

**BOARD OF MADISON COUNTY COMMISSIONERS
PRELIMINARY BUDGET HEARINGS
May 23, 2019, Minutes**

On Thursday, May 23, 2019, the Board of Madison County Commissioners conducted Preliminary Budget Hearings beginning at 10:04 a.m. in the Commissioners' Conference Room of the Madison County Administrative Office Building in Virginia City, Montana, with Commissioners Ron Nye, Chairman, Jim Hart, and Dan Allhands present. Jane Bacon, Commissioner's Clerk, was present to take minutes.

Those people in attendance at the hearings were Alex Hogle, Darlene Tussing, Pat Bradley, Bonnie O'Neill, Vicki Tilstra, Cindy Gockel, Cody Marxer, Darcel Vaughn, Kathleen Mumme, Shelly Burke, and Joe Brummell.

Planning Preliminary Budget Hearing: Alex Hogle, Planning Director, presented the Board with the preliminary budget for the Planning Department. Darlene Tussing, Planning Board President, Pat Bradley, Planning Board member, Bonnie O'Neill, Chief Administrative Officer, and Vicki Tilstra, Finance Officer, were present for this hearing. Alex noted that the most substantial change is in salaries, stating that a few other areas went up and down but balanced one another out. He explained the salary line increase of \$4,035 as a promotion for Cody from Planning Clerk to Planning Tech. Other increases included Printing and Publishing to more accurately reflect actual costs, as well as memberships, training and certifications, and travel. Areas that were reduced included vehicle maintenance and anticipated revenue from fees. Overall, expenditures are up and revenues are decreased. Additional discussion included Alex's plan to improve the public website by clarifying online forms and possibly adjusting the fee schedule; revenue potential for the remaining fiscal year; anticipated development; the importance of attending conferences; and the high quality of work by Planning staff, reinforced by positive comments from Planning Board members.

Housing Advisory Board Preliminary Budget Hearing: Cindy Gockel, Housing Advisory Board Chair, presented a preliminary budget for the Housing Advisory Board. Cody Marxer, Housing Advisory Board member, Bonnie O'Neill, Chief Administrative Officer, and Vicki Tilstra, Finance Officer, were present for this hearing. Cindy expressed appreciation for the approval of an increase in the number of board members, noted that Rob Gilmore, Northern Rocky Mountains Economic Development District, has helped get her up to speed after Charity's retirement, and thanked Dan for steering her toward the statewide Housing conference, which she will be attending. She highlighted three primary projects planned by the Housing Board: an electronic survey to community employers and employees regarding stable, affordable housing; using available resources to increase the number of affordable homes in the County; and, pending approval, updating the 2006 Needs Assessment to get a more accurate picture of housing needed at various income levels. She listed one decrease and several increases to last year's budget, the largest expense for the update to the Housing Needs Assessment estimated at \$15,000, for a total request of \$18,860. Discussion ensued about the history of the 2006 Needs Assessment and how it was funded, the pros and cons of updating it, ideas for funding it, grant resources, other housing-related entities and efforts in the state, and where to get help with the update.

Public Health Preliminary Budget Hearing: Bonnie O'Neill, Chief Administrative Officer, and Vicki Tilstra, Finance Officer, presented a preliminary budget for the Public Health Department prepared by Melissa Brummell, Public Health Nurse. Bonnie noted that most of it looks about the same as last year other than the addition of \$5,000 for a new hypertension health nurse (state funded), resulting in an overall increase of \$4,750. She pointed out that in order to have the Tobacco Specialist position completely funded, \$300 must be supplemented due to a yearly gap in funding, and discussion ensued about the program's value, expenses, and how funding for the position is shared between Madison and Beaverhead Counties. Vicki and Bonnie mentioned the Mental Health Council's request for funds in line 399, relaying Melissa's concerns about oversight, the need for clear definition, and being adequately staffed. The department's present vehicle needs were reviewed, and it was noted that Melissa has been planning ahead for a vehicle replacement sometime in the future. Also discussed was the possibility of locating services such as Public Health in the Big Sky area.

Madison County Nursing Homes Preliminary Budget Hearings: Darcel Vaughn, Madison Valley Manor Administrator, presented budget projections, strategic planning information and several supporting documents for both nursing homes run by Madison County. Bonnie O'Neill, Chief Administrative Officer, Shelly Burke, Treasurer, Kathleen Mumme, Clerk and Recorder, and Vicki Tilstra, Finance Officer, were present for this hearing. Darcel first discussed rates for both facilities, which will be kept the same as Medicaid rates. Since Medicaid rates are not yet known, she calculated a conservative increase of 1.5% which would bring the rates to \$206/day for a semi-private room, and \$221/day for a private room, and she'll confirm at a later date whether rates will increase or stay the same. She then discussed salary scale discrepancies for Housekeeping/Laundry and Dietary positions, referencing required knowledge levels, hazardous conditions, and CMS regulations, and she presented wage and classification options for these categories. CNA and nursing wages were discussed, and Darcel will schedule another discussion of Director of Nursing salaries at a regular Commission meeting. She then presented and discussed several strategic planning options to ensure the future survival of both nursing homes in light of challenging issues such as staffing and wages, CMS requirements, costs and funding sources, and a state-wide projection of future occupation needs.

- **Madison Valley Manor Preliminary Budget Hearing:** Darcel presented the Board with a preliminary budget for Madison Valley Manor (MVM) based on the current strategic plan. She reviewed the expense budget, pointing out areas of increase and decrease. She then reviewed the revenue budget based on 26 residents, and went on to explain that while filling the facility at a higher level would bring in more revenue, the additional staffing expenses would make it cost prohibitive due to the increased cost of hiring traveling/agency workers to fill in for the positions that are vacant. After reviewing wages, benefits, and the potential for a 2.4% wage increase, Darcel estimated a total budget of \$2.4 million, assuming the facilities continue to be operated as they are now. She reported an average resident census of 77.93%, and also mentioned that MVM is seeing an increase in acutely ill patients, requiring higher levels of care.
- **Tobacco Root Mountain Care Center Preliminary Budget Hearing:** Darcel presented the Board with a preliminary budget for the Tobacco Root Mountain Care Center based on the current strategic plan. She pointed out that some areas went up, some went down, and explained several reasons for these changes. The bed tax had been overstated so it was reduced, and Darcel needs to research other areas such as oxygen costs to see if they can be reduced as well. The Nursing Services section, Line 357 - Other Professional Services, reflects agency staffing expenses over and above employee wages – last year this was budgeted for \$200,000, but since \$600,000 has been spent so far this year, Darcel budgeted for \$400,000 and will continue efforts to cut expenses in this area. She noted several current staffing issues, noting that turnover is a constant concern and a nationwide problem, and that wages alone are not the only thing affecting turnover. Discussion ensued about the challenges involved in recruiting and retaining local staff, ideas to reduce the use of agency workers such as higher starting wages for CNAs, and the effect of resident census on staffing expenses and vice versa. Additional discussion included lack of affordable housing in the area, unfunded mandates, and employee work ethics. Shelly and Kathleen expressed support for higher CNA starting wages, and pointed out how past support from the community, evidenced by approval of funding measures over the years, should allow Madison County residents to use the nursing homes when the need arises. Since the biggest staffing issue is with CNAs, Darcel will look into the feasibility of increasing CNA starting wages, and adjusting advertising to indicate a higher possible wage range.

Homeland Security & Department of Emergency Services Preliminary Budget Hearing: Joe Brummell, Director of Emergency Management, presented the Board with the preliminary budget for Civil Defense. Vicki Tilstra, Finance Officer, and Bonnie O'Neill, Chief Administrative Officer, were present for this hearing. Joe explained changes to the budget including adding 60 hours to salaries/wages for when the GIS Coordinator helps with Incident Management (IMT); \$4,250 for Gas, Diesel Fuel, since the previous amount was already reached during last summer's fire season; \$1362 for Liability Insurance, reflecting an increase to Drone coverage; and \$8,850.40 for Other Professional Services having to do with the SAT Trailer. He reviewed the coverage days, annual contract, rentals and reimbursements for the SAT Trailer, and said that last year it brought in more than it cost to use. He also discussed income from burn permits, which paid for the lamResponding website last year, and also allowed helping each fire district with training costs. Joe mentioned that the Bureau of Land Management Contract Grant is complete, and discussed DNRC fuels mitigation. The effect of increasing the GIS Coordinator's hours to 40 per week was discussed, with Bonnie explaining that he would be paid time-and-a-half

to work extra hours if called out for IMT. Bonnie recommended an increase in Joe's wages to a department head wage of \$22.71, and suggested modifying the reporting structure so he will report to the CAO for day-to-day activities, and still report to the Board for big decisions. Joe reported that with a statewide reduction in MTDES Grant funds, Madison County will receive \$3,000 less than last year - but there should be a partial reimbursement for the SAT Trailer.

With no further business, the hearings concluded at 3:45 p.m.

Ronald E. Nye, Chairman
Board of Madison County Commissioners

Date Approved: June 18, 2019

Minutes prepared by:

Jane Bacon, Commissioner's Clerk

Attest: _____
Kathleen Mumme, Clerk and Recorder, Madison County