transferred to the vacation travel budget in the Department of Resources and Economic Development. The money has been cut from both budgets and there is no money for the rest areas.

Representative Rappaport asked if the motion included all rest areas. Chairman Tholl replied the three North Country rest areas and the one in Sanbornton. Representative Hatch asked if the motion could emphasize the three North Country and Sanbornton rest areas; but support all of the rest areas. The motion was approved unanimously by voice vote.

The Delegation asked if Representative Hatch would write the letter and include a copy of the petition given to him by the employee of the Sanbornton rest area.

Budget Resolutions:

Representative Daugherty asked if all resolutions could be approved under one vote. Chairman Tholl did not see an issue as all changes had been voted upon. Sue stated that Resolution #5 must be approved separately in order to comply with Department of Revenue Administration instruction. A motion was made by Representative Th  berge, seconded by Representative Daugherty to approve resolutions 1 - 4.

RESOLUTION #1

Be it resolved by the Co  s County Delegation duly convened on this twelfth day of March, 2011, that the sums hereinafter detailed in this resolution are hereby appropriated and the total amount for the fiscal year ending December 31, 2011, shall be **\$30,898,315** for the County budget not including the Unincorporated Places.

RESOLUTION #2

Be it resolved by the Co  s County Delegation that the sum of **\$17,698,640** is hereby adopted as the estimated income from sources indicated for the fiscal year ending December 31, 2011.

RESOLUTION #3

Be it further resolved that the total appropriation being in excess of the total estimated income in the amount of \$13,199,675 the Treasurer shall issue his warrant to the Towns and City in the County for this amount.

RESOLUTION #4

Be it resolved that \$2,219,000 of the operating surplus for the year 2010 be appropriated in the 2011 Budget for the purpose of reducing taxes for 2011.

The motion was approved on a roll call vote 10-1.

A motion was made by Representative Tremblay, seconded by Representative Daugherty to approve Resolution #5:

RESOLUTION #5

Be it resolved by the Co  s County Delegation duly convened on this twelfth day of March 2011 that in order to comply with Department of Revenue Administration instruction, the Delegation separately approves an appropriation of \$885,244 and revenues of \$885,244 for Co  s County's Unincorporated Places for calendar year 2011. The Unincorporated Places Budget for 2011 is adopted separately from the Co  s County Budget.

The motion was approved on a roll call vote 11-0.

Representative Richardson question whether Resolution #4 needed be adopted separately. A motion was made by Representative Tremblay, seconded by Representative Daugherty to approve resolution #4 separately. The motion was approved on a roll call vote 11-0.

Representative Richardson asked if money should be set aside for unforeseen repairs to the nursing homes. Sue explained that the Facility Fund was available and Delegation approval was needed to expend these funds.

Sue asked the Delegation to ratify the SEA cost items: \$5,140 for insurance and \$7,600 in wages. A motion was made Representative Coulombe, seconded by Representative Richardson to ratify the SEA cost items for 2011. The motion was approved on a roll call vote 11-0.

Representative Richardson thanked Sue and the Commissioners for the work accomplished on this contract.

Representative Th  berge inquired if repairs on the front entrance at the Berlin Nursing Home were part of the 2011 budget because of the potential for runaway wheelchairs. Sue replied no repairs were included in the budget and explained that planters would be built and placed in certain areas to prevent runaway wheelchairs.

Representative Rappaport made a motion to suggest to the Commissioners to consider leasing the farm, seconded by Representative Richardson. Representative Thomas asked if this would be with or without cows. Representative Rappaport replied it was up to the Commissioners. Commissioner Judd asked if the resolution would be changed. Representative Daugherty stated that the motion as read was to sell the herd and dairy operations equipment. He hopes that the Commissioners will look for someone to provide the County with money to use that land; ideally a long term lease. Sue stated that money will be needed to pay for the property taxes. Someone else could use the farm for dairy operations – the Commissioners would only be managing a lease. Commissioner Grenier stated that the resolution as read ties the Commissioners hands. If someone was interested in a lease purchase for the herd and equipment and the County would recover all costs, the way the resolution reads everything would need to be sold. He asked if in the interim period would the Delegation consider a proposal where someone would operate the farm where the County would not be responsible for the income and loss. Rep. Daugherty replied that nothing is stopping the Commissioners from doing so. Commissioner Grenier stated that right now the Commissioners have a mandate to cease dairy operations. Chairman Tholl stated that the Delegation cannot tell the Commissioners what to do with the farm. They cannot appropriate money to run the dairy operations but do not have authority on how to run the actual operation. Commissioner Grenier stated that the language in the resolution refers to liquidation. Chairman Tholl stated that the Delegation does not have the authority to tell the Commissioners how to run the farm. Commissioner Grenier stated that a lease purchase agreement with the herd and equipment would be best. It would protect the dairy operations in the North Country and Chairman Tholl agreed. Commissioner Grenier stated that as long as there is a gentlemen's agreement in place and if the lease purchase agreement does not work; then the County would liquidate. Chairman Tholl re-read the motion. The motion was approved unanimously by voice vote.

Representative Daugherty made a motion that concerns the Administrator's house in West Stewartstown. As he understands, she lives there for free. He feels that rent should be charged as this is considered taxable income. He was not sure why the County supports a house which includes utilities and other incidentals. The motion included to look into hiring a private appraiser (selected by the Delegation) and have the house appraised for rent. The administrator would start paying an appropriate rent from some time forward.

Representative Hatch stated it was not taxable income as the employee is mandated to reside at the house and be available 24 hours a day.

Representative Th  berge stated that if there is a contract, the agreement cannot be broken.

Representative Daugherty stated that the administrator's duties no longer require her to do so.

Representative Richardson stated that Sue has been an asset to the County for many years. He suggested waiting until her retirement and go from there. It is unfair and unrealistic.

Representative Rappaport suggested amending the motion and agreed with Representative Richardson. The County Administrator has purchased a house in Colebrook and the Delegation cannot break a contract. He suggested waiting until after her retirement.

Representative Daugherty stated that she was not a county employee and under a contracted service and it should not be an issue. Sue stated that she is indeed a county employee.

Representative Daugherty amended his motion that the delegation should look into appraising the house for rental value for the next administrator to pay rent.

Commissioner Grenier stated that it was not in his jurisdiction to make this call. It is the Commissioners' duty to perform day to day operations; it will be their decision to make.

Chairman Tholl stated that it is the Delegation's duty to control the finances not the operations of the County. If the budget comes up again, the Delegation may request the costs of operation for the house.

Representative Remick stated that from a real estate point of view it is a waste of money to have the house appraised at this time. It may not be an accurate figure for the future.

Representative Rappaport seconded the motion to continue the discussion.

Commissioner Brady stated that one needs to understand that the house may come in handy to draw someone to West Stewartstown for the County Administrator position in the future.

Representative Richardson stated that White Mountains Regional rents a building for the superintendent to reside in.

Sue stated that she has a letter from the IRS which states that the residence is not taxable income.

Representative Hatch made a motion to move the question, seconded by Representative Richardson. All approved by voice.

Representative Daugherty re-read his motion. The motion failed 0-11.

With no other business to discuss, a motion was made by Representative Hatch, seconded by Representative Richardson, to adjourn the meeting at 2:57 p.m. All approved by voice vote.

Respectfully submitted,

Representative Yvonne Thomas, Clerk