

Coös County Delegation
2021 Supplemental Budget Public Hearing
Delegation Meeting
Public Hearing of the 2022 Proposed Budgets
December 13, 2021 at 9:30 a.m.
The Tillotson Center – Colebrook, NH

Present: Representatives Robert Théberge, Chair; Troy Merner, Vice Chair; Eamon Kelley, Acting Clerk; Arnold Davis; William Hatch; Dennis Thompson; and Edith Tucker. Also, Present: Commissioners Thomas Brady, Paul Grenier and Raymond Gorman; County Administrator Jennifer Fish; Director of Finance Carrie Klebe; Nursing Hospital Administrator Laura Mills; Administrative Assistant Linda Harris; members of the press; and members of the public.

Chairman Théberge opened the public hearing at 9:36 a.m. Representative Hatch led the Pledge of Allegiance.

The County Administrator Jennifer Fish provided the following information:

Funding is requested for the Long-term Care Stabilization program and related COVID-19 expenses. The \$1,124,627 appropriation will be used for nursing home salaries, payroll taxes, and other nursing home expenses.

In April 2020, the County was approved to participate in the NH Long-Term Care Stabilization program. The funds received from this program will be used to off-set the expenses incurred. The County also received additional funds from the 2020 CARES Act that will be used to offset COVID-19 related expenses.

Approval of this supplemental appropriation will not affect the county tax apportionments to the towns/city in calendar year 2021.

REVENUE:	
Federal/State Grants	\$2
CARES Act Revenue	\$102,450
LTC Stabilization Fund Revenue	<u>\$1,022,175</u>
TOTAL REVENUE	\$1,124,627

EXPENDITURE:	
Federal/State Grants	\$2
Provider Assessments	\$5,635
Covid-19 Expenses	\$19,496
LTC Stabilization Fund Expense	<u>\$1,099,494</u>
TOTAL EXPENDITURE	\$1,124,627

Representative Tucker asked that the motion be clear and specify 2021 ARPA funds.

Chairman Théberge closed the public hearing at 9:40 a.m.

Chairman Théberge opened the Delegation Meeting at 9:40 a.m.

The roll was called by the Acting Clerk, Representative Kelley. There were seven members present. Representatives Craig and Laflamme were excused.

New Business:

- a. Les Otten, The Balsams: Mr. Otten presented to the Delegation information that was provided to the Board of Commissioners at a previous meeting which was the introduction of the Provident Resources Group to the project.

As background, Provident is a national nonprofit organization which focuses on positive impact in areas where they conduct business and were introduced to their organization earlier this year.

Steve Hicks and Ken Becker who joined Mr. Otten at the Commissioner's meeting (one in-person and one remotely) are extremely credible individuals and have been fantastic to work with. Provident has several decades of experience in this field and have completed many projects that meet their mission of lessening a Community's burden for economic development.

Mr. Otten continued that members of his team have spent the better part of the year working on a collaboration structure with Provident which would allow the Balsams Redevelopment to proceed.

Under this collaboration, Provident will be the majority owner of the new Lake Gloriette House hotel building and will be financing its construction through an offering of tax-exempt bonds which will be sold to institutional investors.

Once constructed, the Balsams will be retained to oversee its operations in a manner consistent with its overall resort redevelopment plan.

While Mr. Otten's team has been working on this structure for many months, they did not feel it was appropriate to provide an update until it was ready, which they now believe it is.

After months of due diligence, they are now at a point where they are ready to move forward with this bond offering with Goldman Sachs acting as the proposed underwriter for the placement of the tax-exempt bonds for the construction of Lake Gloriette House. These bonds will be issued by a national bond issuing authority that Provident has successfully used before.

To be clear, there is no financial commitment or liability of the County whatsoever. The bonds are not an obligation of the County in any way. They are solely the obligation of the Provident entity involved in the ownership of Lake Gloriette.

The Commissioners were supportive of adopting a resolution which is required being a 501-c-3 which evidences the County's support of the Project and requests that Provident assist the County in lessening its burden for economic development with the construction of Lake Gloriette House as part of the Balsams overall plan.

Representative Hatch stated that many non-profits pay a PILT. What are the plans for taxes with Provident? Mr. Otten replied that taxes will be paid by Provident. Chairman Th  berge inquired

about the role of the county convention at this time. Mr. Otten replied that the county convention will approve the final agreement. An agreement will be prepared with the Commissioners to present to the convention.

Representative Thompson asked Mr. Otten what the benefits to the county were. Mr. Otten replied: hospitality jobs, construction jobs for two years, funds from rooms and meals tax as well as other taxes and support to the school systems and hospital.

Representative Thompson asked for a clearer explanation that any excess funds will be re-invested in the community. Mr. Otten replied that any anticipated cash flow beyond expenditures will be put back in the community.

- b. Approval of the 2021 Supplemental Budget: A motion was made by Representative Merner, seconded by Representative Thompson to approve the 2021 Supplemental Budget. The motion was approved by roll call vote 7-0.

- c. Approval of Commissioners' recommendations of ARPA Funds Distribution to the following towns:

Town of Stratford \$ 90,667

A motion was made by Representative Hatch, seconded by Representative Tucker to approve the Town of Stratford recommendation. The motion was approved by roll call 7-0.

Town of Pittsburg \$ 59,447

A motion was made by Representative Merner, seconded by Representative Tucker to approve the Town of Pittsburg recommendation. The motion was approved by roll call 7-0.

Town of Jefferson \$224,402

Norman Brown, Selectman from the Town of Jefferson, provided information of the proposed projects to the members of the Delegation. A motion was made by Representative Tucker, seconded by Representative Merner to approve the Town of Jefferson recommendation. The motion was approved by roll call 7-0.

Town of Gorham \$216,000

A motion was made by Representative Hatch, seconded by Representative Tucker to approve the Town of Gorham recommendation. The motion was approved by roll call 7-0.

- d. Approval of Commissioners' recommendation of ARPA Funds for a septic system at the County Administrative Offices in the amount of \$15,500. Representative Thompson inquired as to who installed the system and was it put to bid. The County Administrator replied Robert Brooks and the project was not put out to bid as the septic system failed in November. A motion was made by Representative Hatch, seconded by Representative Merner to approve the recommendation of ARPA funds for the septic system at the County Administrative offices. The motion was approved by roll call 7-0.
- e. Treasurer's Resolution for Borrowing Funds in Anticipation of 2022 Taxes. Chairman Th  berge read the following resolution:

Resolution #1

Be it resolved by the Coös County Delegation duly convened on this thirteenth day of December, 2021, that since the monies in the treasury of the County of Coös are insufficient to meet the demands upon the same and the sum of Eleven Million Dollars (\$11,000,000) being the projected amount necessary for the purpose of operating the county for the Fiscal Year 2022, the Coös County Treasurer is hereby authorized to borrow up to \$11,000,000 upon order of the County Commissioners pursuant to RSA 29:8.

A motion was made by Representative Tucker, seconded by Representative Hatch to approve Resolution #1. The motion was approved by roll call 7-0.

- f. Chairman Théberge read the Continuing Resolution on the 2022 Budget Spending: 1/1/2022 - 3/31/2022:

Resolution #2

Authorization for Coös County to Pay 2022 Expenses (RSA 24:15)

Due to timing differences, the County operates without an approved operating budget during the months of January, February, and part of March. Historical figures demonstrate that the January through March expenses will total approximately \$9,500,000.

RSA 24:15 states that no County Commissioner or elected or appointed official shall pay, or agree to pay, or incur any liability for the payment of any sum of money for which the County Convention has made no appropriation.

I move that we, the County Convention authorize the County to spend up to \$9,500,000 for 2022 expenses during the months of January, February, and March in anticipation of the subsequent approval of the 2022 budget. Further that the \$9,500,000 be allocated proportionately to the line items based on the 2021 approved net appropriations to fund like operating and personnel expenses in existence as of 12/31/2021.

A motion was made by Representative Thompson, seconded by Representative Hatch to approve Resolution #2. The motion was approved by roll call 7-0.

A motion was made by Representative Hatch, seconded by Representative Davis to adjourn the meeting at 10:26 a.m. The motion was approved in the affirmative by voice vote.

PUBLIC HEARING

Chairman Théberge opened the public hearing at 10:43 a.m. and asked Jennifer Fish, County Administrator, to begin her budget presentation.

Jennifer Fish, County Administrator welcomed everyone to the public hearing on the county budget as recommended by the three County Commissioners - Tom Brady, Paul Grenier and Raymond Gorman.

Ms. Fish noted to the members of the public that line-item budget documents would be provided to all citizens in the Coös County Annual Report and on the County website.

The proposed budget will be revised again before its submission in March to the County Delegation for final action after the following events have taken place:

- The Commissioners and members of the Delegation have had the opportunity to give consideration to comments received from members of the public today and any comments and suggestions received after that;
- Delegation subcommittees have had the opportunity to meet with department heads on any or all budgets for the various county operations; and
- The unencumbered fund balance (surplus) has not been determined for 2021. This amount will be determined when the 2021 financial statements are closed in mid to late January after all accounts receivable, accounts payable, encumbrances and accruals for 2021 have been recorded.

APPROPRIATIONS BUDGET SUMMARY:

The proposed 2022 budget includes a Cost-of-Living Adjustment (COLA) of 1.5% for AFSCME. There is no adjustment for SEA and non-union County employees. The Commissioners are in the process of reviewing wage schedules for all county departments. The 2022 budget does include step increases for those employees who have not reached the top step on the County's salary schedule. Increases in longevity and the additional payroll cost of employees reaching eligibility criteria for sick time payments on hours accrued over 480 or 720 are also included in the budget. There are anticipated retirement payouts included in the budget.

The health insurance rates have been budgeted for a 10% increase in premium for the second half of the year for employees with NH Interlocal Trust plans. The not-to-exceed rate for Healthtrust plans is 5.4%.

The budget includes weekly premium pay stipends for nursing home and nursing hospital employees through the end of March.

Representative Thompson asked how many anticipated retirements were included in the budget. Ms. Fish did not have the information but offered to provide it to him.

REVENUE BUDGET SUMMARY:

The projected 2022 surplus to reduce taxes is \$2,000,000.

The second tranche payment of the American Rescue Plan Act (ARPA) of \$3,056,070.00 is included.

The projected total County Tax for 2022 is \$20,063,774.

The Unincorporated Places Budget document contains a summary for the County's 23 Unincorporated Places. These are geographic entities with no formal town government. The County is the local government to these places. Each unincorporated place pays its own expenses and collects its own revenue. The total Unincorporated Places budget for 2022 is \$1,494,150.

The County Administrator began the review of the nursing hospital budget.

Representative Hatch mentioned that he had noticed that amounts previously requested were reduced under the Commissioners' revisions. The County Administrator explained that upon the review of the budgets at the budget work session, the Board asked staff to reduce their budgets.

The total West Stewartstown Nursing Hospital proposed budget totaled \$12,601,820 and there were no specials requested.

The County Administrator continued with the Berlin Nursing Home budget. The proposed budget was \$14,909,124 and specials in the amount of \$23,300 for a total budget request of \$14,932,424.

Representative Tucker stated that she had read in the Commissioners' minutes that they have indicated that in 2022 all ARPA funds will be dedicated to the county. She inquired where it was allocated in the budget. The County Administrator replied that it was a line item in the county portion of the budget. The Commissioners have not yet allocated the funds. Representative Tucker noted to the Delegation members that they would need to be active if changes to this allocation are to be made.

The County Administrator continued with the County Government budget.

While reviewing the Sheriff's Department budget, Sheriff Valerino provided an explanation as to why the OHRV revenues were lower than projected. He continued that the rental agencies have placed governors on ATVs which reduced the speed. The rental agencies also inform the people that the Sheriff's Department patrols the trails and are educating them on safety. The Sheriff's Department goal of safety first is being achieved.

Representative Tucker inquired about the line item 03-04140-0703 Deputy Forest Management with a \$50,000 appropriation.

Sheriff Valerino replied that the Sheriff's Department has hired four deputies who are former employees of the Department of Forest and Lands. The Sheriff's Department has offered to take over certain areas as there has been no ranger in the area. The County Administrator noted that the Forest and Land allocation was not being removed from the budget and there is an off-setting revenue amount in the budget.

County Treasurer Sue Collins noted that the \$50,000 should be part of the Unincorporated Places budget and not as part of the Sheriff's budget.

Patrick Hackley, Director - Division of Forest and Lands, presented information to members of the Delegation. The Division of Forest and Lands receives funds from Coös County as outlined in RSA 79:14. These funds are used to directly support the operation of the North Country Resource Center in Lancaster, NH which involves many agencies housed in the facility: the Division of Forest and Lands, Trails Bureau, Fish and Game and the Cooperative Extension offices.

Representative Thompson stated that he was not in favor of changing the existing arrangement. Representative Tucker asked for a presentation from Forest and Lands at their next quarterly meeting.

The County Administrator continued with the county government budget and noted the ARPA Expenses appropriation under County Specials. She explained that the Commissioners had not decided on the

allocation and had placed it in the specials as a placeholder in the budget. The County Treasurer urged that the ARPA funds be used to reduce the increase in county taxes.

Members of the Delegation asked that a discussion of the ARPA funds distribution be placed on the agenda for the next meeting.

The total county government budget with specials was \$15,764,780.

The County Administrator reviewed the anticipated revenues which totaled \$44,535,654. There were no questions.

Ms. Fish reviewed the Unincorporated Places budgets which totaled \$1,494,150.

Ms. Fish ended her presentation by urging the members of the Delegation to contact her with any questions.

A motion was made by Representative Hatch, seconded by Representative Merner to adjourn the meeting at 12:05 p.m. The motion was approved in the affirmative by voice vote.

Respectfully submitted,

Representative Eamon Kelley, Acting Clerk