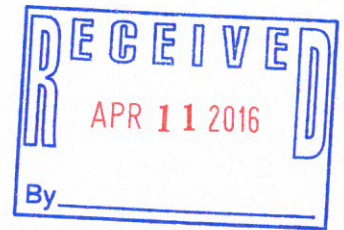




# COUNTY OF MERRIMACK

333 DANIEL WEBSTER HIGHWAY, SUITE 2  
BOSCAWEN, NEW HAMPSHIRE 03303-2415  
(603) 796-6800 FAX: (603) 796-6840  
www.merrimackcounty.net



## COMMISSIONERS

PETER SPAULDING, Chairman, Hopkinton  
BRONWYN ASPLUND-WALSH, Vice Chairman, Franklin  
TARA REARDON, Clerk, Concord

COUNTY ADMINISTRATOR  
STEPHEN MARRO

### **Merrimack County Report By Peter Spaulding**

The 2016 Merrimack County budget was approved by the County Delegation on March 21, 2016. The County Delegation is composed of all the State Representatives from the towns and cities in Merrimack County. This year's budget of \$84,095,176 represents a zero percent increase for the third year in a row in the amount to be raised by taxes assessed on the local communities in the county. Unfortunately, the local media did not report this event. I am pleased that we were able to meet the needs of Merrimack County with no additional burden on the taxpayers. I am concerned, however, with what the future holds as there is much pressure placed upon us to increase programming with no additional dollars from the state or federal government.

In 2015, we had a new County Administrator come on board. In the past year we have realized that a number of new practices, procedures and policies must be instituted. For instance, we have budgeted personnel and benefits at 100% of projected costs for many years. With 850 county employees this is about 61% of our total budget. Several county departments, especially nursing home and corrections have high turnovers in staff. These vacant positions are not always filled immediately. Sometimes the vacancy is not filled for 4 to 6 weeks. This results in a large non-expenditure of funds in personnel and benefits accounts. In 2015, this amounted to over two million dollars. This means that the cities and towns were taxed for \$2 million that we did not need to spend in 2015. In the past these funds were swept directly into the fund balance at the end of the year. This year we will allocate unexpended funds in these accounts directly into a reduction of the amount to be raised by taxes in 2017.

You may have heard of discussion concerning the Merrimack County Superior Court. In 2015, the legislature appropriated funds in the state's capital budget for a new courthouse to be built on Hazen Drive in Concord. This proposal would have cost the county \$400,000 a year in lost rent that we received from the state, moved the court out

April 7, 2016

Page 2

of downtown Concord, would not have provided adequate space for the Sheriff and County Attorney and raised some significant security concerns. Working with Concord city officials we have come with an alternative proposal which would keep the courthouse downtown and save the state over one million dollars. By forging a public/private partnership, we will contract with a private developer to build the courthouse on our existing site for a fixed price, less that the state's appropriation amount.

Merrimack County has included the position of grant writer in there budget, anticipating the position to be filled for July 1<sup>st</sup>. This position will assist the many county departments in obtaining grant funds from state and federal governments as well as the private sector. We are willing to make the services of this individual available to the local communities if you are interested.

Energy costs amount to approximately \$2 million each year for Merrimack County. In working to reduce these costs we are partnering with Johnson Controls for a significant number of changes and improvements to our energy supply systems. Some of these projects include converting from Concord Steam to natural gas at our Concord complex, construction of a wood chip heating plant for our correctional facility in Boscawen and changing lighting sources in all our county facilities. We are also looking to improve our system controls so that we have a more efficient use of our A/C and heating systems. These are just a few of the changes we are envisioning.

For ten years the Edna McKenna correctional facility has sat vacant next to the new 200 plus bed correctional facility. It has recently been proposed that this facility be used for "community corrections", that is for minimum security inmates on work release and various treatment and educational programs that will repopulate them back into the community. We engaged consultants to determine a cost estimate for task of renovating and bring the old building up to code. The initial estimates have ranged from \$7 - \$9 million. I am of the opinion that these initial estimates are too expensive for the project that we envision. We will have to work very closely with the consultants to bring the cost to a reasonable amount.

April 7, 2016

Page 3

As I mentioned previously in this report, we need to institute changes in the way we operate and do business. Just as you do in your community, we must always look for more efficient and economical ways to run our operations. One of the biggest obstacles to this process is the resistance to change. I do not know how many times I have heard “we have always done it this way”. That may well be the best argument for doing it differently!

As always, I enjoy and appreciate hearing your comments and suggestions. I have only included a few of the many issues confronting Merrimack County. We would be pleased to meet with you in your local communities or with any of your local departments or officials. We would also extend an invitation to you to visit and tour our facilities. Please feel free to contact me at the above address or call me on my cell at 603-731-8038. I look forward to hearing from you.