



Northeast District Department of Health

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Finance Committee Meeting Minutes 2/16/23

Start Time: 3:05 p.m.

Attendance: Elaine Lippke (Finance Chair), Nate Swift, Orla McKiernan-Rafoery, Robert Kerr, Susan Starkey (DoH) and Melissa Nichols (Finance Manager)

Absent Excused: Robert Kelleher

Absent: Luther Thurlow

Public Participation. Attendees: Ann Hinchman, Lana Salisbury

A. Hinchman reported that a Pomfret resident contacted her requesting a copy of the current budget, the pending budget, and an explanation as to why the per Capita amount is so high, since the FY22 audit indicated that the general fund balance had increased by \$5K. The resident also asked about the anticipated annual income being \$2.2M and expenses \$2.17M. It was asked what NDDH is planning to do with the rest of the money.

At the end of FY22, the general fund did increase by almost \$52K. The NDDH Board voted to apply \$28K to pay off the 2023 Transit Vehicle. The remainder is in the general fund. A copy of the FY23 approved budget showing line items is available and will be provided to A. Hinchman at the meeting's end. The upcoming budget will not be shared until the Board has approved it. Three-year projections are discussed during the budgeting process. The first draft provided to the Finance Committee showed \$2.17M in expenses vs \$2.2M in revenue with the remainder used in the second draft to reduce the town per Capita. It was asked if the towns needed to see those items with increasing costs so they would understand that NDDH is not putting money in its pockets.

Following the January Board meeting, a letter was sent to town officials with an estimate of the highest amount per Capita could be based on FY24 needs. The letter included the population from the US Census Bureau. An a la carte listing of those items whose costs are anticipated to increase was also included with the letter. Our estimate of \$3.75 was not well received. NDDH has been working to lower the per Capita amount. We have done our best to pare down costs to get to a more acceptable per Capita rate.

Meeting Minutes – January 26, 2023

E. Lippke announced a correction to the February 16, 2023, Finance Committee Agenda. NDDH met on January 26, not January 27, and today's meeting minutes are to reflect the date correction.

Motion made by R. Kerr to approve the minutes of January 26, 2023, as presented. Seconded by N. Swift. E. Lippke, N. Swift, and R. Kerr in favor. O. McKiernan-Raftery abstained. Motion carried (3-0-1).

YTD FY23 – Financial Report (January 2023)

NDDH has completed seven months (58%) of the FY23 budget, revenue is at 69% and expenses are at 55% of the FY 2023 Budget.

NDDH signed a 3-year electrical contract at the rate of \$0.13 rather than the current pricing of \$0.24 via Eversource as the supplier.

YTD FY23 – Grant Report

The grant report shows all funding sources and expenses by account line item and fund classification. S. Starkey reported there are more grant opportunities available, but we need to be certain we have the staff to do the work.

FY24 – Draft Budget Estimates

Fees / Income Sources / Reserves / Salary & Benefits / Expenses / Town Per Capita

The second draft budget reduced the per Capita amount increase from \$3.75 to \$1.24. The Finance Manager explained changes from the initial 12/15/22 finance presentation to the second draft. A revised salary/ benefits worksheet was developed based on staff planning, wage data received to determine costs, and Union negotiations. NDDH currently has one Registered Sanitarian (RS). We are encouraging EHS staff to become registered sanitarians by supporting staff with training resources. We do not want to lose anyone. Our current RS consistently works overtime. We do not want to burn her out.

The Finance Manager gave a summary regarding the last time NDDH offered vacation payouts. NDDH promotes work-life balance and reminds staff to take time off. NDDH is collecting data regarding vacation accruals and future financial liabilities. Discussions with other committees may be needed in the future. R. Kerr is interested in vacation payouts as a consideration.

The committee asked why Eastern Highlands (EHHD) per Capita rate is lower than ours. NDDH is called upon to provide a separate set of services. EHHD does not have complaints like we have for densely populated areas, etc. Town office space (rent free) is provided to EHHD, and they may not have HR staffing if the town provides it.

Some towns in our district are considering leaving NDDH for another district with a lower per Capita rate. The town leaders need to make their announcement to leave NDDH prior to January 1, 2024. R. Kerr reported that Plainfield is considering leaving to join Uncas and E. Lippke reported that Canterbury is considering leaving to join Eastern Highlands if they will accept them. S. Starkey mentioned that Directors of Health believe the State may be moving toward a different model.

E. Lippke suggested increasing permitting fees to offset costs.

O. McKiernan-Raftery left the meeting at 3:41 p.m.

A suggestion to the Board would be to lower the reserve fund percentage to less than 25%. As funding decreases, whether from grants or elsewhere, we will need to consider the possibility of liability in the way of unemployment. Reducing staff does not mean there will be a decrease in the work to do.

The Chair asked for a revised budget to bring the per Capita down to \$1.00. There may be an increase next year as we are cutting back on needed employees and necessary items to do the work. The state continues to require more work from local health but does not necessarily provide much in the way of assistance with the state per Capita.

Union Negotiations Update -Nothing at this time.

Water Damage – NDDH

NDDH sustained water damage in the back utility room/large bathroom which borders the Brooklyn town offices on February 5, 2023. The back room has a floor drain and some of the water drained from the area properly. The town's insurance will cover losses to NDDH for wages and property. A couple of boxes of paperwork were damaged in the flooding. We are collecting information on our losses.

Unfinished Business -Nothing at this time.

Other Business – None

Next meeting: Thursday, March 9, 2023, at 3:00 p.m.

Adjournment

Motion made by R. Kerr to adjourn. N. Swift seconded the motion. E. Lippke, R. Kerr, and N. Swift in favor. Motion carried (3-0-0).

Adjournment: 4:51 p.m.

Respectfully submitted,
Linda Violette Buisson,
Administrative Assistant