

## EXECUTIVE COMMITTEE MEETING

Administration Building  
3855 Dartmouth College Highway  
North Haverhill, NH  
Monday March 16, 2009

PRESENT: Representatives Mulholland, Williams, Preston, Aguiar, Ford, Ward, Gionet, Friedrich and Laliberte, Commissioners Cryans, Richards and Burton, Executive Director Clough and Secretary Jeri Martino.

OTHERS PRESENT: Harold Brown

Rep. Mulholland called the meeting to order at 10:05 AM

Rep. Preston moved to approve the minutes from February 2<sup>nd</sup> Alternative Energy Presentation to the Delegation, which was seconded by Rep. Ford. All were in favor.

Rep. Gionet moved to approve the minutes from February 2<sup>nd</sup> Executive Committee meeting which was seconded by Rep. Laliberte. An edit was made. All were in favor.

### TREASURER'S REPORT

Treasurer Sievers gave the committee an update on the investments:

\$2.5M at Northway Bank at 1.8%

\$3.5M at Woodsville Guaranty Savings at 2%

\$1M in a 3 mo. CD at Community Guaranty Savings Bank at 2.02%

\$1M in a 6 mo. CD at Meredith Village at 2.25% (money for NH bond)

There would be no CDARS accounts.

Rep. Mulholland asked when the money was invested and Treasurer Sievers said that all the money was invested on the Friday or Monday following approval of the Commissioners. She said that Laconia had dropped their bid after the plan was approved by the Commissioners and so there needed to be a change made, which was to Meredith Village.

Rep. Ward asked what date the money went to Northway at 1.8% and Treasurer Sievers said that happened on the Friday following the Commissioners meeting that approved her plan at the latest. Rep. Ward asked why it didn't get invested sooner since the Commissioner meeting was on the previous Tuesday. Treasurer Sievers said that the money was transferred to Woodsville at the 2% rate right away, and then it was transferred to Northway.

Rep. Ward questioned why that didn't happen after the last Executive Committee meeting and Treasurer Sievers said that the plan was not approved and then the interest rate was changed at Laconia, but it was invested after that.

Rep. Williams asked to have some of the rumors cleared up that he had been hearing. Treasurer Sievers said that she had come in on February 2<sup>nd</sup> and a plan was created, which was not approved by the Commissioners. During that time the money in Woodsville that was earning 1% interest had been upgraded to a 1.49% interest rate until the money was moved to a higher yielding account.

Commissioner Cryans said that he had been quoted as saying that money was lost and wanted to note that Director Clough was instrumental in taking steps to increase the 1% interest at Woodsville to 1.49% which was a huge help. He added the reason that the first plan from the Treasurer had not been approved was due in part to the fact that they weren't sure that the accounts were collateralized.

Treasurer Sievers said that Director Clough was helpful in getting the money upgraded though she said she didn't know that the money could be moved without an approval.

Director Clough said that the money wasn't actually moved but that the repurchase agreement the County has with Woodsville Guaranty was changed. The money couldn't actually be moved until January 22<sup>nd</sup>.

Commissioner Richards asked if Treasurer Elliot could have put the money in a different account and Director Clough said that she did not know what the agreement was between Treasurer Elliott and the bank.

Rep. Aguiar asked for clarification about the "sweep" account which Director Clough communicated.

Rep. Aguiar questioned the motives of Woodsville asking why they didn't step up to help the County in getting a better interest rate, particularly if they knew there was an issue. Rep. Williams agreed.

Director Clough said that she totally disagreed with the fact that it should be the bank's position to offer something else to their customer but rather it should be the customer who asks what can be done. Rep. Ford agreed and added that no one really knows what is going on with banks these days and with their stability.

Rep. Ward asked if Treasurer Sievers was coming in regularly to take care of business and she replied that she has been coming in regularly though was unable to make it last week due to a concussion.

Rep. Ward asked if there was another plan in place for when the CD's come due and Treasurer Sievers said that there are only two CD's and that she will be gathering bids ahead of time for loans.

Rep. Williams asked how much money was lost due to the investment being so late and Commissioner Cryans said that it would be hard to calculate because of different interest rates but that the worst case scenario would be about \$10K. He said that now that the money is invested it's time to move forward. Commissioner Cryans touted the benefits of having Director Clough.

Rep. Gionet said that he was prepared to come and do battle after hearing what was out on the streets for rumors but has found that the Treasurer has run the gauntlet and that he has a lot of confidence in what he has heard today and that he thinks they're off to a good start.

Rep. Ford moved to approve the Treasurer's Report which was seconded by Rep. Preston. All were in favor.

### COMMISSIONERS' REPORT

- Commissioner Cryans began by saying that the water tank was filled and because of the need to be bacteria free the chlorine level is high. Right now the water could be used for fire suppression.
- The budget season has begun and department heads are bringing forth their budgets.
- There has been no new information on the Jail lawsuit at this time.
- The Jail project has been redesigned and reduced from 206 beds to 156 and there have been certain items removed. SMRT is doing a redesign on it.
- The County is researching stimulus money.

Commissioner Richards said that the Alternative Energy plan has been taken on by the USDA and the request for \$4.8M has passed the first cut which leads to optimism. The geothermal portion for the Jail is still in the picture and things are being worked out on that end.

Rep. Ward said that he attended a stimulus presentation and there is no money in the plan for jails, though there is for energy conservation. Director Clough said that she has requested more information.

Rep. Williams asked for information on Woodsville Water & Light regarding the water tank and Director Clough said that there has been no further conversations with them but that they had given the County rates for maintenance work. Director Clough said however that Grafton County will be doing their own tests and maintenance and that Supt. Oakes and his assistant will be getting licenses to operate the tank should it come to that. Rep. Williams felt that was a duplication of effort.

Rep. Williams asked if the biomass and geothermal could work together and Commissioner Richards said that there would be no biomass energy in the Jail, only geothermal.

Rep. Williams said that he was disappointed that there was a plan to eliminate the mental health area of the Jail. Commissioner Richards agreed but said that Supt. Libby is finding a way to work that out.

Rep. Gionet said that there is a lot of information about the stimulus package on a website which he will pass on. He also said that he thought that it would be a good idea

to break away from WW&L and for the County to operate their own water supply. He then asked when there might be new information available regarding the Jail. Commissioner Cryans said that there isn't any information as of yet but as soon as there is it would be conveyed to the committee perhaps April or May.

Rep. Friedrich said that she was concerned about the mental health area of the Jail being eliminated and that area needs to be looked at.

Commissioner Cryans said that the County had received many letters from concerned towns and citizens and that because of the economic downturn they felt there was a need for cuts, though there is still a need for the Jail. He said they can likely still run some of the mental health from the medical area. He added that mental health is the most costly portion and that Supt. Libby was aware of the sacrifice he was making.

Rep. Friedrich said she was still confused on which areas were being eliminated.

Director Clough said that the medical unit will still exist, though there will be a removal of the mental health. With the elimination of the mental health portion comes a reduction in operational costs.

Rep. Mulholland asked how much square footage has been cut and Director Clough said that they didn't know that yet.

Rep. Mulholland asked if mechanical room space would be freed up with the use of geothermal and Director Clough replied that there are discrepancies between the engineer on the Alternative Energy Committee and SMRT's engineer.

Rep. Gionet said that he didn't see any issue with the removal of the insane asylum from the Jail when these people need to go to an actual asylum that takes care of them rather than the Jail, which is where they don't belong.

Commissioner Richards said she took offense at the use of the words insane asylum saying it was not politically correct and that the proper wording would be mental health.

Rep. Laliberte said that she heard in an interview on NPR that the Corrections Superintendent for the State said that the biggest problems in the Jails is mental health so she said she did not want to see it eliminated.

Rep. Laliberte asked if there will be cuts from the state down to the County and whether or not that had been considered in preparing the budgets. Director Clough said that the Governors Commission Fund for education had been cut and that there will be a cut to incentive funds. Commissioner Cryans said that HHS will be doing some cutting when it comes to substance abuse and asked the Committee to voice their opinion if that comes to vote.

Rep. Ward said that he heard that there will be an increase to the Medicaid reimbursements to nursing homes.

Rep. Ford said that diversion and prevention funds are being cut.

Rep. Williams reiterated that addiction is a part of mental health and not to eliminate it.

Rep. Aguiar said that eliminating mental health from the Jail doesn't have to mean an elimination of services and that they may have to be contracted out.

Commissioner Cryans said that many of the social service agencies could very well likely be closing altogether because of cuts.

Commissioner Richards brought forth the possibility that a community service area in the old portion of the Jail when it is vacated could be in the future.

Rep. Laliberte moved to accept the Commissioners' Report, which was seconded by Rep. Williams. All were in favor.

### FINANCIAL REPORT

Census at the Nursing Home is 135 and the in-house at the Jail is 96 with 14 in the drug court program and 9 out of the electronic monitoring bracelet.

Director Clough reviewed the Revenue and Expense Report stating that the Farm revenue is down and will continue to worsen as the price of milk declines and that the Registry of Deeds is down and Interest will show very little recovery.

On the Expense side after the cap ends HS will level and Other is due to legal fees.

Rep. Gionet asked where the HS personnel went at the beginning of the budget and Director Clough said that one staff member transferred to Human Resource and the other is working in various departments at present. Rep. Gionet asked if it was fair to keep these two people on and Director Clough replied that it was and that they are both long term employees. Rep. Gionet asked for their salary information and Director Clough said that she would get that.

Rep. Williams agreed with Rep. Gionet and said that this is an area that needs looking into.

The Prorated Report shows over revenue \$252,525. and under expended \$691,296. with an undesignated balance of \$1,650,751.

Director Clough asked that there be a discussion as to which departments committee members would like to review budgets for.

Rep. Ward passed out information regarding County expenditures pertaining to the increase of community taxes. He said that he expected there to be a 20-30% drop in real estate values and that new construction was negligible. He said that he would like to set budgetary goals or targets.

Rep. Ward moved to set budgetary goals for a 10% tax reduction, which was seconded by Rep. Gionet.

### Discussion:

Commissioner Cryans said that he had instructed the departments to try to stay at 0% this year which is a very difficult goal. 10% would mean cutting some important services.

Rep. Williams said that he feels that 2009 is going to be the worst year ever.

Rep. Aguiar asked Rep. Ward for further clarification as to how he got to that number. Rep. Ward didn't have a specific formula and said that he couldn't know what the equalized valuation would be but it was his intention to try to lessen the burden on citizens.

Director Clough said that a 10% reduction would mean layoffs because the County facilities such as the Jail and the Nursing Home are very staff intensive.

Rep. Ward said that Strafford has eliminated 40 positions. Commissioner Cryans said that in all fairness many of those positions were vacant positions, saying again that 10% would be hard to imagine.

Rep. Preston wondered aloud if 10% is realistic or if it were just a number where the dart hit the wall.

Commissioner Richards asked where the committee felt in regard to putting money in the budget for the biomass facility if by chance they didn't get a grant and Rep. Williams said he was in favor of that because it is the future. Director Clough asked how could you cut the budget 10% and put \$4.8M in it.

Rep. Gionet said that regarding the economy and everything that is happening that some things may have to be put on the back burner.

Rep. Williams said that this is the year to take a good look at County government and Commissioner Cryans said that he felt that is being done this year. He added that some construction projects had to be done in past years but that this year is different. He said again that a 10% reduction would be dramatic. He said that it takes a large percentage of numbers to operate the departments.

Commissioner Burton said that the Commissioner's job is to present the budget and the delegation chooses what to do with it. He said Commissioners propose and Delegation disposes.

Commissioner Richards informed everyone that there would be a GED graduation at the Jail at 10:00 tomorrow morning.

Rep. Aguiar asked if there has been discussion about early retirement and Commissioner Cryans said that there is only one person retiring this year and that a new position created will cover two areas.

RD Sharp was recognized and said that it appears that income will be lower than expected and that his budget is almost done.

The meeting for next month is set for April 20<sup>th</sup> at 9:00 AM

The question was called on Rep. Ward's motion (*Rep. Ward moved to set budgetary goals for a 10% tax reduction, which was seconded by Rep. Gionet*)  
3 were in favor ( Reps. Gionet, Williams, and Ward) and 6 were opposed ( Reps. Laliberte, Mulholland, Preston, Friedrich, Aguiar and Ford) Motion failed.

12:05 PM Rep. Aguiar moved to adjourn, which was seconded by Rep. Ward. All were in favor.

Respectfully submitted,

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Phil Preston, Clerk