

“Draft”

Carroll County Delegation Minutes

November 30, 2009

Mountain View Nursing Home

Delegation Members Present: Reps. Ahlgren, Bridgham, Bucu, Fleck, Knox, McConkey, Patten, Roberts, Scala, Stevens, Umberger, Wiley, Butler, Chandler.
Commissioners: Sorensen, Solomon, and Albee present.

Carroll County Delegation meeting convened at 9:10 am. by Chair Rep. Patten. The Pledge of Allegiance.

Chair Rep Patten gave explanation of meeting agenda and requirements pursuant to RSA's. Public notice was posted in accordance with statute. We will have the delegation meeting first to look at the third quarter and then open up at 9:30 for the bond hearing. This will be conducted as two separate meetings.

Agenda

- I. Convene with Pledge of Allegiance
- II. Announcement by Commissioner Sorensen
- III. Public input on proposed bonding for nursing home
- IV. Delegation in executive session to discuss bonding
- V. Another “other business”
- VI. Delegation into convention
- VII. Adjournment

Chair Rep. Patten opened delegation meeting to look at third quarter reports.

Revenue; General Fund

1. County General 74%
2. Sheriff's Income 74%
3. Registry of Deeds Income 78%
4. Jail and HOC Income 93%

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| 5. Farm Income | 86% |
| 6. Maintenance Income | 78% |
| 7. Interest Income | 34% |
| 8. Other Revenue | 74% |

General Fund Total 75%

Enterprise Fund 83%

Grand Total 78%

Expenditures; General Fund

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|--------------------------------|-----|
| 1. Commissioners | 76% |
| 2. Treasurer | 67% |
| 3. Special fees & Service | 45% |
| 4. Human Resources and Service | 68% |
| 5. Water Works | 62% |
| 6. Attorney | 72% |
| 7. Victim/Witness assist grant | 72% |
| 8. Registry of Deeds | 73% |
| 9. Sheriff's Department | 67% |
| 10. Dispatch Center | 63% |
| 11. Medical Referee | 56% |
| 12. Administration Building | 74% |
| 13. Human Services Dept. | 67% |

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| 14. | Maintenance | 68% |
| 15. | Sewer System | 57% |
| 16. | Jail and HOC | 70% |
| 17. | Farm | 72% |
| 18. | Cooperative Ext. Services | 74% |
| 19. | Interest Expense | 43% |
| 20. | Long Term Debt | 99% |
| 21. | Regional Appropriations | 69% |
| 22. | Carroll County Convention | 71% |

Total General Fund 70%

Expenditures; Enterprise Fund

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|-----|-----------------------------|------|
| 1. | Nursing Home Administration | 78% |
| 2. | Nursing Home Dietary Dept. | 70% |
| 3. | Nursing Department | 73% |
| 4. | Plant Operations | 65% |
| 5. | Laundry Department | 47% |
| 6. | Housekeeping Department | 71% |
| 7. | Physicians and Pharmacy | 72% |
| 8. | Physical Therapy Department | 87% |
| 9. | Recreational Therapy Dept. | 73% |
| 10. | Social Services Department | 73% |
| 11. | Special Services Department | 115% |

Total Enterprise Fund 73%

Grand Total 71%

1. Rep. Umberger: Commissioner Sorensen, do you expect the 4th quarter to keep the trend? 4th quarter historically stays the same.
2. Commissioner Sorensen: We hope to see it keep the trend.
3. Chair Rep. Patten: 83% revenue from MVNH – Thank you to Sandi McKenzie

Public hearing for bond will begin at 9:30am. We will have public input then shut down public hearing, go into delegation meeting to discuss bond issue, then into executive session for bond decision and vote. Once we have the vote we go into convention to re-state and ratify details. Then we will go out of convention so votes stand. RSA states that we have 14 days after the public hearing to vote. Hopefully we will make our decision today and move forward. 2/3 of the delegation members must be in support to go out for bonding. (minimum of 10 members).

Delegation members introduced themselves and what towns they represent.

Commissioner Sorensen: Announcement

Proud to recognize County employees that were recognized by New Hampshire Association of Counties. Awards were given to Robin Reade, Paula Coates, and Corp. Patrick Batchelder.

Commissioner Sorensen made comment that County taxes are at the same rate or less next year much in part due to nursing home revenue thanks to Sandi McKenzie's hard work.

Chair Rep. Patten called for motion to recess until after public hearing. Motion made by Rep. Umberger, seconded by Rep. Stevens. All in favor. Motion Carries

Discussion of proposed bonding: Public Input

1. Robert Kilkelly, Albany: Have been following nursing home in newspapers. The present system we have is a disservice to the people who are here. We have an obligation to society to take care of them, not warehouse them. Need to respect them for the contribution they have made. We have to move on to a new system which is the new nursing home.
2. Don Litchko, Conway: Have 35 years experience in design. Reviewed plans and did assessment. The plan is a good and efficient layout. Productivity improvement by footprint will take care of more than half of what you are planning to spend. Do not change plan.

3. Sandy Stowell, Albany: Retired nurse. Big difference between home and here. How would you like to spend your days with no privacy, sharing a bath with 4 other people, getting waked up in the middle of the night when your roommate needs assistance? The way we treat our elderly is wrong. Something must be done.

4. Linda Sorensen, Eaton: I am on the board of trustees for the Conway Library. The original plan for Conway Library was voted down. After re-planning and re-designing it ended up costing more for the scaled down version and cost taxpayers more.

5. Gino Funicella, Jackson: I support the home, after 60 years we need a new home. People here deserve the new home.

6. Shirley Hatton, Wolfeboro: I represent the Friends of Mountain View Nursing Home. I have a petition to build signed by 383 people who are in favor of this home.

7. Bill Lyon, Tuftonboro: Build the home. I am a Hospice volunteer and the residents here deserve it. We are their legacy. This is a fantastic staff that needs a good place and it has been a pleasure to serve. The residents deserve better, spend the \$23.5 million.

8. Chair Rep. Patten: It is not a question of building a new home; a group of people just want us to do it for less. We have already spent \$539k.

9. Jim Morrison, Wolfeboro: I say build it for less, be cost conscious.

10. Dr. Gerald Boguvia (sp?): Important to stay with private room concept. A high percentage of relationships do not work out, the same is true of people having to share a room in a nursing home. They are not compatible, each has a television, visitors may be distracting, and who gets the window. It seldom works out.

11. Sherry Bryant, Brookfield: Stay with plan as is. Treat the elderly with respect and dignity they deserve. This is their home, not just a room. The people here are great. Stick with the plan that gives these people what they deserve.

12. Jon Hebert, Bartlett: This process is more open than any other in county since day one. It has been posted, been in the newspaper for everyone to see. Commissioners have worked together to bring this to the delegation. If we sideline the project now due to some political 11th hour play and go down another road, it is going to be harmful to the process. Need to keep tax bill in perspective; the County part is reasonable for what you get for that money. They should build

the best home that they can.

13. David Babson, Ossipee: Truly support new nursing home, do not “chince” on it so that we are in a bad boat 60 years from now. My concern is that BPS is the project manager and gets 3.5% of total cost. They are also the building managers so what is to stop them from not trying to lower costs? Concerned that they have final say on bids.

14. Linda Murry, Wolfeboro: Attended public hearing in Wolfeboro. Agree with \$18 million not \$23.5 million. The delegation had two proposals, one for 55k sq ft with the same number of bathrooms (4 sharing) and all semi-private rooms. Option 2 proposed an 85k sq ft home with all private baths, 88 private rooms and 8 semi-private rooms. I would like to propose a third option of changing households from 13 residents to 22 and change each section from 26 residents to 44. An \$18 million plan will provide an excellent home for Carroll County. Delegation and Commissioners need to keep cost down.

15. Ray Shakir, Conway: Important meeting – I would think that a properly operating PA system would be in place. Want to point out the incompetence of the procedure. I believe there is indifference, fraud, and abuse going on. It is an inefficient plan, corners are wasted, and plan is not an efficient structure. Should be a square structure. Not against home but doesn't need to be this one.

16. Patricia Johnson, Wolfeboro: There has been a lot of public debate on issues. Taxes should be taken into consideration. Profitability comes with occupancy. A new home with adequate facilities will attract more residents. These facilities are inadequate. This design is not a warehouse for the lowest cost. Vote for this building and bring us into the 21st century of nursing care. Put Carroll County on the map.

17. Don McGarrity, Tamworth: Tax issues, they are getting too high. Keep the elderly in their homes as long as we can. Small cluster homes are good (private). In the hospital I had no problem with a semi-private and sharing. I was there for two weeks. Don't tax the elderly so high now that they cannot enjoy their lives so that in 20 years they will have a place to live.

18. Jerry Chicerony, Brookfield: I am a builder with a degree in engineering. Reiterate a point that Randy Walker made about cost at last meeting. This home is exorbitant in cost. 1) Site is unfriendly and cost to make it useable is too high. 2) Architecture accoutrements are too unique and fancy. 3) Fraud and waste. \$270 per sq.ft. is exorbitant and that design is not cost effective. It could be built for 2/3 the cost. For \$160 per sq ft the building could be just as nice. Acting

extravagantly with this design. Disagree with \$270 per sq ft. That is unacceptable.

19. Virginia Janik, Wolfeboro: Commissioners have worked long and hard on this. We should vote for what they have done.

20. Al Humb: Want a building that will give me dignity. In the 11th hour Mr. Zimmerman has come forward with figures, is there any truth to these figures?

21. Cindy White, Conway: I am a taxpayer. It is hard paying taxes; I have to scrape them up each year. The delegation is obligated to protect the taxpayer. I support this home; I am willing to pay because this building promises dignity, privacy. I will dig down and pay my taxes for this building.

22. John Anderson: Is this considered a "green" building?

23. William Farnum, Tamworth: When you start cutting corners you have to replace things. Build quality today so that it does not cost much more for repairs tomorrow.

24. Commissioner Sorensen: I have letters saying Mr. Zimmerman's claims are true. They had a \$16 million home that cost \$222 per sq ft. They also charge \$315 per day while we are at \$245, going to \$256 in January. That is a private home, they can limit Medicaid residents. They can refuse people; we take all the Medicaid people that need a place. We do not refuse them. Medicaid does not pay a lot. We are in debt but because we take everyone regardless of financial circumstances.

Chair Rep. Patten closed public hearing for bond on nursing home at 10:15am. Call delegation meeting out of recess. Would like motion on the floor to go forward with that discussion. Recognize Rep. Stevens.

Rep. Stevens moved to authorize Commissioners to borrow up to but not to exceed \$23.5 million for the purpose of building the Carroll County Nursing Home. Would like to speak to my motion. Motion seconded by Rep. Fleck and Rep. Roberts.

Speak to motion:

Rep. Stevens: We have been down this road. People have worked long and hard. We have had a committee. Every step of the way has been brought to us, we agreed with every step of the plan. Do the right thing because it is the right thing to do. I have been threatened that if I vote for building I will not be re-elected. We are volunteers; we are here to serve you.

Rep. Roberts: I have also received threats. I have taken a position for new home and I am not changing my stand.

Rep. Fleck: Consistently supportive for plan. Care and dignity. This is not a luxury hotel but this is not a hospital for a short term stay either. This is their home. They would like to have their own possessions around them and friends. Do not warehouse the elderly.

Chair Rep Patten: Would anyone else like to speak to the motion?

1. Rep. McConkey: Understood we are going to hear from Commissioners on guaranteed price? Is that number less than the \$23.5?
2. Chair Rep. Patten: I asked for the motion so that we could have the discussion.
3. Rep. Umberger: Two questions for Commissioners 1) what architectural changes were made after you went around and held public hearings. 2) Tax rate by town for my understanding, why do towns have different tax rate?
4. Commissioner Albee: Answer to question 2. Established new tax rate at percentage of 5%. Average tax rate would increase taxes .16 per thousand. Presently it is 4.25% and the tax rate increase would be .14 per thousand average.
5. Chair Rep Patten: Towns are taxed in this County based on equalized evaluation of each town and then if there is a portion dealt by the DRA when they come to the tax record. That is why it is different in each town.
6. Commissioner Sorensen: In answer to Rep. Umberger's questions. We changed the roof line so it is not 2, just one to reduce maintenance and leakage. We also removed bathroom windows as well as cupolas on roof. The brick on the building was also eliminated. The whole roof is pitched, not flat.
7. Rep. Umberger: Did these cuts reduce the cost?
8. Commissioner Albee: This has been a very organic process. The original design came to us at a little over \$28 million. After cutting which happened simultaneously with public hearings, it was cut down to \$23.5 million that was presented in July.

The Guaranteed fixed price is \$23,234,466

9. Rep. Ahlgren: Misinformation/food for thought. Commissioners were well intentioned but there are a couple things. 1) If we don't have the nursing home our taxes will not go up. There is no statute that says we must have a nursing home. The State charges us as a county the difference between what each home charges the county in Medicaid, here that is \$150. They in turn charge back the half that is not reimbursed by the Federal government which is \$75. That is the bill that the state sends to the counties for the Medicaid residents. This bill comes regardless where they stay in the state. The bill will not change whether we do or do not have a nursing home. The second misinformation is that county homes are under special rules that make them not be able to operate just like any other home. We have the ability to operate the same as any public home. The deficit is too much. I am reluctant to absorb this plan Merrimack was built for \$160-163k per bed only 2.5 years ago. Add inflation costs and we are looking at \$181-187k per bed in comparison. Our project would be \$18.6 - \$19.2 million. This is where I have concern that this design is not as competitive as it should. Semi-private does not mean that they will necessarily share a room, but that they will share a bathroom (Jack and Jill bath). Eliminating the number of bathrooms, and have shared private room rates.

At our last meeting we passed a motion that \$2 million of the cost of this building would be paid by the 501C3 that is being set up. Is that part of the motion today?

Chair Rep. Patten: That \$2 million is payback. If it works it will be a repayment back to the county. Will have to see how money can be paid back early without penalty.

Commissioner Albee: In August you authorized us to use \$300k from this year's reserve to be paid back from proceeds from the bond. We added that \$300k to the revenue side of the tax equation. If we do not go out for this bond we must add back in that \$300k which will increase the tax rate by 2.2%.

Rep. Ahlgren: What was circulating was that if we closed this nursing home that the state would charge us more money because we did not have a nursing home. Our bill does not hinge on whether we have a nursing home. If we close the home our \$2.4 million deficit will go away. I am not advocating that we close the nursing home but that is what was circulating at the meeting.

Commissioner Solomon: What gets circulated is like gossip. It changes as it goes from person to person.

Chair Rep. Patten: Are there any more questions for the

commissioners?

Rep McConkey: Ground breaking for GWRSD on Wednesday. Phase I of the bidding went out not to exceed \$20 million. The bid actually came in at \$16 million, a savings of \$4 million. Is the figure of \$23.5 the guaranteed price from the builder or from commissioners? If we have savings when it goes out to bid how will that effect tax rate?

Commissioner Albee: BPS – guaranteed price is the highest that it can go. Once out to bid if \$4 million savings, that will come back to the county. BPS dos NOT decide who gets the contract.

Rep. McConkey: Can bond be lowered at this time?

Chair Rep. Patten: Motion is up to \$23.5, not to exceed amount.

Rep. Stevens: Motion is not to exceed \$23.5 million. Meaning that the current number before us cannot be exceeded. It has to be at the bid number.

Rep. Bridgham: Commissioner Albee, does that amount include the \$300k paid this year to get drawings completed?

Commissioner Albee: Yes

Rep. Bridgham: Rep. Ahlgren said that there is nothing about this county that makes them special when faced with Medicaid patients. This facility is in terrible shape, it attracts more Medicaid eligible residents. Private homes have between 20-30% Medicaid residents, County has 70-80%. The mechanism at work that creates this is the proximity of the home to where they have lived. We are the place that “when you go there they have to take you.” Mr. Zimmerman has made clear that new private homes are not built for long-term residents; they are more for rehab, short term because it makes them more money.

If you look at the Golden Living nursing home which was presented as a comparison, more than half of the beds in that facility are intended for rehab. We serve a long-term population. Short-term do not have to look like a home. People who come here are here for life. This is their home and should look like their home. Mr. Zimmerman included: “The architect firm of EGA is the right firm. They are top in the industry.” This firm has helped us design a home that will help us care for the elderly with dignity. The less expensive home presented does not do this.

Chair Rep. Patten: We have a motion in front of us made by Rep. Stevens to authorize the commissioners to borrow up to \$23.5, not to exceed for the purpose of building the Carroll County Nursing Home.

Seconded by Rep. Fleck and Rep. Roberts. I would like any more discussion that you have on this or would you like to have the vote.

(Vote)

I will ask at this time for the clerk to call the role and to call me last please Rep. Umberger.

Chris Ahlgren – No

Robert Bridgham – Yes

Tom Buco – Yes

Ed Butler – Yes

Gene Chandler – No

Joseph Fleck – Yes

David Knox – Yes

Mark McConkey – Yes

John Roberts – Yes

Dino Scala – Yes

Stanley Stevens – Yes

Karen Umberger – No

Susan Wiley – Yes

Betsey Patten – Yes

The vote is 11 – 3

Chair Rep Patten: Thank you for coming

Motion by Rep. Stevens to go into convention. Motion seconded by Rep. Bridgham. All those in favor. 13 yes (Rep Chandler, no). Motion carries

In convention: Motion by Rep. Stevens to approve action taken in executive session. Second by Rep. Knox. In favor 11, opposed 3. Motion carries.

Rep. Umberger: The minutes from August have been sent to everyone and the September minutes should be to you within the next couple days. We have a meeting on the 14th where we can approve the three sets of minutes.

Rep. Stevens motioned to come out of convention, seconded by Rep. Knox. All in favor. Motion carries

Sandy Stowell: I am here now to give a check to pay for a sound system for use during

these public meetings so that we can hear. Find out how much a good new system will

cost. (Virginia Janik will also contribute).

Commissioner Sorensen: Apologize for the speaker system. We should be breaking ground in March or April of 2010.

David Babson: Today's ad read public input on budget. Notifications said public input.

Chair Rep. Patten: Not listed as for the budget. The meeting for public input on the budget is scheduled for December 14th at 9am.

Chair Rep. Patten motion to adjourn at 11am. All in favor. Motion carries