

ANNUAL REPORT
OF THE
GRAFTON COUNTY
COMMISSIONERS

TOGETHER WITH THE REPORTS FROM



The

CONSERVATION DISTRICT
COUNTY ATTORNEY
HUMAN RESOURCES
NURSING HOME
SHERIFF'S DEPARTMENT
TREASURER † AUDITORS
UNH COOPERATIVE EXTENSION
CORRECTIONS
HUMAN SERVICES
FARM
REGISTRY OF DEEDS
INFORMATION TECHNOLOGY
DEPARTMENT OF MAINTENANCE



FOR THE YEAR
JULY 1, 2008 - JUNE 30, 2009

Dedication
of the
Annual Report

The
Grafton County
Commissioners

Districts I, II & III have each chosen people whom they feel have made a large impact within the County.

It is with great honor that this Annual Report is dedicated to them

DISTRICT I - COMMISSIONER MICHAEL CRYANS
DISTRICT II - COMMISSIONER RAYMOND BURTON
DISTRICT III - COMMISSIONER MARTHA RICHARDS

Roberta Berner



Roberta just marked her 10th year with Grafton County Senior Citizens Council (GCSCC). She joined the agency as Director of Marketing & Development in 1999 and was appointed Executive Director in 2003.

GCSCC provides a wide range of programs and services through a network of eight senior centers, an in-home care program providing chore assistance & companionship, and sponsorship of the Grafton County ServiceLink Resource Center and RSVP & The Volunteer Center. GCSCC serves more than half of the over-60 population in Grafton County annually. A tireless advocate for seniors, Roberta is a frequent presence at senior center events, town & county budget hearings and Rotary and other community outreach events.

In addition to her work with GCSCC, Roberta currently serves as President of the NH Coalition of Aging Services and has been part of the Coalition since 2003. She participates in the External Stakeholders Council for the Department of Health and Human Services, has been involved with the NH Transit Association and the NH Governor's Commission on Transportation since 2004, and was a member of the Leadership New Hampshire Class of 2006. In 2007 she received the Dartmouth Hitchcock Medical Center (DHMC) Community Health Leadership Award.

Grafton County and its senior citizens are very fortunate to have Roberta as their advocate and it is our honor to commend her.

Jason Morrill



Morrill Construction was started in 1970 by James Morrill with a small dump truck and loader. The focus of the business at that time was private work; mostly residential site work and gravel deliveries. The business grew through the 1970's; adding a few more pieces of equipment and by 1980 it employed up to ten employees. There was a shift

in focus in the early 80's from private to public work, and in 1982 Morrill started his first project for the State of Vermont on Route 5 in Newbury. The move to public work continued through the 80's and 90's and today approximately 90% of the work is either state or municipal.

Jason Morrill began working with the company in 1989 and worked summers and many weekends throughout his time in school graduating from St. Johnsbury Academy in 1991. He then attended the Thompson School of Applied Science at UNH with a two year degree in Construction Technology, and then went on for his bachelor's degree in Business Administration from John Brown University in Siloam Springs Arkansas where he met his wife, Michelle. They were married in 1999 and moved to her home in Belize, Central America where they lived and worked for two years. In 2001 the couple moved back to North Haverhill and both went to work for Morrill Construction with Michelle in the office taking care of accounts receivable and Jason as operations manager.

The company currently employs about sixty people during the peak of the season. There are generally four to five different projects going on at any given time, starting in early April and continuing until after Thanksgiving, with a focus on heavy highway and utility construction. The work is strictly in Vermont and New Hampshire, for departments of transportation as well as cities and towns.

Though most of the time has been taken up managing the business, Jason and Michelle Morrill continue to support local high school sports, the local 4-H chapter, the North Haverhill Fair, and the North Haverhill Fire Department's annual auction. Jason and Michelle live in North Haverhill with their daughter Leah.

D'Acres *Joshua and Elizabeth Trought*



D Acres of New Hampshire was created to preserve the heritage of land owned by the Gray/Trought Families in Dorchester, NH. Given the failures of corporate agriculture, the realities of climate change, and short-sighted policies resulting in a loss of farmland and suburban sprawl, efforts were begun in the early 1990s to use this

Dorchester farmstead as a shared educational enterprise that would serve the community.

Joshua Trought, Executive Director of D Acres, is a prior recipient of the Dorchester Grange “Citizen of the Year” award, as well as the Union Leader’s “40 Under 40”. Involved in many community service activities, Josh currently serves on the Dorchester Conservation Commission and as the Dorchester representative to the Pemi Valley Solid Waste Council. Over the last ten years, he has developed and implemented the vision of D Acres of New Hampshire, committed to educating others in environmental stewardship of land and forests within a framework of community shared decision-making. Josh’s commitment to social justice and sustainable living has led to his ongoing efforts to share his knowledge and skill in underserved areas such as South America.

Dr. Elizabeth Trought, PhD is a Founder of D Acres and has recently moved to become a full time resident of Dorchester, NH after living over 30 years in North Carolina. Professionally she has served as a staff nurse, Head Nurse, Supervisor, Director of Education, Vice- President for Patient Services and faculty for BS, MS and PhD students. An active community volunteer, Elizabeth has served a variety of nonprofit organizations including the United Way, The Pitt County Health Education Foundation, the Sierra Club, Operation Sunshine, and the Pamlico-Tar River Foundation. An active long-term member of the League of Women Voters, she has served as President and Voter Service Chair of the Pitt County League and is currently a member of the Upper Valley League.

Founded on the idea of service to the land and community, D’Acres seeks to appropriately use the natural resources at hand to provide for the comfort and well being of the inhabitants, while also serving as a valuable part of creating a sustainable rural system. Find more information at www.dacres.org

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COMMISSIONERS' REPORT FISCAL YEAR 2009

The Grafton County Commissioners are pleased to present the following reports and financial statements for the period of July 01, 2008 – June 30, 2009. The Grafton County Commissioners share these reports with you, our citizens, so that you may have a glimpse at the happenings of your County Government.

Financially, fiscal year 2009 was a very good year for the County. Total Revenues exceeded budget projections by \$1.9M. The total revenue received for the fiscal year was \$33,344,910. Expenses were below budget estimates by \$1.5M. The total expended was \$31,410,396 with \$18,801,280 being raised in County taxes. The budget process for FY 2010 was no less challenging than previous years. In fact, it was quite a bit more difficult given the status of the economy. The County Commissioners sent out a mandate to their department heads in January, 2009 that they were to submit level funded budgets for the up coming fiscal year. This is an incredibly difficult task given increases that are beyond the control of the departments. The Commissioners wanted to produce a budget that spared the taxpayers but at the same time did not cut the County work force. The County accomplished this, the budget decreased by 1.19% while the amount to be raised by taxes decreased 6.62%. The County is receiving FMAP funds (Federal Medicaid Assistant Percentage) which is an increase in funds attributable to the American Recovery and Reinvestment Act. This did provide assistance with the fiscal year 2010 budget, but is only a one-time shot of funds and will not be there in the future. This will cause a gap in future years. In addition Departments made many sacrifices to

deliver level funded or reduced budgets as requested by the Commissioners. Revenues increased slightly.

The Department of Corrections continued to be a major focus during fiscal year 2009. The project was on-hold for much of the year as a lawsuit was filed in March, 2008 regarding the vote that was taken by the Delegation to authorize the bond for the project. That lawsuit went to trial in late summer and continued into late September. A decision was issued by the Superior Court in November. The decision stated that the County had violated RSA 91-A in two incidents, but that the deficiencies were not significant enough to overturn the Delegation vote that was taken to authorize the bond for the new facility. The plaintiffs were awarded a small portion of their attorney's fees by the Superior Court. In April, 2009 the Plaintiffs appealed this decision to the NH Supreme Court where the case remains pending as of this writing.

In the meantime, the County has moved forward on the design of the facility. In February, 2009 a decision was made by the Board of Commissioners to reduce the size of the facility. This was responsive to letters they had received from numerous communities and due to the strain of the economic times. The re-designed facility is 150 beds and approximately 92,000 square feet of occupied space. It is also being developed with a geo-thermal heating and cooling source. The estimated project cost for the redesigned facility is \$36,000,000. The County is still calculating impacts to the communities that this reduced facility will have.

Another major project that was investigated during the year was alternative energy. Commissioner Richards chaired an Alternative Energy Committee that met and conducted a feasibility study (with the assistance of The Biomass Energy Resource Center, Montpelier, VT) to determine what the best method of alternative energy there was for the Grafton County Complex. The study concluded that a wood-chip biomass central plant for the Complex to be the best method. Almost immediate savings in oil costs and its associated issues would be realized. Since that time the County has been investigating grants, loans and other funding sources to secure \$2.5 million funding for this project. At this time we continue to look for funding.

The County continues to participate in the prescription drug discount program that is presented to the County through the National Association

of Counties and sponsored by CareMark. There is no cost to the County or to the citizens. The program is a discount program that reduces the cost of prescription drugs on the average of 20% for those who have no prescription drug coverage. Grafton County residents had saved a total of \$267,575.37 on prescription drugs since the County began offering the program in September, 2006. Getting enrolled in the program is simple – just place a call to the Commissioners’ Office and request a card, the only information needed is your name and address and we will mail you a card. These cards are also available at any participating pharmacy.

The NH Association of Counties Annual Conference was held at the Mount Washington Hotel on October 5th to 8th . During the conference at the Annual Banquet, Grafton County Corrections Medical Coordinator Auralie Achilles was recognized as the County Corrections Medical Employee of the Year; Farm Manager Don Kimball, Sgt. Dale Paronto and Admin Asst. Brenda Paronto were recognized with the County Team Award for their work on the Grafton County Farm Stand; Former Human Resource Director Joanne Mann was recognized as the County Human Resource Director of the Year; Health Information Manager Tammy Robbins was recognized as the County Nursing Home Employee of the Year and Executive Director Julie Clough was recognized as County Administrator of the Year. Also recognized was former Executive Director Evelyn Smith, who was presented with the Edna McKenna Public Service Award. Congratulations on a job well done, we are very proud of you!

Fiscal Year 2009 brought some changes to the County family. Treasurer Carol Elliott was defeated in the election and finished her term in December, 2008. In January, 2009, the County welcomed Treasurer Vanessa Sievers. In addition to the changes in elected officials, the County had a number of long-term employees retire during fiscal year 2009. We wish the best to all of them.

The Grafton County Drug Court program continues to be a success. Participation has grown to nearly 20 and to date a total of three (3) participants have graduated from the program.

The Barbara B. Hill Fun (d) continues to be available for children who are less fortunate to experience fun activities. During the past year the fund has given scholarships to many children throughout the County. Anyone wishing to make a donation can do so through the Commissioners’ Office.

We, as County Commissioners, are pleased with the progress that has been made at the County this year and we look forward to the many accomplishments that are to come. Our mission and focus is to continue to provide good quality service to the residents of Grafton County while maintaining a stable tax rate.

The Grafton County Commissioners hold regular weekly meetings on Tuesday's at 9:00 AM, at the County Administrative Building at 3855 Dartmouth College Highway in North Haverhill, with periodic tours of the Nursing Home, Department of Corrections, County Farm and Courthouse. The Commissioners also attend monthly meetings of the Grafton County Executive Committee. All meetings are public. Please call the Commissioners' Office to confirm date, time and schedule. For further information and links to other departments please visit our website at www.graftoncounty.nh.us.

In closing, the Commissioners continue to be proud of the accomplishments and successes of County Government. We realize that these accomplishments would not be possible without the dedication and hard work of our four hundred twenty five (425) employees and the countless number of volunteers. ***We would like to recognize and thank all of our employees and the many volunteers that do such a fantastic job.***

Respectfully submitted,

Michael J. Cryans, Chair (District 1)
Martha B. Richards, Vice-Chair (District 3)
Raymond S. Burton, Clerk (District 2)



2009 Grafton County Elected Officials: L to R: Treasurer Vanessa Sievers, Register of Deeds William "Bill" Sharp, Register of Probate Rebecca Wyman, Sheriff Douglas Dutile, Commissioner Raymond Burton, Judge Bornstein, Commissioner Martha Richards, County Attorney Rick St. Hilaire and Commissioner Michael Cryans

GRAFTON COUNTY
ELECTED AND APPOINTED OFFICIALS
January 1, 2009- June 30, 2009

COMMISSIONERS

Michael J. Cryans, District #1
Raymond S. Burton, District #2
Martha B. Richards, District #3

EXECUTIVE DIRECTOR

Julie L. Clough, North Haverhill

TREASURER

Vanessa V. Sievers, Hanover

COUNTY ATTORNEY

Ricardo St. Hilaire, Enfield

COUNTY SHERIFF

Douglas Dutile, No. Haverhill

REGISTER OF DEEDS

William Sharp, Lebanon

CLERK OF COURT

Robert B. Muh, Littleton

JUDGE OF PROBATE

Gary W. Boyle, Littleton

REGISTER OF PROBATE

Rebecca Wyman, Woodsville

ADMINISTRATOR, NURSING HOME

Eileen Bolander, Bradford, VT

SUPERINTENDENT, CORRECTIONS

Glenn Libby, Piermont

MANAGER, COUNTY FARM

Donald Kimball, No. Haverhill

SUPERINTENDENT, MAINTENANCE

James Oakes, North Haverhill

HUMAN RESOURCES DIRECTOR

Joanne K. Mann, Woodsville

INFORMATION TECHNOLOGY MANAGER

Brent Ruggles

MEDICAL DIRECTOR

Frederick Kelsey

AUDITORS

Mason & Rich Professional Association, Concord

GRAFTON COUNTY DELEGATION

Jan. 1, 2009 ~ June 30, 2009

District #1

*Brien Ward Littleton
Lyle Bulis, Littleton

District #2

Kathleen Taylor, Franconia

District #3

*Edmond Gionet, Lincoln
*Sue Ford, Easton

District #4

Robert Matheson, No. Woodstock

District #5

Rick Ladd, Haverhill
Paul Ingretson, Pike

District #6

*James Aguiar, Campton
*Carol Freidrich

District #7

Suzanne Smith, Hebron
Mary Cooney, Plymouth

District #8

*Burton Williams, Bristol
Margie Maybeck
*Phil Preston, Ashland

District #9

Bernard Benn, Hanover
Beatriz Pastor-Bodmer, Lyme
Sharon L. Nordgren, Hanover
David Pierce, Etna

District #10

* Suzanne Laliberte, Enfield Center
* Catherine Mulholland, Grafton
Chuck Townsend, Canaan

District #11

Susan Almy, Lebanon
Gene Anderson (resigned) then /Andrew White, Lebanon
Franklin Gould, Lebanon
Anna Harding, Lebanon

* Denotes Executive Committee

GRAFTON COUNTY BUDGET

July 1, 2008 to June 30, 2009

EXPENDITURES:

Administration & Treasurer	\$391,493.00
County Attorney	\$649,228.00
Victim/Witness Advocate	\$138,989.00
VAWA Grant	\$91,513.00
Child Advocacy Grant	\$0.00
Drug Court	\$168,181.00
Medical Referee	\$50,000.00
Delegation Expenses	\$7,500.00
Register of Deeds	\$606,875.00
Human Resources	\$67,836.00
Information Technology	\$187,994.00
Sheriff's Department	\$1,252,249.00
Dispatch	\$923,650.00
Courthouse Maintenance (Allocated to Depts)	\$0.00
Court System Maintenance Allocation	\$257,965.00
Human Services	\$6,968,572.00
GCEDC	\$50,000.00
Extension	\$316,684.00
Social Svc	\$588,050.00
Interest	\$510,227.00
Payment on Bonds & Notes	\$181,250.00
Capital Outlay	\$1,172,479.00
Wage/Benefit Adjustment	\$251,529.00
Contingency	\$85,000.00
Unemployment	\$10,000.00
Nursing Home	\$13,528,449.00
Jail	\$3,865,366.00
Farm	\$533,415.00
Conservation Dist	\$58,251.00
North Country	\$1,350.00
TOTAL EXPENSES	\$32,914,095.00
LESS REVENUE	\$12,587,815.00
LESS SURPLUS TO REDUCE TAXES	\$1,525,000.00
AMOUNT TO BE RAISED BY TAXES	\$18,801,280.00

GRAFTON COUNTY BUDGET

July 1, 2008 to June 30, 2009

REVENUE:

County Nursing Home	\$9,068,152.00
County Jail	\$171,800.00
County Farm	\$486,882.00
Building Rental	\$304,800.00
Register of Deeds	\$989,000.00
6% Alternative Program	\$238,017.00
Sheriff's Dept Fees	\$390,854.00
Sheriff's Dispatch & Misc	\$570,510.00
Extension Svc	\$8,000.00
Misc Revenue	\$44,500.00
Interest Earned	\$200,300.00
Federal in Lieu of Taxes	\$50,000.00
Victim/Witness Advocate	\$25,000.00
Attorney's Fees	\$30,000.00
Abandon Property	\$10,000.00
Capital Revenue	\$0.00
	\$12,587,815.00

DELEGATION EXPENSES

July 1, 2008 to June 30, 2009

Catherine Mulholland	\$1,626.10
Burton Williams	\$1,271.24
Philip Preston	\$1,144.50
Suzanne Laliberte	\$1,097.42
Edmond Gionet	\$919.80
James Aguiar	\$887.02
Carol Friedrich	\$586.85
Susan Almy	\$571.51
Brien Ward	\$496.62
Susan Ford	\$496.62
Mary Cooney	\$356.20
Anna Harding	\$319.50
Lyle Bulis	\$275.28
Margie Maybeck	\$253.88
Franklin Gould	\$247.00
Gene Andersen	\$243.05
David Pierce	\$242.05
Suzanne Smith	\$214.33
Bernard Benn	\$183.56
Chuck Townsend	\$174.02
Vernon Dingman III	\$158.50
Carole Estes	\$143.60
Pete E. Solomon	\$143.60
Paul Ingbretson	\$123.05
Rick Ladd	\$123.05
Martha McLeod	\$114.35
Kathleen Taylor	\$104.48
Andy White	\$87.70
Sid Lovett	\$87.01
Lee Hammond	\$78.24
Robert Matheson	\$63.61
Stephanie Eaton	\$57.18
Beatriz Pastor-Bodmer	\$50.30
Gregory M. Sorg	\$44.89
Ruth Bleyler	\$23.40
Supplies	\$58.00
Miscellaneous	\$386.61
	<u>\$13,454.12</u>

GRAFTON COUNTY TREASURER

Vanessa V. Sievers

Annual Report Fiscal Year 2009

In the fiscal year 2009, Grafton County collected a total of \$18,801,280 from the towns and one city in the county. The money was used to pay the debt owed from the previous year and the remainder was invested in certificates of deposits and money market accounts in banks around the county. Banks were chosen through a bidding process that was open to all banks in the county. An emphasis was placed on the rates, security of the bank, and distributing the money around the county.

In addition to the tax revenue investments, the Register of Deeds equipment account was moved to Laconia Savings Bank for ease of access. The money was in a municipal checking account earning .04% to a CD and money market account earning 2.3% and 1.2% in interest respectively. The Sheriff's Dispatch Capital Reserves was renewed in a 2.37% CD.

It has been a pleasure serving Grafton County. For more information, please visit graftontreasurer.us. On the site there is up-to-date information including proposal documents and information on current investments and borrowing. For questions or concerns there is also a contact form on the website.

Respectfully,

Vanessa Sievers
Grafton County Treasurer

GRAFTON COUNTY ATTORNEY

Ricardo A. St. Hilaire

Annual Report Fiscal Year 2009

The Office of the Grafton County Attorney promotes public safety and pursues justice through the courts. County Attorney Rick St. Hilaire served a fourth term and continued to employ an experienced group of attorneys. Elevated to the post of Deputy County Attorney was longtime prosecuting attorney Lara Saffo. Former Plymouth Area Prosecutor Paul Fitzgerald was recruited to join the office. They handle all courtroom work along with Assistant County Attorneys James Vara and Nancy Gray. Office Administrator Alison Farina, Administrative Assistant Christine Ash, and Legal Secretaries Ruth Maffei and Dawn Burleson continue to serve as staff to the office.

Prosecuting felony cases is the primary function of the county attorney's office. The greatest portion of attorney and staff time is focused on litigation, and the office is equipped to meet this challenge. During the fiscal year, the office opened 530 case files and represented the citizens of Grafton County in 2201 scheduled court appearances. Additionally, there were 160 cases reopened for post-conviction hearings, including probation violations. Arrest warrants were requested for 111 fugitive defendants during the fiscal year.

The special services investigator, Wayne Fortier, played an instrumental role in developing cases for prosecution and in freshening cold case files.

The Office of Victim/Witness Assistance remains one of the County Attorney's most critical programs, helping to promote the Victim's Bill of Rights and providing information to crime victims. That office is coordinated by Carin Kniskern and assisted by Sabra Carroll.

A highlight of the fiscal year was the two year anniversary of the Grafton County Drug Court Sentencing Program. Attorney General Kelly Ayotte awarded grant money to the drug court to hire a case manager. The two-year drug court program is open to non-violent adult offenders with a history of addiction who face drug-related criminal charges that would likely result in a term of incarceration at the county jail.

The Office of the Grafton County Attorney accomplished several more tasks during the year, including:

- The attainment of federal funds to finance the Office of Victim/Witness Assistance and to subsidize the costs of a prosecutor's position to focus on domestic violence cases.
- The expansion of the successful operation of the Grafton/Sullivan Child Advocacy Center at Dartmouth Hitchcock Medical Center to include a new office in Littleton. That office was constructed and furnished with help from the community, including local police and businesses.
- The completion of several groundbreaking court cases that help law enforcement effectively respond to criminal activity in the county. Citizens of Grafton County know first-hand why CQ Press named New Hampshire, for the second year in a row, the safest state in the country in its March 2009 report.
- The education of religious leaders about domestic and sexual violence through programs outlining the attorney general's Faith Communities: Domestic Violence Protocols.

The Grafton County Attorney's Office thanks the County Delegation and Grafton County Commissioners Michael Cryans, Raymond Burton, and Martha Richards. Their backing, coupled with support from area law enforcement and private citizens, help make Grafton County a safe and peaceful place to live and work.

Respectfully submitted,

Ricardo A. St. Hilaire
Grafton County Attorney

GRAFTON COUNTY SHERIFF'S DEPARTMENT

Sheriff Douglas R. Dutile

Annual Report Fiscal Year 2009



To the Honorable Grafton County Commissioners,
Grafton County Delegation and Citizens of Grafton
County:

It is an honor to present the annual report of the Grafton County Sheriff's Department for Fiscal Year 2009. The Department is in the final stages of the National Accreditation Process. We are in line to be nationally recognized at the fall conference which is being held in Salt Lake City Utah, hosted by the Commission for the Accreditation for Law Enforcement Agencies (CALEA).

Our mobile communications/command trailer has proven to be a huge asset as it has been deployed on numerous occasions providing back-up dispatch and field support operations for first responders at events. We are very proud of this state of the art piece of equipment.

As you can see in the following Activities Report, our work-load continues to increase each year. I am not sure if this is due to the poor economic climate or a steady upward trend in this field. Our increase in work-load directly affects our revenue, which is also up.

We noted a large increase in Prisoner Transportation as well as Civil Activity. This would explain a decrease in Assists Rendered to Police Departments due to our time being consumed by the aforementioned activities. Our "Criminal Warrants Open", are also affected by this lack of time.

All Sheriff's Department Members, Court Officers, Communications Personnel, Special Deputies and Office Staff are very dedicated and committed in providing the highest quality of service to our citizens of Grafton County. This is a "TEAM EFFORT". I would like to express sincere appreciation to my entire staff for their loyalty, support and dedication.

Once again, I would like to thank Julie L. Clough, Executive Director for her assistance that she has rendered to my Department along with the other County Department Heads. I would also like to thank the three (3) County Commissioners and the County Delegation for all of their

support and interest in the operations of the Sheriff's Department.

I look forward to your continued support and working relationship. Remember, we remain faithful in, "Protecting Property and Serving the People".

Respectfully submitted

Douglas R. Dutile
Grafton County Sheriff

GRAFTON COUNTY SHERIFF'S DEPARTMENT

Activities Report July 1, 2008 ~ June 30, 2009

	FY2008	FY2009
<u>Civil Activity</u>		
Civil Process Served:	3,954	4,247
Civil Service Fee Revenue:	\$158,660	\$164,784

Prisoner Transports

Adult and Juvenile Prisoners Transported to Courts and Treatment Facilities:	3,657	3,952
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Extraditions

Fugitives returned to Grafton County:	51	57
<i>Returned from: South Carolina, New York Connecticut, Vermont, Massachusetts, Ohio Rhode Island, Maine, New Mexico, Mississippi, Florida, Virginia and California.</i>		

Criminal Investigations

General investigations conducted:	74	82
Investigations at the Grafton County House of Corrections:	69	72
Investigations – No crime found:	11	12

Warrant Status – Criminal & Civil

Criminal warrant arrest:	34	36
Criminal warrant recalled:	36	25
Criminal warrants open:	113	298
Civil warrant arrest:	68	49
Civil warrants recalled:	108	76
Civil warrants open:	68	96

U.S. Forest Service Patrol Enforcement

Arrests made while patrolling:	89	70
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	FY2008	FY2009
<u>U.S. Forest Service Patrol Enforcement cont.</u>		
<u>Citations Issued</u>		
Warnings:	33	66
Summonses	28	22
<u>GRAFTON COUNTY COMMUNICATIONS CENTER</u>		
Calls for service received at the center:	54,155	51,905
Agencies Dispatched for:		
22 Police Departments		
25 Fire Departments		
14 Emergency Medical Squads		
Persons entering the Court House:	47,124	45,210
Persons held in temporary detention at the Sheriff's Department:	1,010	1,042
Assists rendered to Police Departments:	298	184

GRAFTON COUNTY HUMAN SERVICES

Nancy Bishop

Annual Report Fiscal Year 2009

To the Honorable Commissioners of Grafton County:

In FY 2009 we begin to see the changes created by the passage of HB2 in 2008. Our statutory responsibilities under RSA 167:18-a are limited to long term care services in two areas, Nursing Facility Care (INC) and Home and Community Based Care -Elderly and Chronically Ill (HCBC-ECI) with a cap on total expenditures.

Nursing Facility Services (INC) – The county exposure increases from 25% to 50% of the Medicaid rate for eligible persons in private and public nursing homes.

Home and Community Based Care (HCBC) – The county exposure increases from 25% to 50% of the Medicaid rate for eligible services provided to persons who are eligible for nursing home care, but choose to remain in their own home or community residence.

Grafton County's cap for FY09 is \$6,537,717. This amount was further offset by Estate Recoveries in the amount of \$40,143.09. (Please refer to the following page for a breakdown of the expenses by Town).

In closing, I would like to acknowledge Lisa Pierson for her dedication and assistance during this fiscal year. As an additional consequence of HB2, Lisa's position was eliminated at the end of the fiscal year.

Respectfully submitted,

Nancy J. Bishop
Human Services Administrator

CATAGORICAL EXPENSES BY TOWN FY 2009

	cases	INC	cases	HCBC	TOTALS
	2	(405,553.00) *			(405,553.00)
ALEXANDRIA	5	67,466.44	2	8,147.46	75,613.90
ASHLAND	12	180,605.62	7	32,291.97	212,997.59
BATH	6	78,354.65	1	3,523.92	81,878.57
BENTON	-	-	-	-	-
BETHLEHEM	11	114,759.74	9	78,631.54	193,391.28
BRIDGEWATER	1	20,355.84	2	10,209.77	30,565.61
BRISTOL	19	225,185.28	15	53,706.82	278,892.10
CAMPTON	8	135,943.27	12	47,534.12	183,477.39
CANAAN	8	108,682.42	11	64,922.00	173,604.42
DORCHESTER	1	9,970.39	1	1,134.50	11,104.89
EASTON	1	19,536.66	-	-	19,536.66
ELLSWORTH	-	-	-	-	-
ENFIELD	14	156,441.99	12	51,484.20	207,926.19
FRANCONIA	10	119,016.33	2	6,440.97	125,457.30
GRAFTON	6	80,979.93	13	86,059.24	167,039.17
GROTON	-	-	1	1,303.54	1,303.54
HANOVER	35	413,972.99	3	19,776.95	433,749.94
HAVERTHILL	48	530,967.62	33	208,064.23	739,031.85
HEBRON	1	8,205.04	-	-	8,205.04
HOLDERNESS	6	100,613.10	4	26,237.38	126,850.48
LANDAFF	3	31,764.30	4	48,408.00	80,172.30
LEBANON	78	990,304.86	40	249,387.02	1,239,691.88
LINCOLN	6	73,908.71	6	60,360.10	134,268.81
LISBON	10	192,436.77	10	45,559.64	237,996.41
LITTLETON	51	663,523.51	37	165,961.86	829,485.37
LIVERMORE	-	-	-	-	-
LYMAN	-	-	-	-	-
LYME	5	86,793.00	1	8,121.41	94,914.41
MONROE	7	111,045.26	3	18,554.39	129,599.65
ORANGE	1	18,582.42	-	-	18,582.42
ORFORD	8	84,797.44	3	2,191.95	86,989.39
PIERMONT	2	27,912.66	5	16,312.60	44,225.26
PLYMOUTH	17	249,286.23	19	108,109.93	357,396.16
RUMNEY	12	126,266.75	5	23,239.84	149,506.59
SUGAR HILL	3	51,591.02	-	-	51,591.02
THORNTON	7	97,868.60	8	40,944.46	138,813.06
WARREN	6	95,498.75	3	16,807.03	112,305.78
WATERVILLE	-	-	1	8,865.77	8,865.77
WENTWORTH	5	53,644.13	2	3,051.21	56,695.34
<u>WOODSTOCK</u>	<u>7</u>	<u>104,232.07</u>	<u>1</u>	<u>8,188.21</u>	<u>112,420.28</u>
TOTAL	422	5,024,960.79	276	1,523,632.03	6,548,592.82
		(31,498.16) **		(50,210.98) **	
		4,993,462.63		1,473,421.05	6,466,883.68

Notes: * Statutory Credit under RSA 167:18-a, this amount is not calculated by individual client.

** The amounts represented in these two columns are overstated by \$31,498.16 & \$50,210.98 respectively due to the switchover to a capped payment for long term care services which our software program is not designed to handle at the present time.

Also included in the totals are any Estate Recoveries received during the fiscal year, which reduce the overall expenses.

KEY:

INC Nursing Facility Services – Medicaid Rate Payments
 HCBC Home and Community Based Care – Medicaid Services Payments

GRAFTON COUNTY HUMAN RESOURCES

Karen J. Clough, Interim Director

Annual Report Fiscal Year 2009

To the Grafton County Commissioners, Grafton County Delegation and the citizens of Grafton County:

It is my privilege, as the Interim Director, to submit the annual report of the Human Resources Department.

While we have experienced some changes within the Human Resources Department this year with the retirement of the previous director and the reduction in staff, we have continued to manage the wages, benefits, personnel information and application of the policies and procedures for our employees with little to no interruption.

One of the more important responsibilities of our department is the ongoing administration and maintenance of our benefit program. The cost of providing these benefits is substantial. We currently employ approximately 276 full-time employees and 157 part-time employees. We have worked diligently to make employees aware of all the benefits available to them through the orientation process, annual benefits fair and onsite visits from vendors.

With the health insurance being the most costly of those benefits, we looked at many different options this year. The end result was a slight change to our prescription plan which allowed us to remain with Matthew Thornton and at the same time experience a decrease of .7% to our rates. We currently have 221 employees who carry their health insurance through Grafton County and 102 retirees who also carry their coverage through the County. The County continues to pay 80% of the cost of insurance for those non-bargaining unit employees hired after July 01, 2003 and bargaining unit employees hired after September 7, 2003 and 86% for those employees hired prior to the above noted dates.

It is the desire of the Human Resources Department to encourage a high level of employee morale through recognition programs and we have been working on a variety of proposed programs which we hope to implement in the upcoming year.

We have spent a great deal of time in the past year keeping up with the ever changing laws and regulations such as the new America Recovery and Reinvestment Act COBRA subsidy, Family Medical Leave Act changes, and amendments to Americans with Disabilities Act just to name a few. The Human Resources staff have been regularly attending educational meetings on all public sector employment laws and updates.

We continue to receive reimbursement through the Medicare Part D subsidy program. We currently have 2 applications approved and have received payments totaling \$73,673.37 for the time period of October 1, 2009-September 30, 2009.

We are very fortunate at Grafton County to have many dedicated employees who contribute daily to the successful deliverance of the diverse services provided by the county. Thank you to the Board of Commissioners, Delegation and the taxpayers of Grafton County for their continued support. All our services are achieved through a team work philosophy.

Respectfully submitted,

Karen Clough

REGISTER OF DEEDS
William A “Bill” Sharp
Annual Report Fiscal Year 2009

The Registry of Deeds is pleased to report significant Progress and Improvement at the Registry of Deeds during this **SECOND** term since taking office January 3, 2007. AND now being sworn in January 7, 2009. We have saved Grafton County several \$1,000's of dollars by looking at each item and it's function to become cost effective. This report is in outline form so as to show as much progress and many improvements as we can. All done in the effort to save Grafton County tax payer money. We have reviewed each and every function of this office and stand by established protocol. We continue to act in the friendly business like manner which is a part of the SHARP DEEDS Office. Every person is treated fairly with the same efficient friendly treatment. We have endeavored to keep the best of the past, be updated, and prepared for the future. Essentially the Deeds function in Grafton County is at the sharp cutting edge for a new century. Here are some notes and improvements made during this process:

PROMOTION: Beth Wyman was promoted to Deputy Register beginning in July. With quality years of service to the Deeds Department, Beth was deserving of the up-grade keeping the daily books straight and supervising the indexing operation. Besides being a nice person to greet at the counter.

BOOKKEEPING:

Computerized Accounting: Every Deeds Customer has an account number and an accurate record which interfaces with the recording system. In addition, a master record of each month's activity now appears on a spread sheet. These accounts are tied into the 'On Line Billing System' - so that accurate bills are printed each month reflecting the recording activity and on line printing of each account. Customers may pay on account and are expected to remain current.

OFF SITE PRINTING: Now brings in some \$7,000.00 per month. As well, the New Accounts bring in an addition \$25,000 revenue annually;

FRONT END RECORDING:

Automatic Tax Stamps and Receipts are produced at the front desk upon recording and a deposit strip is produced: ready for the days check deposits. Less Noise, Eliminating Extra Steps, Removing the Cash Register.

L CHIP – The New Land Preservation Project is running smoothly without complication whatever.

BANKING:

We have established the deeds banking accounts to produce the most interest on deposit -Keeping County Funds as long as is possible with earnings of an extra \$500-\$1000 per month.

DEEDS ON LINE:

The Deeds Images are available to established customers who have an account and who have paid an annual maintenance fee of \$50. The fee is for one (1) year service & entitles the user full use of the web site. <http://www.nhdeeds.com> All basic deeds research can be done on line & documents viewed by account holders with a password.

VIRTUAL DEEDS:

For the future: 'Virtual Deeds Recording' is the process whereby Deeds and Documents may be Recorded from an off premise site electronically. Fees are automatically transferred to the County Deed's bank account and receipt is made, all procedures verified, a visual inspection done, with every aspect of the Recording Protocol in compliance with regulations.

A COPY OF YOUR DEED:

Besides here at the Registry 8am-4pm, a copy of your deed may now be obtained thru any of our On Line Customers.

REDACTION:

We have essentially eliminated the argument about sensitive numbers and information. To date, we have only had three (3) requests for a Redaction. The net effect is that our information is easily available to those who are in the need to know. A 'Request for Redaction' form is available at this office or from the web site. Such request will be acted upon promptly.

CUSTOMER RECORDS:

'Deeds Customers' have an account number with full information. Accounts receivable & payable are now on one easy to access ledger. Billing is now simple to administer.

OPEN HOUSE & VISITORS:

The deeds office is always open to visitors 8am-4pm on regular work days. A friendly call ahead will assure that Bill or one of the staff will show you around and offer you a cup of coffee. The Grafton County Clerks and Tax Collectors held their Spring meeting at the Deeds office - and enjoyed an Open House Tour of the Registry.

PRESERVATION OF OLD DOCUMENTS:

Visitors and Customers will notice the beautifully preserved map of Grafton County on their way into the work room. On the Table in front of them one may

see the first of Four (4) New Books starting with the first record of the county: a Deed Dated 1772. There are some 370 Additional brown paper wrapped books which need to be treated in similar manner: Deacidified & Sealed in plastic, Respectfully Bound for 100+ years of preservation. An expensive project worthy of attention. The First 8 Books of the County are complete and in the Registers' Office.

BULLETIN BOARDS & WORK AREA:

We call the work area the Vault: Now containing 10 brand new viewing stations connected into our new Deeds Records Online System. One may view, research and print any document by book and page right here - or - Use a personal account and work at home or office. All charges are posted to an appropriate account which is expected to be kept current.

TITLE SEARCH: ON LINE for EVERYONE at

www.nhdeeds.com. Done more easily with no extra travel expense.

BUDGET:

We have developed the lowest Deeds Operational Budget in several years.

VENDOR:

Our faithful reliance on Connor and Connor has brought us this far in our quest to be at the cutting edge of preservation technology. Joseph J. Marotti Co. of Milton, Vermont has taken the lead for our preservation of old maps and documents. A beautifully framed county map may be seen on the way to the vault.

EQUIPMENT:

Purchasing, rather than leasing, over the next 4 years we will save this department \$134,000. This will save some \$33,600 per year. Now one can play with the numbers and the liars will figure. But, these figures do not lie. By owning rather than leasing we are protecting the budget. Our new IT person, Brent Ruggles is doing a fantastic job in advising us and bringing us up-to-date. The purchase of our new i7300 Kodak results in the clear printing of old film plans & documents. Owning retrieval stations and scanning stations saves the county annually. This is not an accident. This comes from carefully reviewing the cost and benefit of each aspect of the operation.

SUMMARY:

Essentially what we have done in the deeds office is to look at each and every step in our operation. We reviewed and updated every protocol. Including the bookkeeping; how documents are received and recorded; the process of preserving and making 'online service' work easily; how we can save the county money; but, and at the same time do our work efficiently and effectively. We have gone On-Line so the public can more easily access our records. This

service has been very well received by the public. The fees we have collected so far for the on-line service have nearly offset our increased fees from *Conner & Conner*. We expect that the service will pay for itself in collected fees. The on-line service will also reduce our supply costs. We are using less paper and toner in our printers. In a couple of months we should be able to have reasonably accurate figures on just how much we will save each year. At the end of the year we will assess our progress and determine what our future needs are and in what direction we wish to go in our pursuit to modernize the Registry and make it run more efficiently and less costly.

The Budget; The Expenses; The Friendly Experienced Thoughtful Staff; The Protocols; The Bookkeeping; The Preservation Projects; The New Equipment; The On Line Service; The Cutting Edge Technology; and every other function of an up-to-date smooth running & efficiently administered Office.

We are NOT doing things the same way just 'Because we have always done it that way'! We are NOT allowing old budget methods to stand in the way of saving county money. We are looking for every way to explore each coming development to see if that method would improve our operation.

So that in spite of ourselves, we must say that Deeds is at it's best game!

With contributions from the staff:

Beth Wyman – Deputy Register , Nancy Clement, Mary DeRosia, George Morris, and Brenda Dodge

Respectfully submitted,

Hon. William A. 'Bill' Sharp - Register

GRAFTON COUNTY IT DEPARTMENT

Brent Ruggles

Annual Report Fiscal Year 2009

2008-09 was a busy year for the Grafton County IT Department completing several projects across the campus for the 08-09 year. Barry Page, of Littleton NH, joined the department as a part time PC Tech Support/LAN specialist to assist me with projects and help augment our customer service to the departments and staff at the campus.

PROJECTS COMPLETED THIS YEAR INCLUDE

- 🖨 Registration of an official Grafton County domain name co.grafton.nh.us to meet standardized municipal domain naming convention standard.
- 🖨 Installation of new common backup software across all networks, to include daily off-site removal of backup media at all networks.
- 🖨 Setup of new centralized data center room to meet goal of network consolidation across the campus and provide central location for core network servers and switching gear.
- 🖨 Installation of new Charter Fiber Optic Internet 3MB Symmetrical, over 1500 feet of 6 strand cable was run thru the Nursing Home to the new Network Operations Center. The T1 from UNH was turned off and the result provided the campus a new internet circuit with twice the speed providing bandwidth for new services such as the new email server, vpn connections and future web site and future tcpip services such as VOIP phone system and video court arraignment. Cost Reduction - The new circuit costs 65% of what we were paying for the T1.
- 🖨 Installation and Deployment of central in house email server to be used by all departments, including training of staff from all 10 departments. System additionally supports groupware features such as shared contacts, calendaring, tasks, reservations for rooms and or equipment to help increase departmental efficiency and inter department communication as well as to have a single email domain for the County Campus and departments.
- 🖨 Merged and migrated existing departmental email stores and accounts over to the new campus email server.
- 🖨 Installation and management of secured VPN between Sheriffs department and Littleton PD.

- 🖨 Replacement of 40 aging PC's with HP small form factor and meet goal of standardization of all the campus PC systems to Windows XP Professional a common platform.
- 🖨 Standardization of common desktop load for new systems
- 🖨 Further deployment of Sun Microsystems Open Office on the above new 40 systems saving the taxpayers \$10.720 vs. purchasing MS Office.
- 🖨 Completion of major health care software update at the Nursing Home server and 52 PC systems.
- 🖨 Purchased a common standardized enterprise Anti Virus and Security software package and deployed across all departments.
- 🖨 Research and obtained report on what the average IT costs nationally for municipal government agencies, available on request. This information to help establish a realistic and fair baseline for IT expenditures at the campus.
- 🖨 Installation and setup of 5 centralized core Network Servers to be used for forthcoming network domain consolidation 2009-10

PROJECTS - FORWARD

- 🖨 Installation of central network backbone and Layer 3 network switching to be shared by all departments to facilitate
- 🖨 Network Domain Consolidation Project to establish a common network that is easier to manage and reduction in the number of servers and networks at the campus.
- 🖨 Research into VOIP phone systems and use of PRI lines to help reduce cost.
- 🖨 New WEB site to provide centralized information and contact information for all the GC departments.

In closing I look forward to continue in providing excellent IT support and services for all the departments, employees and citizens of Grafton County. If anyone has any questions regarding Information Technology at the campus please feel free to contact me at my contact information provided below.

Respectfully submitted,

Brent Ruggles
IT Manager
bruggles@co.grafton.nh.us

GRAFTON COUNTY MAINTENANCE

James C. Oakes

Annual Report Fiscal Year 2009

In addition to meeting the day-to-day operational and maintenance demands of the complex, my staff did a great job simultaneously overcoming numerous other challenges. These challenges encompassed execution of numerous capital projects, identifying and correcting various life safety deficiencies and implementing numerous initiatives to improve operability, increase efficiency and enhance self-sufficiency.

This year we completed our greatest number of capital outlay projects ever in 1-year. Some these projects are as follows:

Water Storage Tank – Last fall the department contracted the design and construction of a 360,000-gallon water storage tank and 1,450 linear feet of water main connected to Woodsville’s water system. Once on line, the new tank greatly enhanced fire-fighting capabilities by more than tripling the complex’s hydrant water pressures and flows.



Access Road Rerouting & Repair – In order to gain year-round access to the new water tank, the department contracted to have the existing access road to the shooting range and farm fields widened, graded and drainage added. In the process, the lower road was rerouted from the crest of the hill to its current location behind the farm stand to eliminate unsafe access onto Route 10.

Silage Bunker, Aprons & Drainage – At the beginning of FY09, the department contracted the construction of a new silage bunker, asphalt aprons and improved drainage scheme around the bunkers. Prior to this work, the farm routinely lost a lot of its silage each year to spoilage due to poor drainage in its limited storage area.



Maintenance/ Farm Building – Acting as general contractor (GC) and owner’s representative, the department oversaw the design and construction of this new building. We bid the project out in seven packages and

completed it on schedule and within budget. By performing GC duties, the department saved the county close to \$500,000.

Administration Roof Repair – Last fall the department contracted the replacement of 1,200 slate tiles, the repair of copper roof sections and the installation of snow rails over all exterior doorways. The work fixed numerous problematic leaks and eliminated an avalanche hazard from snow and ice cascading off the roof over the building’s entrances.

In addition to the many capital projects, the time spent identifying and correcting numerous life safety deficiencies in various buildings was equally challenging.

Nursing Home – A 4-year inspection of fire dampers revealed numerous missing, inaccessible and improperly installed dampers. After engaging design & construction team members, the responsible parties took ownership of the problems and resolved all deficiencies at no cost to the county. Similarly, a follow up inspection of a fire alarm contractor’s work revealed the contractor failed to ever test the shut down features of air handling equipment during duct smoke detector testing. On subsequent testing, three units failed to shut down as required. An investigation revealed they were not wired to contract specification. The responsible contractor corrected the deficiency at no cost to the county. Of equal significance in terms of eliminating fire hazards, we contracted the cleaning of all exhaust ductwork to remove heavy deposits of dust and lint built up from years of use.

1930 Administration Building – Just as the Nursing Home, the Administration Building had the same issue with fire dampers. The responsible parties also took ownership and corrected all deficiencies at no cost to the county. A follow up inspection of a fire alarm contractor’s work revealed the contractor hadn’t been testing the elevator shunt trip breaker, a safety feature that kills power to the elevator prior to activating sprinklers in the elevator shaft. Investigation revealed the contract documents for the building renovation overlooked specifying the installation of this feature, thus it was never installed. We immediately contracted this work out and eliminated the deficiency.

Department of Corrections (DOC) – The fire damper findings in other buildings prompted us to inspect the dampers in the remaining buildings. Our inspection revealed a number of corroded and broken dampers in the

DOC. We promptly ordered replacement dampers and installed them ourselves and eliminated the deficiencies.

Other challenges included implementing ways to improve operability, increase operational efficiency and enhance self-sufficiency.

In terms of improved operability, my department completed a major renovation of the beauty parlor at the Nursing Home. Prior to this work, the beautician complained of back and neck problems stemming from poor ergonomics. The changes made not only remedied her problem but also improved storage and flow within this area. In response to the DOC's request to improve security and mitigate inmate unrest, we contracted the installation of exterior security lighting on the north elevation of their building in addition to adding timed lights in the recreation yard facilitating use of the yard by inmates after dark.

As part of Commissioner Richard's Alternative Energy Committee, the department supported Energy Resource Solutions, Inc. in completing a complex-wide energy audit to evaluate current practices and seek additional ways to increase operational efficiency. As a result, we have implemented numerous conservation measures in addition to investing in various energy saving technologies. In the Nursing Home we've installed an ozone injection system that has reduced domestic hot water usage in the laundry by 38% and is estimated to save the county over \$20,000 a year in fuel savings based on current pricing. Throughout the complex we continued to install lighting controls and more energy efficient lighting to help reduce electrical costs. Many of the offices in the Administration Building lacked sufficient fin tube to adequately recover from temperature setbacks, thus preventing us from being able to utilize existing energy conservation HVAC management system software to reduce heating loads during unoccupied hours. To fix this problem, we installed additional fin tube in all the problem areas of the building and are now utilizing the software as intended. In the DOC, contractors and department staff plumbed in and extended electrical coverage to the Woman's Housing Area for washers and dryers so the inmates could wash their own clothing, thus reducing DOC operational cost and making the DOC more self-sufficient.

Throughout the fiscal year, the department has implemented other ways to improve self-sufficiency. My assistant and I both attended NH DES sponsored C1A Water Operator training and became certified to operate our new water tank and meet new state laws regulating Privately Owned

Redistribution Systems. Related to this, the department initiated a hydro geological study of the county owned property to determine the feasibility and cost effectiveness of developing our own municipal water wells. The hydro geologist's report identified three potential well field locations in addition to confirming the cost effectiveness of developing and maintaining the system if the county decides to develop its own water source at some later date. Finally, two staff members attended the New England Water Works Association sponsored training and became state certified to inspect and test back flow prevention devices. This greatly reduced contracting cost and provides the ability to inspect these important devices in-house at any time to ensure pollutants are not getting by these devices and entering our domestic water supply at the county.

In closing, I want to thank my staff for the terrific job they did taking care of the operational and maintenance demands of the complex in addition to conquering the many challenges we've faced this past fiscal year. I also want to thank the Grafton County Executive Director, County Commissioners and County Delegation for their trust and support of our department, facilitating the operation and upkeep of the complex.

Respectfully submitted

James C. Oakes
Maintenance Superintendent



UNIVERSITY of NEW HAMPSHIRE COOPERATIVE EXTENSION

Kathleen E. Jablonski
Annual Report Fiscal Year 2009

University of New Hampshire Cooperative Extension has been grateful for the support of Grafton County citizens, communities, County Commissioners and the County Delegation in continuing our mission to provide New Hampshire citizens with research-based education and information, to enhance their ability to make informed decisions that strengthen youth, families and communities, sustain natural resources, and improve the economy.

Staff members Deborah Maes, Consumer and Family Resources Educator, Arianne Fosdick, Volunteer Management Program Assistant, Robin Peters, Nutrition Connections, Kathleen Jablonski, 4-H Youth Development were joined in November, 2008, and March, 2009, respectively, by new staff members David Falkenham, Forestry Resources Educator, and Heather Bryant, Agricultural Resources Educator. The new educators have actively stepped into their roles to provide educational programming for the citizens of Grafton County and New Hampshire.



Agricultural Resources programs focused on commercial farmers and growers and outreach to the growing number of home gardeners in the county. Information on how to monitor and respond to this years late blight outbreak in potatoes and tomatoes was shared using visits, phone calls, and the news media and website. Twilight meetings were held, one in collaboration with Coos County on organic vegetable production and the other in Alexandria on tree fruit integrated pest management. The office was used as a site for growers to participate in a series of webinars on strawberry production. A six part gardening workshop series was hosted at

the county complex and a local nursery.

The Family and Consumer Resources program certified thirty-nine food service workers (90%) who attended SERVSAFE classes and passed the national certification program.

Other food service workers around the county attended a two-hour food safety program held in a number of locations.

To help citizens deal with the current financial crisis, a two hour session entitled Managing Money in Tough Times was offered in four county locations reaching over sixty residents. In addition, financial education information was shared with local libraries, county employees, local media outlets, and was incorporated into educational displays.

Child care workers were able to participate in the Better Kid Care Video-Conference Series developed by Penn State University using recorded materials and handouts mailed directly to their centers.

Highlights of the work done in Forestry Resources program included: conducting thirty-five site visits with private landowners discussing the health and wise stewardship of over eight thousand acres of private land. These visits simultaneously support New Hampshire's private landowner base, the forest products industry, and the NH licensed consulting foresters.

Six natural resource education programs were organized in collaboration with other agencies attracting over two hundred attendees. Topics ranged from selling timber and wildlife management to Current Use education.

The city of Lebanon, working with UNHCE staff, held two city-wide information meetings to provide public input as they worked on updating their Master Plan.

The Extension Forestry program has continued to provide educational programs and woodlot management advice to private landowners, forestry professionals, municipal officials and the County Farm Advisory Committee.

4-H Youth Development programs continue to support the one hundred and twenty-two volunteer leaders and over two hundred and thirty youth in Grafton County. Eighteen county-wide 4-H events were held with

support from volunteer committees and judges. Grafton County was fortunate to have two National 4-H award winners: Alexandra Patch, of Lebanon, represented New Hampshire at the National Dairy Conference and Hannah Walker, of North Haverhill, represented our state at National 4-H Congress.

A \$30,000 JC Penney Afterschool grant enhanced the UNHCE and A+ program collaboration and increased programming and volunteer recruitment activities. Because of this grant, one hundred twenty additional youth in Campton, Rumney and Plymouth were able to receive afterschool programming. Outreach to this and two other county based afterschool programs helped to reach over 350 additional youth with 4-H curricula.

An on-line orientation system for newly screened 4-H volunteers was implemented, extending the ability of the 4-H staff to reach more volunteers. Statewide work in 4-H Afterschool curriculum development, 4-H volunteer training, and updating materials for the traditional 4-H Club program continues to be ongoing.

The State UNHCE Dairy Specialist, Michal Lunak, is housed in Grafton County. His work this year included coordinating a farm business QuickBooks course in Concord for ten participants.

Additional funding from United States Department of Agriculture's Risk Management Agency for risk management programs was obtained for 2008-2009. Speakers from the NH Alternative Energy Association and NH Electric Cooperative addressed photovoltaic, wind and geo energy production, tips for saving energy on farms, as well as grants available for producers to develop alternative energy production on farms.

Applications of genomics in dairy cattle breeding and sexed semen were discussed at the NH Dairy Management Conference held in West Lebanon and Groveton, by this year's featured speaker from Virginia Polytechnic Institute and State University.

An ongoing cooperation with an agricultural engineer from New York helped to assess building challenges on dairy farms throughout the state.

A series of workshops addressing livestock issues were held. Speakers from Tufts University focused on small grain production. Pasture walks were conducted throughout the state to demonstrate best practices to farmers and

other interested consumers.

As a collaborative effort with other agencies serving Grafton County, the staff staged the Conservation Field Day at the North Haverhill Fairgrounds in May, reaching fifth grade youth from all over the county. Working with youth and their teachers increases the public's understanding of agriculture and local food production.

Amanda Nadeau, a UNH student and Piermont native, served as summer assistant this year. She completed work for both the 4-H Youth Development and Agricultural Resources programs, including assisting with the demonstration garden and gardening workshop series, and the 4-H portions of North Haverhill Fair.

Nutrition Connections programming continues to serve the population receiving food stamps and those meeting low income guidelines. Nutrition education programs have been held in conjunction with the Grafton County Academy program, Friendship House and many agencies throughout the County. Robin Peters has been instrumental in bringing NH Food Bank programs into Grafton County.

Respectfully submitted
Kathleen E. Jablonski,
M.Ed., Extension Educator,
4-H Youth Development

Be sure to visit our website: <http://extension.unh.edu> for up to date information.

GRAFTON COUNTY NURSING HOME

Eileen Bolander

Annual Report Fiscal Year 2009

Grafton County Nursing Home (GCNH) continues to excel in all areas of long-term care performance. This year we received a federal rating of 5 stars. This new rating system looks at the overall performance of the nursing home: survey results, staffing and quality measures. A rating of 5 stars places the home in the top 10% of all nursing homes in the United States.

In August, we were surveyed for regulatory compliance and fared very well. Given the increasing regulatory environment and budget constraints a very good survey is a remarkable achievement. This survey represented a year long look back at the care the nursing home provided during that time. It clearly showed just how caring and hard-working the staff is each and every day. In fact, the surveyors stated that GCNH provides very good care.

We continued to try to enhance the quality of life of our residents. Last year we won the prestigious QOL Award for our efforts in this area. This past year we have focused on staff empowerment and resident empowerment. Residents, families and staff have played key roles as decision makers in creating an environment that is resident directed. This year, although named as a finalist, for a Quality of Life Award we were unable to sustain our culture change initiative due to budgetary cuts and budgetary constraints and therefore will not win an award for this past year.

Our census continues above budget. The nursing home continues to enjoy a reputation that fosters a waiting list for admissions. Prospective residents and their families always comment on our excellent reputation as a reason to want to come to GCNH.

Staffing has been fairly constant throughout the year with no major concerns for maintaining appropriate staffing levels. We are considered an employer of choice. Many staff members continue their educational endeavors in health care careers and this benefits us all.

Each department at the nursing home makes unique and vital contributions to the reputation of the home. On-going training and education,

striving to be exceptional and seeking out forward thinking opportunities is important to our employees.

We are blessed to have many committed volunteers who unselfishly give so much of their time. The Home Association, created especially to enhance the lives of our residents, has helped make so many things possible. Their contributions support many ongoing programs and events. This past year Marge Page was named our Volunteer of the Year for all her efforts on behalf of our residents.

Employee recognition is important at GCNH. Angie Ricker was named GCNH's Licensed Nursing Assistant of the Year and honored at a special event where Governor John Lynch was a special guest speaker.



Tammy Robbins, Health Information Manager, was selected as County Nursing Home Employee of the Year and was presented her award at the annual New Hampshire Association of Counties' conference last Fall.

In closing, it is a privilege to care for our elders at GCNH. We appreciate the ongoing support we receive from the Grafton County Commissioners, the families and friends of our residents, volunteers, local organizations, church groups and the Grafton County employees who every day contribute their time, effort and skills to assure that our residents receive the excellent care they deserve.

Respectfully submitted by:

Eileen Bolander
Administrator

DEPARTMENT OF CORRECTIONS

Glenn P. Libby

Annual Report Fiscal Year 2009



To the Citizens of Grafton County, the County Commissioners and Grafton County Delegation members:

I present the following report for Fiscal Year 2009 on behalf of the Grafton County Department of Corrections and Community Corrections.

The facility averaged 102 inmates per day for a total of 37,159 inmate days – the average per day cost to house an inmate was \$84.12. The population continues to strain the physical plant and many operational problems were encountered and overcome. The Correctional and Maintenance staff worked extremely hard to maintain security while providing a safe environment for staff, volunteers, and the inmate population. Many housing units were over capacity and proper inmate classification remains extremely difficult, a number of inmates were housed in non-traditional housing areas with other offenders who are at risk. In addition, secure transports of pre-trial inmates for medical appointments, mental health evaluations, and substance abuse evaluations have increased due to staffing shortages at the Sheriff's Department. These transports have strained operations due to safety and security issues.

The medical complexities regarding inmate health continues to be a challenge, especially given the deplorable physical conditions of the current facility. Medical Coordinator Auralie Achilles, RN Michelle Howland, RN Brenda Minot, LPN Lisa Junge and LPN Lorna Boutin are an excellent team of professional nurses that work hard with our contracted health provider Little Rivers Health Care of Wells River, Vermont under the supervision of Dr. Stephen Generoux and ARNP Marlene Bristol.

Substance abuse treatment programs in the facility thrived under the leadership of Substance Abuse Coordinator William O'Malley. Working with contracted counselors from Headrest and independent counselor Karen McNamara.

Inmate Programs continue to excel – our GED program has expanded

under the direction of Kenn Stransky and close to fifty (50) inmates earned their GED during this reporting period. The Thresholds and Decisions program continues with our great partnership with Jan Kinder and the awesome volunteers from the Grafton County RSVP program.

COMMUNITY CORRECTIONS

Community Corrections personnel supervised a total of 26 participants in the Grafton County Drug Court utilizing 3842 supervision hours, while performing 784 supervision checks, collecting 741 urine samples, and traveling 38,902 miles. Of the 26 individuals who began Drug Court 9 have been terminated.

The Electronic Monitoring Program averaged of 10 inmates per day in community supervision resulting in 3664 inmate days spent in the community and not in confinement. Eleven (6) inmates participated in the Daily Work Release Program. Community Corrections supervision personnel made 487 supervision checks, collected 429 urine samples and traveled 21,622 miles in support of these programs.

Operation Impact continues to grow. This past year saw 5,749 North Country students participate in the program. (411 participated in 27 presentations at the facility and 5338 participated in presentations in the community)

Our Community Work Project program continued to excel under the leadership of Sgt. Dale Paronto and Corporal Dan Webster. Inmates worked 4222 hours in the community and projects were completed in Ashland, Bath, Bristol, Woodsville, North Haverhill, Dorchester, Plymouth, Wentworth, Hebron, and Glencliff. Extensive assistance was provided to several agencies in Littleton as well as the State operated Glencliff Home for the Elderly. The program allows inmates to give something back to the community while building self esteem and discipline.

The budget process continues to be frustrating regarding the expansion of community corrections services – outside of the board of commissioners little political support is received so that we can increase the placement of appropriate offenders in the community instead of jail. Lt. Thomas Elliott and Sgt. Christopher Larson are commended for their tireless efforts especially in the areas of Drug Court and electronic monitoring.

The correctional staff once again performed their respective duties with professionalism and patience. The physical plant continues to deteriorate and living and working conditions in some areas of the facility are deplorable. Safety for everyone that has to live and work in the facility continues to be a concern. With difficult issues such as MRSA, hepatitis C, and the H1N1 virus it is a miracle that no significant issues have arisen. Inmates with mental health issues have seemed to stabilize. This combination creates complex inmate management situations which require good communication skills, dedication, and compassion especially since there are no appropriate housing areas for these individuals. I feel extremely fortunate to have an outstanding group of both full and part time officers. It takes special people to do this job and Grafton County is fortunate to have more than a few. Thank you staff. A special thanks to Captain Roland Lafond, Lt. Christopher Kendall and Sergeants Vannamee, Locke and Clark who have provided excellent leadership during the past year, Thank you all for your support and loyalty.

Grafton County continues to be extremely fortunate to have a group of Commissioners who promote teamwork and cooperation. We are also very fortunate to have an outstanding working relationship with County, State and Local law enforcement agencies. To everyone, especially our outstanding volunteers, support staff, counselors, visitors, and other County employees we say, Thank you.

Respectfully submitted,

Glenn P. Libby, Superintendent

GRAFTON COUNTY FARM

Donald Kimball

Annual Report Fiscal Year 2009

To the Citizens of Grafton County, the County Commissioners and Grafton County Delegation members:

I present the following report for Fiscal Year 2009 on behalf of the Grafton County Farm.

Fiscal year 2009 was another challenging year for the farm. Milk prices dipped to new lows of \$10.00 per hundred – it's difficult to create revenue when overall milk prices are so low. The quality of our milk continues to be outstanding.

Hay and feed crops were decent and we generated more grass to reduce feed costs. The addition of the 3rd feed bunker is a big improvement. Fuel, feed, fertilizer, and maintenance costs were much higher than expected. Firewood production was limited and basically left to jail staff to complete. The economy played a major role in increasing expenses.

The vegetable crops were decent; sweet corn, pumpkins, and potato's were excellent. The Farmstand did exceptionally well and generated \$47,836.32 in sales. We planted ten (10) tons of potato's for FY10 and early indications are that despite a problem with the blight the quality of the crop will be excellent although the yield will be down.

Grafton County's 4-H Day, Pumpkin day, Sheep Shearing Day, Conservation Day and Family day are always very popular occasions at the County Farm.

In submitting this report I would like to thank my Herdsman Russell Keniston and Assistant Herdsman Gerb Aldrich for their hard work, the Jail staff who assist us with inmate labor, the Farm Advisory Committee, Executive Director Julie Clough and the Board of Commissioners for their support. I would also like to thank our neighbors, especially Howard Hatch for their ideas and assistance.

Respectfully submitted,

Donald Kimball
Farm Manager



GRAFTON COUNTY CONSERVATION DISTRICT



Calvin Perkins, Chairman

Annual Report Fiscal Year 2009

Grafton County Conservation District (GCCD) has been helping landowners make informed natural resource decisions in Grafton County since 1946. Conservation districts are a political subdivision of the State of New Hampshire, RSA 432:12, with a 170 C 1 non-profit status under the IRS tax code. Districts are a partnership of federal, state and local agencies interested in the wise use of natural resources. District Supervisors are appointed by the State Conservation Committee, serve without pay, and develop an annual plan of work based on local concerns. The District assists agricultural producers, forest landowners, schools and towns in conserving our natural resources and implementing Best Management Practices (BMPs) through education, workshops and tours. GCCD is co-located with the USDA Natural Resources Conservation Service (NRCS), providing technical assistance to County landowners. GCCD works closely with many other partners including USDA Farm Service Agency (FSA) and UNH Cooperative Extension (UNH CE). Dedicated volunteers assist the District each year with the Conservation Plant Sale and the North Haverhill Fair. GCCD is fortunate to have the support of the Grafton County Commissioners and County Delegates who generously provide funding for the Office Administrator. Services and events provided by GCCD include:

- Conservation Plant Sale: Annual fundraising program offering plants for landscaping, conservation buffers, wildlife food source. Windy Ridge Orchard donates space.
- Planting and Pruning Workshop: Demonstrations and planting discussion by Dick Fabrizio, Associate Supervisor and Windy Ridge Orchard owner, and retired UNH CE Forest Resources Educator, Nory Parr.
- Annual Meeting: Held at the Happy Hour Restaurant, the District recognized Tony Morse, Goose Lane Farm, as Cooperator of the Year and Ehrhard Frost, Full Circle Forestry, as Forest Steward of the Year. Tony Morse spoke about local geologic influences on farming and forestry.
- Trout stocking program: New Hampshire raised, disease free rainbow and brook trout for pond owners in May.

- Pond Clinic: Ray Lobdell, natural resource consultant, and Dean Bascom, NRCS District Conservationist, discussed pond uses and types, site selection, pond design, construction, permitting, pond ecology and water quality.
- Annual Fall Tour of Conservation Practices: Despite wintry weather, we made site visits selected to highlight local resource conservation practices and concerns. Our first stop was a tour of the Woodsville Water Treatment Plant, which serves about 1,500 people drawing surface water from the Ammonoosuc River. Next we stopped in Swiftwater on the Wild Ammonoosuc River to discuss effects of gold dredging on water quality, aquatic life, the streambed and river banks. We then visited Landaff Creamery on Mill Brook Road, Landaff. Dairy farmers Doug and Debby Erb became interested in cheese making as a way to make their dairy farm more sustainable. Doug is now a Certified Cheese-maker and they are selling farmstead Landaff Cheese. Our last stop was Mill Brook Farm, owned by Harry and Becky McGovern. Working with NRCS, they received cost-share assistance through the Environmental Quality Incentives Program (EQIP). The McGovern's have installed a waste storage facility, a heavy use area, waterline, and fencing. They are now in the process of expanding their grazing area, installing fencing and a pasture watering system, and preparing a rotational grazing plan.
- Education: Awarded two \$250 Jim Page Conservation Scholarships for summer conservation camp. Winners were: Calsea Bryer and Jaden Dalton. Assisted with NHACD Soil Judging Contest and contributed to NH Envirothon. Dig It! The Secrets of Soil was the theme of the spring conservation poster contest. Cassidy Patione, Haverhill Cooperative Middle School, won First Place.
- Landowner and Community Assistance: Soils information, using Area Soil Survey of Grafton County or digitized ArcMap GIS program. Soil Potential Index calculations for NH Current Use program. Historical aerial photos 1930's -1990's, Wetland Inventory and FEMA maps.

Respectfully submitted,

Calvin Perkins, Chairman
Respectfully submitted,

GRAFTON COUNTY PRESCRIPTION DISCOUNT CARD

In September of 2006, Grafton County introduced the Prescription Discount Card for all Grafton County Residents. The card can be used for Prescription medications by any resident who does not have any prescription coverage and is

accepted at most all the pharmacies in the area, including Vermont.

The card is a NO cost, NO enrollment benefit that can also be used for pet medications that are purchased at a participating pharmacy.

Cards can be found at your local town hall, pharmacy or by calling the County at 603-787-6941

Spend Less on Your Prescriptions

Introducing the Grafton County Prescription Discount Card

Free Enrollment for County Residents



- FREE Enrollment
- Average savings of 20%
- No limits
- No age requirements – you do NOT need to be a Medicare beneficiary to enroll
- No income requirements
- Family coverage
- Use it anytime your prescription is not covered by insurance

This program is offered in a joint effort of Grafton County and the National Association of Counties (NACo). For more information call toll free **1-877-321-2652** or visit **<https://naco.advancrx.com>**.

This plan is not insurance. Discounts are only available at participating pharmacies.

*The New Fiscal Year begins with
the opening of the Farmstand in
July*



*The Commissioners take time out to
visit the Farm and the County
Property*



October 2008 ~
 New Hampshire Association of Counties Conference
 Grafton County employees win
 numerous
 awards



- Julie Clough*
- Joanne Mann*
- Nancy Bishop*
- Aurilee Achilles*
- Tammy Robbins*
- Brenda Paronto*
- Donald Kimball*
- Dale Paronto*

**Congratulations
 Winners!**



with
Pumpkin
Day...



and Christmas



HOLIDAY SPIRITS

Employees gave generously to the Food Drive during the Holiday Season



New Maintenance/Farm Building has its ribbon cutting ceremony with all the parties that were involved.



Some of the County Correction Road Crew who help to keep the town roads clean of litter

MEETINGS
OF THE
GRAFTON
COUNTY
DELEGATION

Employees gave generously to the Food Drive during the Holiday Season



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Some of the County Correction Road Crew who help to keep the town roads clean of litter

MEETINGS
OF THE
GRAFTON
COUNTY
DELEGATION

EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday July 21, 2008

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

EXCUSED: Representative Williams and Commissioner Cryans

Chair Mulholland called the meeting to order at 10:20 AM.

Rep. Preston moved to accept the minutes from May 19, 2008, which was seconded by Rep. Aguiar. Corrections/amendments were made. All were in favor.

Rep. Preston moved to accept the minutes from June 2, 2008, which was seconded by Rep. Laliberte. Corrections/amendments were made. Rep. Dingman and Almy abstained, all others were in favor.

Rep. Preston moved to accept the minutes from June 9, 2008, which was seconded by Rep. Laliberte. Corrections/amendments were made. Rep. Dingman and Almy abstained, all others were in favor.

Rep. Laliberte moved to accept the minutes from June 16, 2008, which was seconded by Rep. Aguiar. Corrections/amendments were made. Rep. Dingman abstained, all others were in favor.

Rep. Preston moved to accept the minutes from June 23, 2008, which was seconded by Rep. Dingman. Corrections/amendments were made. Rep. Laliberte and Aguiar abstained, all others were in favor.

Rep. Aguiar moved to accept the minutes from June 30, 2008, which was seconded by Rep. Laliberte. Corrections/amendments were made. All were in favor.

Financial Report

Director Clough said that they finished the year in good shape and went over the variance report saying that the Farm, County Attorney and Other were below revenue and that that in expenses, the Medical Referee, Nursing Home, Farm, Capital Outlay and Other are all over expended.

This leaves an “unaudited” undesignated fund balance of \$2.4M at the end of

June.

Rep. Almy asked if twelve HS bills were paid and Director Clough said that they were not, nor will be as the state has said that the July bill is for June's services so there will be no June bill. Rep. Mulholland asked if that will make it worse off next year and Director Clough said no because of the guaranteed cap.

Rep. Preston asked what caused the over expense of the capital outlay and Director Clough said that there was more expended for the jail project in FY08 than anticipated, which included architectural bills which would have come out of the bond.

Rep. Mulholland asked about the level of the undesignated fund balance and Director Clough said she wasn't sure of the exact number but it would be 5-8% as agreed upon .

Rep. Laliberte asked if the expenses are more than the revenues, will that draw down the current undesignated fund balance to which Director Clough said yes.

Director Clough said that on a good note, the Medicaid rate which was thought to decrease will actually be increasing by almost \$1.

Rep. Gionet asked Director Clough about checking on the statute which says that you can use 10% of a dept. budget in an emergency.

Rep. Almy said that appropriation control shows that the jail was over-spent by \$463K and that seems like a pretty important issue that was coming down before the end of the year. Rep. Mulholland asked what was the time frame for that happening and Director Clough said that a bill for the month of April came in at \$385K from SMRT. Rep. Dingman said that he had asked about money for the jail prior to this and Director Clough said that the money was appropriated by not expended. Director Clough said that there has been \$1.8M spent on the jail so for (to date)

Rep. Aguiar asked where the money for the legal fees is being kept and Director Clough said that is in Contingency/outside counsel.

Rep. Friedrich asked if it was safe to assume that another \$1M will conclude the construction documents and Director Clough said that they may not want to finish them right now because it will depend on what might need to change. She said that site and detention equipment are complete and out to bid and the rest is on hold.

Rep. Friedrich asked who will make the decision on the re-design. Commissioner Richards said that they'll have to see what needs to be done and Commissioner Burton said that it will come back to the Board.

Commissioner Richards asked if the executive committee would like the minutes from the alternative energy meetings which they said yes to.

Rep. Almy said that the minutes from the vote in Concord on the salaries for the elected officials should also be approved and Director Clough agreed but the minutes were not available at the time.

Rep. Mulholland asked when the county will need to start borrowing and Director Clough said next month.

11:32 AM Commissioner Burton was excused.

Rep. Aguiar moved to approve the appropriation transfers, which was seconded by Rep. Laliberte.

There were some discussions about over expenditures. It was noted that the union had accepted the 2.5% cola increase which was added in the budget.

Director Clough said that the appropriation transfer for last year was about \$1.4M and this year it is \$1.8M but they are fortunate enough even to be able to do it.

When the vote came down for the appropriation transfers, all were in favor.

The next meeting will be held on September 22, 2008

Rep. Aguiar said that it is a violation of statutes to pay longevity to elected officials.

He also wanted it noted that according to the statutes any building construction over \$10K is supposed to be approved by the Delegation and right now there is a \$750K building being constructed without the approval of the Delegation and that even though Rep. Williams has asked for an explanation of what the building was to be used for at a prior meeting, he wasn't given any answers. Rep. Aguiar said it was not his intent to be a rubber stamp for the county.

Being no further business, the meeting was adjourned at 12:10 PM.

Respectfully submitted,

Susan Almy, Clerk



Grafton County Delegation Ratification of the Elected Officials Salaries
Grafton County ~ UNH Conference Room
North Haverhill, NH
Monday July 21, 2008

PRESENT: Reps. Mulholland, Almy, Dingman, Gionet, Laliberte, Preston, Aguiar, Friedrich, Cooney, Ingbretson, Benn, Solomon, Hammond, Harding, Estes, McLeod, and Bulis. Commissioners Richards and Burton, Executive Director Julie Clough and Sec. Martino

EXCUSED: Reps. Williams, Pierce, Matheson, Bleyler, Nordgren, Andersen, Sorg, Lovett and Eaton.

Chair Mulholland called the Meeting to order at 9:08 AM

The roll call was taken and it was determined that a quorum was present.

Rep. Mulholland thanked everyone for coming and informed them that the reason for this meeting was to ratify the vote that was taken by the delegation in Concord on May 21, 2008, which was to decide on elected officials salaries for 2009 – 2010 at Grafton County. It was noted that the meeting of the 21st may not have been properly warned so it would now be ratified after proper warning.

Rep. Laliberte resolved to ratify the action taken by the delegation on May 21, 2008, whereby the salaries of the County Attorney, High Sheriff, Register of Deeds and Treasurer shall be increased by 2.3% for county year 2009, in line with the consumer price index, and the Commissioners' salaries shall remain at the 2008 level, which was seconded by Rep. Dingman.

Discussion:

Rep. Ingbretson asked why this vote had to be ratified and Director Clough said that a right-to-know request was received and it suggested that there was insufficient time given to the public about the meeting.

Rep. Bulis asked what the proper notice would be and Director Clough said that it depends on the meeting:

Commissioner meetings are 24 hours in advance, posted in two appropriate locations, with the website being deemed appropriate.

Delegation (not in session) written notice from the Clerk to each Representative and printed in a paper of general circulation within the County 7 days prior to the meeting. and when in session, twice in the house calendar, 7 days in advance.

Executive Committee is the same as the delegation.

Director Clough said that the County is working on polishing up the procedures.

Rep. Benn asked if in session, is it proper to notice it once in the calendar and once elsewhere and Director Clough said she thought it was but would double check.

Rep. Gionet said that the town of Lincoln was unhappy because they didn't get their notice on the budget hearing until 10:00 am that day.

Rep. Harding asked what went wrong this time and Director Clough said that she only saw it once in the house calendar and that they just wanted to make sure that it was done properly.

Rep. Ingretson asked if there was some kind of threat regarding the May 21st meeting that brought them in today to ratify and Director Clough said there was no threat but doing things as they should be.

Rep. Hammond asked if this questioning of proper procedure was coming from the same group that has brought the lawsuit against the county regarding the jail vote and Director Clough said that it was.

Rep. Harding said that in her opinion, the delegation is acting on good faith and said she felt there was "menacing" behavior going with this group working against the county.

Rep. Ingretson asked why then, didn't the delegation just take a re-vote on the jail project and Director Clough said after much consideration and pondering, it was determined that the lawsuit, which had already been served at the time, would not necessarily have "gone away", plus there was concern that a re-vote may not have had the same results as the first.

Rep. Almy said that the old county statutes, which have been interpreted in different ways by different counties, could prove a very dangerous situation without the proper understanding. Rep. Hammond suggested that Director Clough get some direction from NHACo and then disseminate the rules ASAP. Rep. Almy agreed that it would be of help to work on them but didn't think it wouldn't likely happen very quickly.

Rep. McLeod said that she thought it important to get as much information out to the people as soon as possible in regards to the right-to-know law and to respond to all requests for public information as it is there for the public. Rep. Solomon asked if it wasn't also the county's responsibility to put out all information regarding warnings and Rep. Mulholland said that we're all learning from the experience.

Rep. Aguiar said that he felt it was also important to discuss the salaries of the

elected officials in the way of receiving longevity pay and that longevity should not be added on to the salary. He said that he could not find where the money is noted in the budget.

Rep. Ingbretson said that it was an important topic that he would like to discuss but that it might be better to do so at a different time. Rep. Aguiar said that he thought it should be now.

Rep. Gionet asked if it would be appropriate to make an amendment to the current motion that retired people (elected officials) should not receive longevity and Director Clough reminded everyone that the budget has already been approved, adding that only full time elected officials receive longevity.

Rep. Aguiar asked if part-time employees receive longevity and Director Clough replied that that they do but only after reaching the aggregate time.

Rep. Aguiar questioned why all the longevity pay is not listed in the budget when it is for the Farm Manager. Director Clough said that department heads present their own budgets and some of them put it in there and some do not.

Rep. Aguiar asked what is the Sheriff is receiving for longevity and Director Clough said that she wasn't sure off the top of her head but thought it was around \$1040.

Rep. Friedrich said that it would be helpful to know how much the Sheriff is making as an elected official and then how much is noted in the budget.

Rep. Bulis asked if there was any other retired employee who has returned to work who is receiving longevity pay in the county and Director Clough said no one other than the Sheriff.

Rep. Benn stated the delegation should just take care of the ratification right now and look at the budget again next year.

Rep. Dingman voiced his concern about being dragged into the current lawsuit and said that if the rest of the delegation feels "put upon" they are not.

Rep. Gionet asked to hear the amendment to the resolution which was moved and then written by Rep. Preston. Rep. Almy read the amendment as follows:

To resolve to ratify the action taken by the delegation on May 21, 2008, whereby the salaries of the County Attorney, High Sheriff, Register of Deeds and Treasurers shall be increased by 2.3% for county year 2009, in line with the consumer price index, and that the elected officials shall be ineligible for longevity pay, and the Commissioners' salaries shall remain at the 2008 level.

Rep. Gionet seconded the motion.

Rep. Almy suggested that the topic of eligibility for longevity pay be considered

before the next budget is fixed for elected officials.

Rep. Aguiar said that this is about who holds the purse strings around here and not just about the Sheriff.

Rep. Harding said that there needs to be a more thoughtful discussion about this but it's not a decision that should be made today.

Rep. Aguiar said just because the delegation has passed a budget doesn't mean that the money has to be spent, which Rep. Mulholland conceded to, saying you could spend less, but not more than.

Rep. Bulis said that he supported the amendment.

Rep. Harding questioned the legality of what they were considering and questioned whether or not there was a signed contract, stating concern for the law. Rep. Gionet said that he saw Commissioner Richards shaking her head and so asked her if there was a signed contract with the Sheriff, to which she answered no and asked Director Clough for confirmation, which she agreed with.

The vote was taken on the amended resolution. Nine were opposed (Reps. Mulholland, Almy, Dingman, Laliberte, Benn, Solomon, Hammond, Harding, Estes) and eight were in favor (Reps. Gionet, Preston, Aguiar, Friedrich, McLeod, Cooney, Ingretson and Bulis)
Amended resolution failed.

Rep. Gionet then stated that he wanted the minutes to reflect the representative's name and the way they voted when one was taken so that people reading the minutes could see which way the rep. voted. Rep. Bulis agreed with that and added that there should not just be a piece of paper at the end of the minutes to show the vote, but stated right there with the vote. Others agreed and Director Clough said it would be done that way.

Rep. Harding said that she would like to formally request that an investigation of the longevity of elected officials be done so that the delegation goes into next year's budget cycle with some information.

Rep. Solomon asked if in fact ratification of the vote meant that you take a re-vote of the original vote and those who voted one way should vote the same and said to go into another direction is not proper.

A vote on the original resolution was taken. 16 were in favor (Reps. Mulholland, Almy, Dingman, Gionet, Laliberte, Preston, Friedrich, Cooney, Ingretson, Benn, Solomon, Hammond, Harding, Estes, McLeod, and Bulis) 1 opposed (Rep. Aguiar)

Rep. Benn said that he didn't think that they should be taking on other issues as the meeting called was to take care of one specific piece of business and to do anything else would be something that wasn't warned.

Rep. Solomon said that he did not get his question answered regarding whether or not those who voted on the 21st of May were in fact expected to vote the same in this ratification. Rep. Mulholland said that they had done that and the vote has now passed as it did in Concord.

Rep. Aguiar said that he voted against the salary in Concord because he thought it was petty to have reduced the COLA to 2.3% rather than 2.5%.

Rep. McLeod asked if it wouldn't be proper to see where the policies are now and Director Clough said that the policies regarding longevity are in the employee manual which is set by the Commissioners.

Rep. Aguiar said that the whole concept of longevity is in question as it doesn't show in the budget and Director Clough said that could certainly be taken care of for next year.

Rep. Harding said that she would like to see it carved out for the next budget suggesting that it is now likely folded into the salary line. Director Clough said that it is folded into the salary line but is not calculated into the rate of pay as a lump sum.

Rep. Aguiar said he would like it broken out.

Rep. Estes asked why it wasn't an issue until today and Rep. Friedrich said that Rep. Aguiar had brought up the topic many times.

Rep. Harding said that now there is a plan to move ahead.

Rep. Ingretson said that he disputes Rep. Aguiar's reason of pettiness, saying that a 2.3% COLA in this economy reflects a sense of responsibility.

Rep. Bulis asked for an update on the correctional facility and Director Clough said that it is on hold as there is a tentative court date of August 25th. There may be a minimum increase to build of \$1.1M if the start date is March 2009 and or changes need to be made. Right now they can only wait for the court to play out before knowing how to proceed.

Rep. Harding asked what the legal fees were so far and Director Clough said that as of June 30th the cost is \$115K

Rep. Aguiar moved to adjourn which was seconded by Rep. Cooney. All were in favor.

Being no further business, the meeting was adjourned at 10:06 AM

Respectfully submitted,

Susan Almy, Clerk



EXECUTIVE COMMITTEE MEETING
Administration Building ~ UNH Conference Room
3855 Dartmouth College Highway
North Haverhill, NH
Monday Sept. 29, 2008

PRESENT: Representatives Mulholland, Almy, Williams, Aguiar, Dingman, Gionet, Laliberte, Preston and Friedrich, Commissioners Burton, Executive Director Clough and Secretary Jeri Martino.

Commissioner Cryans arrive at 11:00 AM

Chair Mulholland called the meeting to order at 10:25 AM.

Rep. Dingman moved to approve the minutes from July 21, 2008, which was seconded by Rep. Laliberte. Changes were made. Rep. Williams abstained from the vote, all others were in favor.

Rep. Williams asked if there was a violation to the statutes, as noted in the statement made by Rep. Aguiar in the minutes from July 21st, referring to paying elected officials longevity. Rep. Aguiar said that in his opinion, unless the delegation voted to approve the longevity for elected officials then it should not be paid. He also questioned the practice of paying longevity at all. He questioned whether or not at some time in the past had a delegation voted to approve certain compensations such as longevity for a County elected official.

Director Clough said that it is the Commissioners prerogative to set the policy for employee compensation and not the delegation, who only approved the budget as a whole.

Rep. Friedrich said that if the delegation votes on the elected official's salaries and that amount includes longevity, then it should be voted on. Rep. Williams asked Director Clough if when they voted on the elected official's salary, did

they not vote on the longevity included and she said they did not.

Rep. Almy suggested that perhaps using the Legislators research center in Concord to find out about the authority of the delegation regarding this issue.

Rep. Mulholland said that she would like to defer to this conversation until next month as they were under some time constraints, and so the issue was tabled.

TREASURER'S REPORT

Treasurer Elliot said that she had cashed in a CD after its nine month maturity and made a bond payment. This left a balance in the Citizen's Bank cash account at approximately \$185,000, which was not reflected on the August cash management report as this occurred in September.

In August a Tax Anticipation Note was taken out in the amount of an \$8M line of credit, at Northway Bank at a 2.11% interest rate. The note will mature at the beginning of the year. Taxes are due December 17th and a portion will be used to repay the TAN's. So far \$1.9M from that line of credit has been used.

Rep. Williams moved to approve the Treasurer's Report, which was seconded by Rep. Almy. All were in favor.

FINANCIAL REPORT

Director Clough presented monthly variance reports from July and August but reviewed only August as it was up to date.

Director Clough said that the revenues were lagging and there were a few expenses that were over expended.

The prorated report had revenues over at 16.72% or \$14,346 and expenses under at 14.43% or \$737,244.

Rep. Williams asked about Human Services and how all that was going and Director Clough said that it was starting to work itself out and that an MOA had been signed.

Rep. Laliberte moved to accept the Financial Report which was seconded by Rep. Aguiar. All were in favor.

Rep. Almy said that she would like to spend a little more money next year and get the County some training on its statutory responsibilities, through the LCG. Director Clough said that the County already pays a lot of money to the NHAC and that this topic has been in discussion between she and the Commissioners

just recently.

Commissioner Burton said that he plans to be active in asking the NHAC for some training to reinvigorate the information for newly elected officials as well as asking for other things such as the directories which he has been asking for for a long time now.

COMMISSIONER REPORT:

Director Clough gave the committee information about the Grafton County court case saying that the last day of court was Sept. 22nd and that both sides had rested. There is a post trial memorandum that is due by Oct. 6th and then it will be up to the Judge to render his decision, which no one knows long will take. Rep. Almy asked how much money has been spent so far and Director Clough that \$251K has been spent through August 31st.

Rep. Preston asked if legal fees have been asked for and Director Clough said that they hadn't but it had been discussed. Rep. Almy said she thought they should be. Rep. Preston asked if it was too late to ask for that and Director Clough said no.

Rep. Aguiar asked when a start date would be if the decision is favorable and Director Clough said that there would likely be an appeal to the Supreme Court and depending on that, it wouldn't be until some time next year.

Commissioner Burton gave the Commissioners report saying that Commissioner Richards is busy with the Farm Advisory Committee and the Alternative Energy Committee.

- All three Commissioners attended the GCEDC Annual Meeting wherein Indeck Energy Services, Inc. out of Alexandria won the First Business Award.
- All three Commissioners attended the ribbon cutting ceremony of the experimental waste water treatment plant in Woodsville.
- Commissioners Burton and Richards attended a transportation forum
- There will be a Governor and Council opening on the state coordinating council
- Commissioners Richards and Burton attended a tri Chamber of Commerce luncheon in Waterville Valley which included Lincoln and Plymouth.
- The first GED graduation was ceremoniously held at the jail which included all three Commissioners and Director Clough and was very inspirational.
- Drug Court will be taking three successful participants to a conference in North Conway
- NHAC County Conference will be held at the Mount Washington hotel the 5 -8th of October.
- Commissioner Burton will bring up the topic of longevity at the Commissioners meeting tomorrow.

Director Clough noted that the state surveyors had been at the Nursing Home and it was deemed deficiency free.

The first graduation ceremony for Drug Court will be held on October 22nd.

Rep. Almy asked whether or not a grant was received for Drug Court and Director Clough thought they might hear about that soon.

Commissioner Cryans arrived and informed everyone that he had just attended the 76th Correctional Academy graduation ceremony for Correctional Officers at the Morrill building in North Haverhill which was a collaboration of efforts between both Grafton and Carroll County.

Rep. Laliberte expressed thanks for receiving minutes from the Energy Committee by email.

Rep. Gionet moved to accept the Commissioners report which was seconded by Rep. Dingman. All were in favor.

11:03 AM Rep. Williams moved to adjourn which was seconded by Rep. Laliberte. All were in favor.

Respectfully submitted,

Susan Almy, Clerk



Grafton County Delegation Vote on Water Tank Project
Grafton County ~ UNH Conference Room
North Haverhill, NH
Monday Sept. 29, 2008

PRESENT: Reps. Mulholland, Almy, Williams, Dingman, Gionet, Laliberte, Preston, Aguiar, Friedrich, Eaton, McLeod, Cooney, Ingretson, Benn, Solomon, Sorg, Estes and Lovett. Commissioners Cryans and Burton, Executive Director Julie Clough and Sec. Martino

EXCUSED: Reps. Pierce, Matheson, Bleyler, Nordgren, Andersen, Hammond, Harding, and Bulis.

Chair Mulholland called the Meeting to order at 10:00 AM

The roll call was taken and it was determined that a quorum of 18 members was present.

Rep. Preston resolved that the County is hereby authorized to raise and appropriate a sum of up to One Million Dollars (\$1,000,000) to finance the construction and development of a proposed water main and storage tank as well as related costs and expenses, such sum to be raised by the issuance of bonds or notes pursuant to the provision of NH RSA 28 and NH RSA33, as amended; and to authorize the County Commissioners to issue, negotiate, sell and deliver such bonds and notes and to determine the rate of interest thereon and the maturity and other terms thereof, which was seconded by Rep. Williams.

Rep. Mulholland asked if there were any questions or comments and Rep. Eaton asked to be heard.

Rep. Eaton said that the vote was an affront to the taxpayers and to self and she would not be true to either her constituents or to herself to vote in favor. She said that out of respect for the taxpayer and good common sense she would not vote in favor.

There were no further comments and the roll was called.

17 were in favor (Reps. Mulholland, Almy, Williams, Dingman, Gionet, Laliberte, Preston, Aguiar, Friedrich, McLeod, Cooney, Ingbretson, Benn, Solomon, Sorg, Estes and Lovett) and 1 (Rep. Eaton) opposed. Vote passes.

Rep. Williams moved to adjourn which was seconded by Rep. Cooney. All were in favor. The meeting was adjourned at 10:05 AM

Respectfully submitted,

Susan Almy, Clerk



EXECUTIVE COMMITTEE MEETING
Administration Building ~ UNH Conference Room
3855 Dartmouth College Highway
North Haverhill, NH
Monday Oct. 20, 2008

PRESENT: Representatives Mulholland, Almy, Aguiar, Dingman, Gionet, Laliberte, and Preston, Executive Director Clough and Secretary Jeri Martino.

EXCUSED: Representatives Friedrich and Williams

PUBLIC: Harold Brown

Chair Mulholland called the meeting to order at 9:06 AM.

Rep. Aguiar moved to accept the minutes from the May 21, 2008 meeting in Concord, which was seconded by Rep. Laliberte. Rep. Dingman abstained, all else in favor.

Rep. Preston moved to accept the minutes from the July 21, 2008 delegation meeting to vote to ratify the elected official's salaries, which was seconded by Rep. Aguiar. Reps. Laliberte, Preston, Almy and Mulholland were in favor. Rep. Aguiar was opposed. Rep. Gionet then said that he had not voted and decided that he too would vote in opposition.

Rep. Aguiar said that he thought that what had actually happened, as he recalled, during the minutes was not what the actual minutes reflected. Director Clough clarified that what had happened had been written correctly. Rep. Aguiar said that he stood corrected and changed his vote to a yes. Rep. Gionet did not have any solid reason for opposition though it didn't seem right to him, but said that in the spirit of cooperation, he too would change his vote to a yes vote. Then all were in favor.

Rep. Laliberte moved to accept the Delegation minutes on the water tank vote from Sept 29, 2008, which was seconded by Rep. Preston. All were in favor.

Rep. Preston moved to accept the Executive Committee minutes from Sept. 29, 2008, which was seconded by Rep. Aguiar. Changes were made. All were in favor.

TREASURER'S REPORT

Treasurer Elliott said that tax bills will be going out soon and that \$3.5M of the TAN'S has been used to pay bills so far. There will be some Medicaid money coming in but that there is also a state bill that needs to be paid.

Rep. Dingman moved to accept the Treasurer's report which was seconded by Rep. Aguiar. All were in favor.

COMMISSIONERS' REPORT

None of the Commissioners were able to attend the meeting and Director Clough gave their report.

NHAC Annual Conference was held at the Mount Washington Hotel October 5-8 and Grafton County had many award winners:

- Tammy Robbins – HIM was awarded Nursing Home Employee of the year
- Aurilee Achilles – Medical Coordinator was awarded Corrections Medical Employee of the year.
- Nancy Bishop – was awarded Human Services Administrator of the year.
- Joanne Mann – was awarded Human Resource Director of the year.
- Dale Paronto, Brenda Paronto and Donne Kimball were awarded Team of the year
- Julie Clough – was awarded County Administrator of the year.
- Evelyn Smith – was awarded Profile Service Award for her work with the Thresholds program.

OTHER ITEMS:

- The water main/tank project is underway and there are negotiations going on with the Woodsville Water & Light.

- The new maintenance building is almost complete and the County received a total of \$356,925 in insurance proceeds for the building and \$27,025.86 for reimbursement of Architectural & Engineering fees, which earned \$9,177.20 in interest.

- The longevity issue is still being researched.

- Still waiting to hear from the judge in the court case

- There is a new lawsuit filed against the County.

Rep. Aguiar asked who was doing the research on the longevity and Director Clough said that she was doing some of it.

A letter from Rep. Ingbreton was discussed wherein he asked that the County place a moratorium on the use of HP Cummings. Director Clough said that she has not had a chance to discuss the letter with the Commissioners yet as it came right after they met last week.

Director Clough said that she had spoken to the Superintendent of SAU 23, Bruce Labs and asked him who was doing the investigation at the school, which has been closed due to structural issues, and was told that there was a structural engineer who was checking everything out.

HP Cummings is the contractor for the jail project, which is currently on hold.

Rep. Dingman asked if the letter would be discussed at the Commissioner's meeting tomorrow and Director Clough said that since they are meeting in Littleton tomorrow it may have to wait until the meeting after that.

Rep. Preston asked what the problem was at the school and Director Clough said that there were multiple problems and including poor structural trusses, water leaks and mold. The school has refused to let HPC on the property to view the

problems so it is difficult for them to respond to the allegations.

Right now, she said, kids are attending school at the Woodsville armory. The cost to fix the project is expected to run \$2.5M.

Rep. Aguiar asked if there were any legal contracts with HPC and Director Clough said that the County contracted with HPC in August of 2007 for the jail project.

Rep. Almy said that she thought there were some bathroom tile issues at the Nursing Home, which was built by HPC and Director Clough said that those were a contractor/owner issue and they have been fully repaired. There was also a fire damper issue which has also been rectified at no cost to the County and they have been very responsive in the past.

Director Clough said that if anyone was interested they could visit the SAU23 website which has very comprehensive information on it.

Rep. Gionet asked if the Commissioners have thought about pulling the jail project given the bad economic times and Director Clough said no.

Rep. Almy asked if there were any reasons why the school board won't let HPC in to survey and Director Clough said that has not been answered.

Rep. Aguiar asked if it was just coincidence that all the Commissioners were unable to attend today and Director Clough said that Commissioner Cryans was at a NE Drug Court meeting, Commissioner Richards had a doctor's appointment and Commissioner Burton was at DHMC for a governor & council issue.

Rep. Almy asked about the bonding for the water tank project and Director Clough said that they will be going through the NH Bond Bank and they sell on December 3rd. If for any reason the market is bad then they will do a Bond Anticipation Note until rates are better.

Rep. Aguiar said that he had issues in giving the water tank over to Woodsville Water & Light and particularly with them having an easement on property, in the event that the County wants to do something with that part of the property in the future. He said that he would like to stipulate that the easement only cover the time that the tank is in place, which Rep. Dingman concurred with.

Rep. Gionet asked if there was a hydrology report done and Director Clough said that she did not know that. He said that he was still harkening back to the artesian well concept which he didn't feel was answered at the public hearing. Director Clough said that she would look into it for him.

Director Clough informed the committee that at present, the jail lawsuit has reached a cost of \$302K through September 30th and that there has since been another lawsuit filed meaning the County will incur further legal fees. This second lawsuit is in regard to the May 21, 2008 delegation meeting in Concord and information in a right to know request has been requested for County convention meeting/materials from that date forward. The lawsuit states elected officials should not receive compensation due to the illegal vote.

Rep. Almy said that there are certain things that they (the plaintiffs) are asking for which she feels are outside the right-to-know boundaries. She explained that these items at a state level are not covered under the right to know law, but that the attorney for Grafton County wants her to hand over everything. Rep. Almy said that she does not want to give up her right to privacy as an individual which she feels some of her emails may be.

Rep. Gionet asked when the minutes from this meeting would be available and Sec. Martino said she has 5 days to get them out.

Rep. Dingman said that more money is being spent on the lawsuit than amount of the elected official's salaries. Rep. Aguiar asked if the increases could be held back and Director Clough said the increases don't actually take effect until the first of the year but the lawsuit suggests that the County stop paying the salaries altogether.

Rep. Preston asked if the court costs could be recouped and Director Clough said that they will be requested.

Rep. Almy said that there really needs to be some formal training from LGC on the ancient statutes.

There was a discussion about how the delegation meetings should be published for each meeting and whether or not it should be done in the Manchester Union Leader. Director Clough said that not as many people up here read that newspaper and that the Valley News as well as local papers for each district is a better choice for the County.

Rep. Aguiar moved to accept the Commissioners Report as given by Director Clough, which was seconded by Representative Almy. All were in favor.

FINANCIAL REPORT

Director Clough gave the financial report beginning with the monthly variance report. The census at the Nursing Home is at 127 and was budgeted at 131. That coupled with the reduction of the Medicaid rate has them below revenue.

At present the Farm is running in the black.

Prorated revenue/expense report shows that the first quarter is under revenue \$21K and under expended \$567K.

There is a undesignated fund balance of \$1.9M

Rep. Dingman moved to approve the Financial Report, which was seconded by Rep. Almy. All were in favor.

The next meeting will be held on November 17, 2008. Rep. Laliberte said that she would not be able to attend.

10:19 AM Rep. Laliberte moved to adjourn, which was seconded by Rep. Almy. All were in favor.

Respectfully submitted,

Susan Almy, Clerk



EXECUTIVE COMMITTEE MEETING
Administration Building ~ UNH Conference Room
3855 Dartmouth College Highway
North Haverhill, NH
Monday November 17, 2008

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

EXCUSED: Representatives Almy and Laliberte

OTHERS PRESENT: Harold Brown and Register of Deeds Bill Sharp.

Chair Mulholland called the meeting to order at 9:07 AM and handed over the floor to Grafton County Economic Development Executive Director, Mark Scarano.

M. Scarano said that he liked to meet with the Executive Committee at least two

times a year and stated that even though the government has not labeled the economy in a recession, there are currently some critical areas in Grafton County that have been shaken up due to the economy. He cited the auto industry and more specifically Freudenberg in the southeastern part of the County, which produces parts.

M. Scarano discussed the fact that the local banks have not been hit with issues with the subprime loans, however, that does not mean that companies have not been affected and that some are tightening their lending standards.

GCEDC has received a \$500K intermediate lending program infusion, which is money that is borrowed from the federal government and gets lent out to companies. GCEDC is more conservative with the money as it does need to get paid back to the federal government and shows as a liability on the books. M. Scarano asked the Representatives if they would mention to their banks that GCEDC as the County's official economic development entity would appreciate their business and their referrals

M. Scarano reported the results of the Delegation's budget increase to GCEDC was that a business loan specialist was hired, who is doing a fantastic job and has closed on three loans, two to manufacturing businesses and one to a retail business though it was his belief that the names of the businesses should be kept confidential.

Rep. Gionet asked if hospitals are considered businesses and M. Scarano said that most hospitals are non profit and the loans are for profit businesses. He said there is a new market tax program that helps owners who invest in private businesses by giving them a tax credit, but the paperwork is very extensive and somewhat complicated.

There was a discussion as to why the businesses who received the loans should be kept confidential if they were loaned taxpayer money. M. Scarano said that he suggested respecting the confidentiality of the businesses but if pushed, he would give out the names in a more private setting. Rep. Williams said that he thought that M. Scarano was on a "slippery slope" not willing to give the names of the businesses and said that he felt that as a Representative he should have the right to know who the loans have gone to. M. Scarano reiterated that if pushed, he could give that information out but would prefer to do it outside of the group setting.

Rep. Gionet said that he understood the need to keep things private as it can be detrimental to the parties involved if discovered. He said that as long as info can be given on the side then it's fine.

M. Scarano gave an update on the incubator projects saying that the DRTC is

100% filled. He explained that Mascoma Corp has experienced somewhat of a downturn. But that they are continuing with there plan to move to Etna road next year. AdiMab, another business in the DRTC, is expected to do well.

There will be a meeting in Plymouth to look into an incubator there. M. Scarano noted that though the site is important, the services offered are by far the most important and they need to look at whether they will be able to staff in Plymouth as they had in Lebanon.

GCEDC had its annual meeting and NH Electrical Coop was named business of the year and a new award of partner of the year was awarded to CDFA.

M. Scarano thanked Director Clough for her time spent on the board and said that they would be getting some new board members.

Rep. Dingman asked what the role of the University plays in the incubator project and M. Scarano said that Dartmouth had put money into the incubator there and that there was a hope that Plymouth would do the same so that they would be invested in it but that would be left up to the College to work out. He added that the Administrator position was a professional one and that the average pay nationwide was around \$70K

Rep. Mulholland thanked Mark Scarano for coming. He gave out his card and said that he would be happy to speak to anyone later if there were any questions.

TREASURER'S REPORT

Director Clough gave the report in Treasurer Elliot's stead saying that at present the County has borrowed \$5M, which still leaves \$3M available. Director Clough said they expected to need \$1M to \$1.5M until the tax money is received. Three towns have already sent their checks in.

The County will be obtaining a bond of \$1M for the water tank and that the bonds will be sold in mid December.

Rep. Williams moved to accept the Treasurer's report which was seconded by Rep. Dingman. All were in favor.

COMMISSIONERS' REPORT

Commissioner Cryans said that there would be eight new legislators starting in December and he then thanked Rep. Dingman for his service to the Executive Committee.

Commissioner Cryans said that he knows that these are difficult economic times

and that the plan is to move forward as best as possible to serve the people of Grafton County.

The water tank is under construction. Rep. Williams asked what the status of the talks were with Woodsville Water & Light and Commissioner Cryans said they were still under negotiations and nothing has been resolved yet.

- There will be a ribbon cutting ceremony for the new Maintenance building on the 25th of November at 9:00 AM.
- There is a preliminary hearing on the second lawsuit on Wednesday. (RD Sharp said that he would like to be kept in the loop on that situation.)
- There have been no decisions on the first lawsuit as of yet.
- The new Treasurer, Vanessa Sievers, will be sworn in on January 7th.
- Nursing Home population is 130
- Jail (in house) population is 109
- There have been two GED graduations at the Jail for thirteen people in total.

Commissioner Cryans said that Glenn Libby, Brenda Paronto, Mark Deem and Ken Stransky have done a great job. K. Stransky is paid by the County.

Rep. Aguiar asked if the Jail project was on hold and Commissioner Cryans said that it was.

Commissioner Burton informed the Committee that the NH Liquor Commission has a new DUI van which was on tour last week and Grafton County hosted two stops; the Sheriff's Department and Littleton and that 400 people have observed it.

Commissioner Richards said that the Alternative Energy Committee toured the biomass plant at Hanover High School. She said that the figures are in and are being put together for a report, perhaps in January. She added that she has greatly appreciated all the knowledge that has been offered from the Committee.

Rep. Aguiar moved to accept the Commissioners Report, which was seconded by Representative Gionet. All were in favor.

FINANCIAL REPORT

Variance Report: Revenue is below and is due in part to grant reimbursements and of course taxes, which should start filtering in. Expenses are off as there are three payrolls in the month of October and Human Services is over expended as the County pays as billed, instead of equal monthly installments. It is projected that Grafton County will have a reduced balance due in May and should make no payment in the month of June.

Rep. Williams asked about the HS lawsuit and Commissioner Cryans said that the oral arguments had been heard at the NH Supreme Court and now it is a matter of waiting for a decision to be rendered.

Rep. Mulholland presented two questions from Rep. Almy.

1. Regarding the Nursing Home Revenue, Director Clough said that it has rebounded some from September and is currently shown as close to revenue projections through October. Bed Tax payments are received quarterly and that is some of what helped in October. She advised that she will continue to watch and keep the Board apprised. .

2. What about the contingency line? Director Clough said that is the line that the legal fees are coming out of.. During Fiscal Year 2009 the County has spent \$197K on outside legal fees and she pointed out that to-date the Jail lawsuit is at \$308K.

Rep. Mulholland said that B. Hull has a third lawsuit of his own wherein he is suing the New Jersey Dept. of Motor Vehicles.

Rep. Williams asked about the Farm being over expended and Director Clough said that it has to do with an \$8K tractor repair and higher operating expenses. Farm revenue is currently in the black but that may change as milk prices are falling.

Prorated/Expense Report:

At four months into the year the County is over revenue \$358K and over expended \$276K. There is an undesignated fund balance of \$1.3M Director Clough wanted to point out that if this trend continues, there will continue to be a depletion of the surplus and that will directly affect the fiscal year 2010 budget.

Rep. Gionet moved to approve the Financial Report, which was seconded by Rep. Aguiar. All were in favor.

Rep. Gionet asked Director Clough about the hydrology report that he had questioned at the last meeting and Director Clough said that she did look into it but didn't have full recall of what the engineer had told her. She gave Rep. Gionet the phone number for the engineer so that he could speak to him directly in the event he had further questions.

Rep. Mulholland said that there would be a Delegation reorganization meeting on December 10th at 10:00 AM, which would be held in the UNH Conference Room. She asked that all Representatives read the statutes that pertain to the County which are chapters 24 – 30.

Rep. Williams said that the committee relies heavily on Director Clough to make

sure that all the meetings are posted properly and that he believes that is part of her job. He said that he would hate to have to have a lawyer present at the meetings.

Rep. Dingman thanked everyone for having served on the committee and for their camaraderie adding that it had been interesting, rewarding and educational. The Representatives thanked him in return.

10:27 AM Rep. Aguiar moved to adjourn, which was seconded by Rep. Dingman. All were in favor.

Respectfully submitted,



Grafton County Delegation Reorganization Meeting Grafton County ~ UNH
Conference Room North Haverhill, NH Wednesday December 10, 2008

PRESENT: Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Ward, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding. Commissioner Cryans, Executive Director Julie Clough and Sec. Martino

EXCUSED: Reps. Matheson, Ingbreton, Nordgren, Benn and Pastor-Bodmer

PUBLIC: Harold Brown and Register of Deeds Bill Sharp

Commissioner Cryans called the Meeting to order at 10:05 AM and began by introducing himself and the other two Commissioners who were not in attendance, each who represent one third of the population. He welcomed everyone for coming and asked everyone be sure to give their contact information to either Director Clough or Jeri.

Commissioner Cryans said that the way the Executive Committee has typically been chosen was by Commissioner District and that it was usually broken down into three districts and three members onto the Executive Committee. The last Committee was broken down into three Republicans and six Democrats. The Delegation could choose to do this however they wanted. There was a discussion about splitting up into parties and making choices that way.

Rep. Williams asked that everyone introduce themselves and tell a little bit about

themselves, which everyone did.

Rep. Anderson suggested that the choosing of the Executive Committee seemed to have been decided prior to the meeting which he felt was unexceptionable. He said that everything should be done properly. Rep. Almy noted her perception of how things worked, which she said had eventually become a matter of calling around to newly elected delegates and see who was interested in serving.

Rep. Ward said that his recollection was that it was broken down into districts to caucus.

Commissioner Cryans then noted that he was currently playing a role in this meeting because there are no officers at this point but that it is the Delegations' meeting and their decision.

D. Pierce asked if there was a rule or statute that determines the number of people who serve on the Executive Committee, or could they have six. S. Almy said it is not dictated by statute. She added that if they continued to do it the same way as in the past, in particular overseeing all the department. budgets, then you couldn't do it with just six people.

R. Bulis asked exactly what the role of the Delegation and Executive Committee consisted of, to which B. Williams answered that the Delegation is the legislative body of the County and the Executive Committee works as a budget committee to oversee the financial end. He then read from a list of duties that the Executive Director had written up as to the duties of the Executive Committee such as when they meet etc.

J. Aguiar said that the only real control that the Delegation has over the County is the budget and its bottom line.

D. Pierce asked if the Executive Committee has any independent authority to enact legislation or does that have to go through the Delegation. S. Almy replied that the only authority is the ratification of the Commissioners decision of line item transfers.

J. Aguiar said that if they so desired, the Delegation could come up with rules as to how they would govern their body, and that would be done at this time.

B. Ward likened the Commissioners to the town Selectmen and that the Executive Committee is used as a liaison to the Delegation to pass on information. S. Almy added that it is also the responsibility of the Executive Committee to voice, on behalf of the Delegation, their displeasure at some of the Commissioners decisions.

B. Williams said that it is the Delegation's budget in the end. Commissioner Cryans concurred and then explained the budget process.

J. Aguiar said that the Delegation votes on a number and the Commissioners can spend that money as they want.

There was further discussion as to how the decisions would be made to choose the Executive Committee, whether it be districts or caucuses.

J. Aguiar said that it was important that if they break into caucuses that they be careful.

Director Clough said that if they break out to caucus, then it had best be Republi-

can and Democrat.

R. Bulis moved to continue with a six/three split (Democrat/Republican), which was seconded by G. Andersen. All (Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Ward, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding), were in favor.

R. Bulis moved to adjourn to caucus, which was seconded by R. Ladd.

RD Sharp spoke and said that rules could be made now if they wanted since there were no rules in place. Adding that if the group breaks up, the whole body will have to ratify the decisions.

When the vote came down all (Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Ward, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding), were in favor.

10:45 AM Republicans adjourned to the Commissioners Conference Room upstairs, Democrats remained and all other parties were removed from both areas while the doors were closed behind them. The audio recorder was turned off.

11:30 AM Everyone returned to the UNH Conference Room, the audio was turned back on and the roll call was taken by Sec. Martino.

The following members were present: Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding. B. Ward did not return to the meeting at this time as he had been called to appear at Superior Court.

R. Bulis and the Republican caucus nominated E. Gionet, B. Ward and B. Williams to the Executive Committee.

K. Taylor and the Democratic caucus nominated J. Aguiar, C. Friedrich, S. Laliberte, C. Mulholland, P. Preston and S. Ford.

D. Pierce moved to accept the nominations, which was seconded by L. Harding. All (Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding), were in favor.

Commissioner Cryans then asked for nominations of the three officers calling first for nominations for Chair.

Rep. Bulis moved to nominate J. Aguiar, which was seconded by R. Ladd.

Rep. Preston moved to nominate C. Mulholland, which was seconded by L. Harding.

Rep. Bulis moved to close the nominations, which was seconded by L. Harding. All, (Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Taylor, Ford, Ladd, Smith, Maybeck, Pierce,

Townsend, Andersen, Gould and Harding), were in favor.

Both candidates for the position of Chair gave small speeches as to their qualifications etc.

D. Pierce moved to vote by secret ballot, which was seconded by S. Ford.

S. Almy said that she was not sure of the legality of that and said that it might need to be by signed ballot or to vote publicly.

D. Pierce withdrew his motion and S. Ford withdrew the second.

G. Andersen moved to vote by open ballot, which was seconded by E. Gionet.

19 were in favor (Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Friedrich, Cooney, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding), 1 opposed (Aguiar)

The vote was taken by roll call by Sec. Martino

Twelve members (Reps. Taylor, Ford, Aguiar, Cooney, Smith, Preston, Pierce, Laliberte, Mulholland, Townsend, Almy and Harding), were in favor of C. Mulholland.

Eight members (Reps. Bulis, Gionet, Ladd, Friedrich, Maybeck, Williams, Andersen and Gould) were in favor of J. Aguiar.

Rep. Mulholland was chosen as chair.

D. Pierce moved to nominate B. Williams as Vice Chair, which was seconded by S. Laliberte.

D. Pierce moved to close the nomination which was seconded by S. Ford. All (Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding) were in favor.

On the vote of B. Williams as Vice Chair, all (Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding), were in favor.

B. Williams moved to nominate P. Preston as Clerk, which was seconded by S. Laliberte.

L. Harding moved to close the nominations, which was seconded by D. Pierce. All (Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding), were in favor.

On the vote for P. Preston as Clerk, all (Reps. Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding), were in favor.

The Executive Committee and its officers were elected.

G. Andersen asked about the Jail project and Commissioner Cryans began by saying that the court decision had been rendered and that it was determined that the Delegation vote

stood and that the gathering of two Commissioners and two other parties was not considered a meeting, though an earlier meeting on the day of the bond vote was

considered to be a meeting. Now there is a waiting period until the appeal process can be pursued

S. Almy asked when the appeal process is closed and how the payment of legal fees will be determined. Commissioner Cryans said there is still a negotiation on the legal fees and the appeal process begins when the legal fees have been settled.

D. Pierce said there has to be a final order by the court and if the fee issue is still outstanding the court will have to rule on that first.

Commissioner Cryans said that he hopes that the process will move along because the conditions of the Jail are not improving and there is a huge need for it. He encouraged those who have not toured the Jail to do so.

J. Aguiar said that at one time there was a suggestion that a committee be formed to look at the long term viability of the Farm and perhaps other things such as longevity and questioned whether this would be a good time to set that up. C. Mulholland said that there will be an upcoming Executive Committee meeting and that might be a better time to do that so that specifics could be instituted. S. Almy said that the full Delegation should be invited should someone be interested in sitting on that committee.

C. Mulholland said that Commissioner Richards wants to get the whole Delegation together for an Alternative Energy information meeting in February.

R. Bulis said that he would like to talk about the Jail project and feels that there needs to be a discussion about it.

R. Ladd moved that the Delegation set a date and a time to meet to discuss the Jail project and that no further activity on the project take place until that meeting occurs, which was seconded by B. Williams.

Discussion:

S. Almy said that there is no need to get a new cost on what it will be to build the Jail until there is a date known as to when it could potentially be built. B. Williams agreed but said that it should be done at the call of the Commissioners, when they know what can be done. R. Bulis said that the new members of the Delegation need to know what's going on and agreed that it should be at a time when it can go forward.

J. Aguiar said that he would like to see a separation of the motion in that a meeting should be held and at that time decide what to do.

E. Gionet referred to a letter from the town of Lincoln who met with Commissioner Burton, Director Clough and Superintendent Libby regarding the Jail, which discussed their hope that the County not continue to pursue continual litigation.

L. Harding suggested that part of the tour on January 9th include some information on the Jail project, which Director Clough said it would be.

R. Ladd said that living in Haverhill, he is familiar with the Jail project and that there are concerns from constituents about cost, taxes etc. and he knows there is a need for a new Jail but there is also a need to understand costs of the litigation and potential bonding, in open session.

D. Pierce moved to divide the motion made by R. Ladd, to have a meeting at the call of the Commissioners and to go forward when there is an opportunity to do so, and the second part would be to stop all progress until that time, which was seconded by S. Ford.

Discussion:

R. Bulis did not see the purpose of doing that since there is no progress so far anyway.

Director Clough spoke and said that the vote taken on February 11th has been held valid by the Court. This means that things can go forward however, if they make a motion to halt the process, then all that will be left is old information that will not be pertinent to the future.

E. Gionet asked if that would be prudent to do considering the fact that there is still pending litigation.

Director Clough said that she thought that they should at least be ready to go forward when the time comes.

D. Pierce said that the availability of the appeal period is a consideration and that there is a small likelihood of being successful, not saying that they should go full forward but that interim work can be done.

S. Almy said that it seems prudent to go ahead and re-estimate the project.

Commissioner Cryans said that the Board of Commissioners has asked Director Clough to check with the County lawyer and to get some parameters on time, saying that if it seems that it may be a short time then that's one thing though the appeal process may take longer.

B. Williams said that he would agree and that their hands are tied until the appeal process is done.

Director Clough said that they can go forward, however, as there is money in the budget and the only thing being held up is the bonding process.

D. Pierce suggested to Director Clough that the County direct legal council (if appeal is taken) to ask for an expedited hearing.

G. Andersen suggested not dividing the question as the actual meat of it (the question) is that there should be no going forward.

D. Pierce withdrew his motion to divide the question.

S. Ford withdrew her second.

F. Gould said that he would like to know the current figure first before deciding not to continue, S. Ford said that having visited and speaking to Supt. Libby, she felt more up to date but would like an update of what is going on now, which K. Taylor agreed with.

P. Preston called the question.

B. Williams said that there is a legitimate vote from the Delegation to go forward but that he wants to be brought up to date.

M. Cooney said that they didn't need to vote on this, but to just go forward. She said an informational meeting will be satisfactory and that she doesn't want to see any more delays.

C. Mulholland asked who was in favor of calling the questions and all (Reps.

Mulholland, Almy, Williams, Gionet, Bulis, Laliberte, Preston, Aguiar, Friedrich, Cooney, Taylor, Ford, Ladd, Smith, Maybeck, Pierce, Townsend, Andersen, Gould and Harding), were in favor.

The motion was repeated by the Secretary which R. Ladd said was not fully correct. The correct motion was read "that the Delegation set a date and a time to meet to discuss the Jail project and that no further activity on the project take place until that meeting occurs". P. Preston took a roll call vote.

13 were opposed (Reps. Taylor, Ford, Aguiar, Cooney, Smith, Preston, Pierce, Laliberte, Mulholland, Townsend, Almy, Gould, and Harding), 7 were in favor (Reps. Bulis, Gionet, Ladd, Friedrich, Maybeck, Williams, and Andersen).

Motion failed.

Rep. Andersen moved to adjourn which was seconded by Rep. Gionet. All were in favor.

The meeting was adjourned at 12:20 PM

Respectfully submitted,

Phil Preston, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Friday January 9, 2008

PRESENT: Representatives Mulholland (late), 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, Register of Deeds Bill Sharp, Reps. Ladd, Bulis and Ingretson.

Vice Chair Williams called the meeting to order at 9:10AM saying that this meeting is rescheduled from a cancelled meeting in December.

Rep. Mulholland arrived

Rep. Preston moved to approve the minutes from November 17, 2008, which was seconded by Rep. Aguiar. An edit was made. Representatives Mulholland,

Williams, Preston, Aguiar, Gionet and Friedrich were in favor, Rep. Laliberte, Ford and Ward abstained.

Rep. Laliberte moved to approve the minutes from the December 10, 2008 Delegation Reorganization meeting, which was seconded by Rep. Preston. Edits were made.

All were in favor.

TREASURER'S REPORT

Director Clough gave the report in Treasurer Sievers stead saying that the new Treasurer was sworn in on Wednesday and could not be at the meeting today, however, she is expected to be in attendance at future meetings.

Director Clough informed the Committee that the outgoing Treasurer closed many of the money market accounts and placed the \$11M left over from tax money in a CDARS account at Woodsville Guaranty Savings Bank earning 1% interest until January 22nd so that the incoming Treasurer can invest the money. Treasurer Sievers has been signed on as signatory and F. Steigler is still the Deputy Treasurer until June 1, 2009. Director Clough said that they do not expect to make their interest budget as that \$11M was only drawing 1% interest.

Rep. Ward asked if that money was collateralized and Director Clough responded affirmatively adding that the money is distributed out to other banks in amounts under the \$250,000 FDIC insurance level.

All town taxes have been received with the exception of Ellsworth.

\$6.4M TANs money was borrowed and was paid back as of December 17th. \$23,423 of interest was paid on the loan.

Rep. Williams moved to accept the Treasurers Report which was seconded by Rep. Ward. All were in favor.

COMMISSIONERS' REPORT

Commissioner Cryans welcomed the new members to the Committee and began by saying the Nursing Home received a five star rating and that Senator Reynolds would be working on a letter of commendation on its behalf.

The water tank project is nearly complete and the road work is done and there is electricity to the site. The tank is expected to go online the first week of February. Commissioner Cryans said that it does not appear the Woodsville Water & Light will be taking over the tank as they have voiced some concerns about the project. The need for using the tank for fire suppression remains.

Jail Lawsuit: Legal fees are still pending. The attorney for the County is refuting fees of \$212K to be paid to the litigants and is offering \$23K instead. This information is in the hands of the Judge.

Elected Officials Salaries: Still pending final court hearing.

Elected officials were sworn in on Wednesday and there is only one (Treasurer) who is new this term.

There was a ribbon cutting ceremony on the new Maintenance Building and Commissioner Cryans recommended that the Representatives take a tour if they could.

The budget process would be starting soon and Commissioner Cryans said that he expected it to be a tough year and that he has already cautioned some of the Department Heads to be very prudent and that there should be no new positions and to cut where they can. The budget would then be in the hands of the Delegation.

Commissioner Richards said a feasibility study has been conducted regarding energy consumption on the complex and that the Alternative Energy Committee has been a tremendous source of information with a magnitude of expertise and added that the Committee has given so much volunteer time to help out the County. Biomass Energy Resource Center (BERC) out of Montpelier, VT has been looking at Biomass for the entire complex and an independent geothermal study will be looked at for the Jail itself. There will be a full presentation to the Delegation on February 2, 2009 beginning at 10:00 AM and the Commissioner strongly urged everyone to attend.

Commissioner Cryans informed everyone that Ray Burton was sworn in as Executive Councilor for his 16th term (32 years), which is the longest running Councilor in NH history. Everyone applauded the accomplishment.

Commissioner Cryans said that letters from a number of towns have been received which voice concerns over building the new Jail during these economic times and most ask that the project be put on hold. Commissioner Burton said that he encourages the communications and noted that the Board of Commissioners are planning to send a letter to Congress asking for funding.

Rep. Williams said that he feels as though the County is in an excellent position to ask for federal funding for the Jail project. Commissioner Burton agreed and said the stars in all in alignment for that.

Rep. Williams said that he did not want the Commissioners to put the budget

process off on the Committee and Commissioner Cryans replied that was not the intent but that the Committee is the ultimate deciders.

Rep. Ward passed out information that he had compiled regarding Grafton County taxes and equalized valuations saying that there is a decline in growth of the tax base and they are likely to see a decline in equalized values. He said that budget increases are not sustainable and that needs to be addressed as early as possible and costs need to be contained.

Rep. Gionet said that he is not surprised to hear about letters from the towns about halting the Jail process because it's what his towns has been saying all along.

He also referenced keeping people on the payroll who have no job description and that he has heard "rumors" about the water tank and the concrete not being poured properly.

Director Clough said that the tank was poured at the correct temperature and that the shotcrete that was applied to the outside of the tank was also sprayed on at the correct temperature.

Rep. Gionet asked if there was water in the tank sitting stagnant and Commissioner Cryans said that they need to have someone such as Supt. Oakes to answer all the questions.

Rep. Gionet said that he still didn't have an answer to a question that he asked months ago about hydrology testing.

Rep. Aguiar asked if they could stay on one topic and Rep. Mulholland said they could continue with the water tank.

Rep. Aguiar said that he was startled to hear that WW&L is not willing to take over the water tank adding that he thought that the project was predicated on this assumption, and asked what was in the letter. Director Clough went to retrieve the letter.

Rep. Preston asked what the downside was of WW&L not taking over the tank. Rep. Williams said that would put the County in the water business, meaning testing and such and said that the Commissioners and Executive Director need to take care of this.

Rep. Friedrich said that she recalled that 60K gallons of water were to be potable and now it appears that the tank is all about fire suppression. Director Clough said there will be potable water.

Rep. Mulholland said they may not get all these questions answered today and

suggested they move on.

Rep. Ward said that before he can feel comfortable about discussing the new Jail, he would like to have further information about the maintenance of it and well as general operations and staffing.

Commissioner Cryans said that although he was not in favor of this, a meeting would likely be taking place with SMRT and HP Cummings about the possibility of reductions or changes. He said the Board is very aware of what is best for the residents of the County.

Rep. Bulis was recognized and said that much has changed since the bond vote and he feels that constituents are looking to their Representatives to take some action to halt the process until there is some resolution of the economic situation. He said that he felt strongly that action is taken now.

Rep. Mulholland asked about the appeal process regarding court fees and Director Clough said that a 30 day appeal time begins after the decision.

Rep. Bulis said that there is money in the budget to continue with the project and that's what needs to be stopped and that he would like to have a special Delegation meeting to vote on this.

Rep. Ward said that he needed clarification on engineering costs and how much was tied to the bond. Director Clough said there is \$330K set aside for the project, with \$40K of that money spent.

Rep. Williams said there was a meeting in December with a motion to stop the Jail process and that was defeated. Rep. Ford agreed with Rep. Williams. Rep. Preston said that it would be counterproductive to vote to postpone because that might lessen the chance to obtain federal funds.

Superintendent Oakes arrived to address questions about the water tank.

Supt. Oakes said that he feels that the information in the letter from WW&L is misleading and contains some untruths and that he thought that WW&L was originally in favor of it. Concrete was poured under the correct temperature and the greenhouse was used as research by NATGUN to figure their costs, not to see if the process worked or not.

Rep. Gionet asked if test wells were drilled and Supt. Oakes said there were hydrology studies done but nothing regarding looking into having a well. Supt. Oakes said that they may begin to look into having an artesian well for the property and possibly creating an independent piping system to become self sufficient in the future.

Rep. Williams asked how much the County pays per month for water and Supt. Oakes said approximately \$3K. Rep. Williams said that he didn't think that WW&L would want to lose that money and reiterated the fact that the County does not want to be in the water business.

Rep. Aguiar asked Supt. Oakes to explain the greenhouse set up, which he did saying that the concrete was poured in good weather and the shotcrete was done under the greenhouse at a temperature of 70 degrees. Rep. Aguiar asked if there could be two separate systems and Supt. Oakes said it would be far more cost effective to have only one.

Rep. Aguiar suggested that in the future, no decisions that involve spending money be made without being in writing.

Rep. Williams moved to approve the Commissioners Report which was seconded by Rep. Aguiar. All were in favor.

FINANCIAL REPORT

Director Clough informed the Committee that the Nursing Home census was at 135 and the Jail, 99.

The Medicaid rate increased from \$151.54 to \$155.41 as of January 1st.

The bond sale for the water tank took place on December 18th and the money has been received. Interest rate is 4.14% on the 10 year bond, which amounts to \$140K a year repayment cost.

Variance Report: Revenue is below and is due in part to low interest rates. Taxes have been received as of this date. Expenses are off as Human Services is working on a capped amount of money and is current with payments. There will be a partial payment in May and no payment in June. The Farm is down due to feed and equipment expenses, as well as lower milk prices. The capital outlay will come back with bond payment.

Prorated: Director Clough noted the very low undesignated fund balance which she said is going to have an impact of the budget this fiscal year. Rep. Laliberte asked what the current cost of legal fees is right now and Director Clough said that it was \$308K for the Jail litigation and another \$15K for the Elected Officials litigation.

Rep. Gionet said that he did not feel that Friday was a good day to meet and Rep. Mulholland said this was a one time schedule and that they would continue to meet on Mondays.

There was a discussion about moving the time of the meeting in the winter months.

Rep. Williams moved to change the meeting time to 10:00 AM in the months of December through March, which was seconded by Rep. Gionet. All were in favor.

Rep. Ward moved to accept the Executive Director's Report, which was seconded by Rep. Preston. All were in favor.

Rep. Williams asked about the longevity for elected officials and Director Clough said that it will be put together in the budget. Rep. Preston asked if there will be a separate line for longevity and Director Clough said that it couldn't be done by person but it would be broken out in Departments.

Rep. Gionet said that he felt that his reference about a "rumor" and not having a name associated with it had no relevance to the situation.

Rep. Bulis was recognized and wanted to know how many Reps it would take to call a special meeting. Rep. Williams said that he thought that a majority of the Delegation could call the meeting. It was noted that the Delegation would be meeting on the 2nd of February for the Alternative Energy presentation.

Commissioner Richards asked if Register of Deeds Sharp could speak.

RD Sharp passed out some financial information pertaining to the Deeds Department and some information on foreclosures in Grafton County.

Rep. Ward said that foreclosures came later to Grafton County than to the rest of the state and now they are right in the middle of the situation.

Rep. Williams asked about LCHIP and RD Sharp said there were no complains. Rep. Ward said those paying the fee are not all that happy about it.

11:55 AM Rep. Williams move to adjourn, which was seconded by Rep. Preston. All were in favor.

Respectfully submitted,

Phil Preston, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday February 2, 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, Register of Deeds Bill Sharp, Reps. Ladd and Bulis and John Gregg.

Rep. Mulholland called the meeting to order at 1:45 PM

Rep. Williams moved to approve the minutes from January 9, 2009, which was seconded by Rep. Laliberte. Corrections were made. All were in favor.

TREASURER'S REPORT

Treasurer Sievers was present and after greeting the Executive Committee for the first time, gave the following report:

She said that during tough economic times measures have been taken in order to ensure the safety of the County's money and to try to receive the highest rates possible.

Currently the county has \$10,789,813 collected from taxes. The money has just matured from a CDAR (Certificate of Deposit Account Registry) at Woodsville Guaranty Savings Bank, which earned around \$8,000 in interest this month. This money will be distributed to various banks around the County in a variety of CDs and money market accounts to try to get the combination of the best rates and liquidity in order to keep up with the approximate \$1.5M monthly running expenses. Bids are currently being sent in to ensure the best rates in every investment.

Two accounts that have recently been handled are the Grafton County Register of Deeds Equipment Account and the Sheriff's Dispatch Capital Reserves Account. The Register of Deed's account was moved from Citizens bank to a closer location, Laconia Savings Bank, for ease of access. The amount of money currently in that account is \$74,190. The money was also invested at a much higher rate, going from a municipal checking account earning .04% at the last statement to a combination of a one-year CD and money market account earning 2.3% & 1.2% interest respectively. The Sheriff's Dispatch Capital Reserves Account was renewed at Meredith Village Savings Bank in a 16 month CD at 2.37%. The balance was \$100,000 and \$63,000 was added for this year's contribution bringing the total to \$165,000.

She added that Frank Stiegler remains Deputy Treasurer.

Rep. Ward asked where the \$11M currently was and Treasurer Sievers said that it was still at Woodsville but that it is swept out each night to collateralize it.

Rep. Williams asked when bids were due and she replied that they are due this week and she hoped to have the money invested by the end of the week.

Rep. Williams asked if anyone has ever looked at bank ratings and Director Clough said that no one had in the time that she had been here but that could certainly be done with the banks that we have investments with. Rep. Ward said there is an online watch list.

Rep. Williams moved to accept the Treasurer's Report, which was seconded by Rep. Ford. All were in favor.

COMMISSIONERS' REPORT

Commissioner Cryans began by thanking Commissioner Richards and the Energy Committee for providing all the information this morning. He noted there were 52 attendees.

Commissioner Cryans said there was still nothing to report on either the Jail or the Elected Officials salaries lawsuits

A response letter was sent to Woodsville Water & Light regarding allegations that they made in their letter to the County. Superintendent Oakes was on hand to update the Committee saying that NATGUN's electricians are hooking up everything and the schedule is to fill the tank by the end of the week.

SMRT and HP Cummings will be meeting with the Commissioners tomorrow, as a continuation of their morning meeting, at 1:00 to go over the current standing of the Jail project. The meeting is open to the public.

Members from Carroll County visited the Grafton County Nursing Home in an effort to gain knowledge about building their own.

The budget process has started and Commissioner Cryans said that it will be an extremely difficult year and the plan is to try to present as level a budget as possible. Health insurance is always an issue and there is hope that there can be a reduction in costs in order to be able to keep jobs.

The Annual Report is out and recipients of the dedication were in attendance at the last Commissioners' meeting. Recipients were Bob & Mary Crowley of Plymouth, Jack & Dorothy Byrne from Hanover and Howard Hatch of North Haverhill.

Director Clough passed out a copy of the most recent Weekly Market Bulletin which shows the reduction of milk prices projected at \$11 per hundred weight.

Commissioner Richards thanked everyone for attending the meeting this morning.

Rep. Aguiar asked if Woodsville was planning to take over the tank and Director Clough said that in the reply to them, that question is still open. She said there has been no reply from them as yet, though they may not have met yet.

Rep. Ward said that in a conversation with Atty. O'Brien, he understood that there would be an appeal to the jail litigation.

Rep. Williams asked to be enlightened on the direction of the jail. Commissioner Cryans said that speaking only for himself, he would like to see the project downsized and that there was a sense that Supt. Libby would be open to downsizing in order to move the process along and still try to move in within the next 1.5-2 years. Commissioner Cryans said that he felt the economy plays a role and there they have received letters from many of the towns asking that the project be put on hold.

Commissioner Burton said that he would like to wait for the meeting with SMRT before making any decisions.

Commissioner Richards said that she is willing to compromise but not on the mental health unit. She said though that it costs money to draw up new plans.

Rep. Laliberte said that she understood that adding geothermal would mean coming up with a new design and Commissioner Richards said that even the biomass may alter the size.

Rep. Laliberte said that she was very impressed with the presentation today and that it was very understandable to the average person. She said that Commissioner Richards and the committee deserved praise for their efforts. Commissioner Richards said that she was very blessed to have had the people she did on that committee and was grateful for their dedication.

Rep. Preston asked what the basis of a legal appeal is and Rep. Ward, being an attorney said that there are many reasons for an appeal which could include error by a judge and that the law is fully wide open to interpretation.

Rep. Williams said that he would never compromise on the medical portion of the facility either.

Rep. Bulis was recognized and said that everyone agrees that there needs to be a new Correctional Facility and questioned whether or not it would serve a purpose for the Commissioners to make a statement that the current facility would be cancelled and a new downsized facility would be considered.

Commissioner Cryans said that he didn't think they were ready to make a decision that quickly and that it may be more complicated than just that.

Rep. Ladd was recognized and said that the Commissioners need to send a positive message to the residents in the County. He questioned how they were going to deal with the operational cost and significant increases. He said they need to relay that fact that something will be done.

Rep. Gionet asked if the water tower was at the proper elevation and if there was test drilling going on. Supt. Oakes said that the tank is in fact at the proper elevation. He said there is a hydrology study to look at the terrain to see if there is a possibility of drilling for water but right now it's only a study.

Rep. Gionet said that he didn't see anything about easements and wondered if the determination would be made by the Selectboard. It was conveyed that the WW&L is in a different precinct and not part of selectman's decisions, but have their own commission.

Rep. Gionet asked what the study would do to determine what happens to the water tank. Supt. Oakes said that they're looking at options, which may include:

- Woodsville taking over the tank
- Woodsville just servicing the tank, though remaining connected or;
- Grafton County on its own water supply.

Rep. Ward passed out an overview of what New Hampshire economists have to say and that the state is looking at 2-3 years of declining equalized valuations.

Rep. Mulholland said that she knows that trillions of dollars has been lost in real estate but that doesn't mean that they have to stop doing things because of the decline on paper.

She said that they all have to pay close attentions to what they're doing these days.

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

FINANCIAL REPORT

Director Clough reviewed the Revenue and Expense Report stating that the Farm revenue is down and will continue to worsen and that Interest shows very little recovery.

On the Expense side, the Drug Court Treatment Service line is over expended. The Sheriff line will be offset by revenue. The Farm expenses are up due to feed prices, machine repairs and bedding. The Bond is paid up front and that will decrease. Other is due to legal fees. There is a large \$14-16K bill to come.

Director Clough said that January financials should look better as Medicaid reimbursement rate is up and it is a bed tax month.

Director Clough informed the Committee that the Nursing Home census was at 133 and the Jail, 95.

Rep. Williams moved to accept the Executive Director's Report, which was seconded by Rep. Ward. All were in favor.

Rep. Williams said that he would like to be kept informed about the progression of the jail.

The next meeting will be held on March 16, 2009 at 10:00 AM

2:30 Rep. Laliberte moved to adjourn, which was seconded by Rep. Williams. All were in favor.

Respectfully submitted,

Phil Preston, Clerk



Alternative Energy Presentation to the Grafton County Delegation
Grafton County ~ UNH Conference Room ~ 10:00 AM
North Haverhill, NH
Monday February 2, 2009

PRESENT: Reps. B. Ward, R. Bulis, E. Gionet, S. Ford, R. Matheson, R. Ladd, J. Aguiar, C. Friedrich, M. Cooney, S. Smith, M. Maybeck, B. Williams, P. Preston, S. Laliberte, C. Mulholland, C. Townsend, S. Almy, G. Andersen, F. Gould, L. Harding, Commissioner Cryans, Richards and Burton, Executive Director Julie Clough and Secretary. Martino

PUBLIC: J. Gregg, R. Berti, S. Piper, J. Oakes, E. Ballam, P. Gilbert, H. Hatch,

D. Baxter, P. Turley, D. Horton, R. DeMark, J. Foltan, R. Foltan, H. Brown, D. Falkenham, D. Calkins, B. Sharp, D. Horton C. Recchia, D. Guy, B. Ricker, S. Moray, M. Morns, G. Germain. M. Gale, G. Phetteplace.

Commissioner Richards welcomed everyone to the meeting and gave a brief overview of how the all volunteer committee got started and the length of time (almost 1 year) the committee had been working together and gathering information for this presentation. Commissioner Richards discussed the people who had been instrumental in helping to compile all the information to bring this presentation to fruition and praised them all highly.

Gil Richardson, member of the Alternative Energy Committee gave a Power-Point presentation which further covered the mission and items that were looked at by the committee. *(see attached report)

Executive Director Chris Recchia from Biomass Energy Resource Center (BERC) gave his presentation next. *(presentation can be viewed at website www.graftoncountynh.us)

Gary Phetteplace PhD., another AEC member presented a brief overview of a geothermal energy option that may be viable for the new Correctional Facility. Geothermal is very costly to retrofit into existing buildings but may work well with new construction which is why it is only being considered for the new building not the rest of the campus. This will need further analysis and is currently ongoing. *(see attached report)

11:45 AM meeting recessed for break

11:52 AM meeting resumed.

An energy report was presented by Satyn Moray and Betsy Ricker from Energy Resource Solutions (ERS). A full audit was prepared by examining all the buildings on the Complex. *(presentation can be viewed at website www.graftoncountynh.us)

After the reports and presentations were given, Commissioner Richards opened the meeting to a 15 minute discussion.

Rep. Williams asked if it made sense to build two systems, biomass and geothermal and asked too if energy could be produced with the biomass system.

C. Recchia said that the biomass sizing was done according to the possible use of other systems. He said that the heat load estimation of the proposed jail is very high and he would like to take a closer look at it. He said that co-generation could be added but it depending on what it is used for there would probably not be great returns on electricity.

G. Phetteplace said that doing geothermal will reduce electrical demands on the jail.

Rep. Bulis asked about ash disposal and questioned hazardous metals. C. Recchia said that there is only about 3% of ash that remains from burning and there is nothing hazardous. He said that the ash can be used as potash for the Farm.

Rep. Laliberte asked if using geothermal for the proposed jail would mean that there wouldn't have to be a backup system and G. Phetteplace said that was correct.

Rep. Ward had contacted two people who had experience with biomass in Vermont and who voiced some concerns:

- Quality of chips is an issue

- High cost of chips

- Emission fee to the state

- No long term contracts

C. Recchia said that Vermont is not able to get the chips they want and it's not the wood but the infrastructure to get the wood out. He said that low grade wood can be used and that there just aren't any long term contracts.

B. Berti spoke regarding the procurement of chips and said that the cost to make chips is predicated on the price of oil.

Rep. Andersen asked if rather than asking a lot of questions now, if everyone could just write there questions down and send them to Commissioner Richards to forward on to the appropriate expert to answer.

Rep. Gionet felt that he wanted his question answered now and began first by thanking the committee for all their work. He then asked when the geothermal study would be complete and what the cost of that will be. Rep. Almy added that she would like to know why they were not getting cooperation from the architects of the jail project.

Commissioner Richards said that it was \$3400 for the geothermal study and that there has been \$44K spend on the other various studies, some with matching funds. She said that there is a planned meeting with SMRT (architects of the jail project) tomorrow and that she will follow up with questions regarding heat loads.

At the end of the meeting Commissioner Richards praised her Alternative Energy Committee members and on behalf of Grafton County, presented them all with a letter of appreciation.

12:50 AM meeting adjourned.

Respectfully submitted,
Phil Preston, Clerk

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 2nd 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 2nd 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 Commit-

tee 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 2nd 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 22nd.

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 gath-

ering 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 20th 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,

Phil Preston, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday April 20, 2009

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

EXCUSED: Representative Aguiar and Commissioner Cryans

OTHERS PRESENT: Harold Brown

Rep. Mulholland called the meeting to order at 9:08 AM

Executive Director Mark Scarano from Grafton County Economic Development Council presented the committee with the 2008 annual report which he said covered the information for the past year.

The last time Director Scarano visited with the committee there was some discussion about whether or not certain loan information, in particular clients, could be divulged. M. Scarano said that after doing informal surveys with other economic development councils and others, it was discovered that most loan companies do not have confidentiality policies so it was decided that GCEDC will provide the client, the amount of the loan and how many people will be employed as information. He said for Community Development Block Grants that there is federal oversight with the public hearing.

Due in part to money funded by the County for a part time loan officer, nine loans have been provided over the last year:

- o River Glenn in Littleton – providing 25 jobs
- o Littleton Bike Shop – Their loan is paid up
- o Ranch at Etna Road – 15 jobs
- o DCI in Littleton
- o ABM Machine shop in Bridgewater
- o Harmony Landing Holdings in Plymouth – 6 jobs
- o Littleton Co-op
- o Littleton Area Learning Center

Rep. Williams asked the total of the nine loans and M. Scarano said that he didn't have that figure but the total money to loan was around \$2M. Rep. Williams asked about interest on the loans and M. Scarano said it varies but that they try to be in harmony with the leading bank and GCEDC is the second or even third position on security.

Rep. Laliberte asked about working with Lebanon College and M. Scarano said that they met with them.

Rep. Ward asked about receiving any stimulus money and M. Scarano said that has been a disappointment to all the block grant programs as CDBG is the ultimate in stimulus building. Rep. Ward recommended that GCEDC get ready to lobby in the event of a second round of stimulus money.

Rep. Gionet said that he attended the first meeting for the Co-op and that it was packed. He said that there was a lot of local interest and created 45 jobs.

Rep. Laliberte asked how Grafton County compared to other economic development corps. and M. Scarano said that he feels that GCEDC has done very well and has a healthy balance reserve now.

There was a discussion about the general economy of both Grafton County and the state.

M. Scarano said that the problem is global now too.

Rep. Ward motioned that the Commissioners, along with GCEDC, draft a letter to the Congressional leaders urging that CDBG money be funded in the event of a second round of stimulus money, which was seconded by Rep. Williams. All were in favor.

M. Scarano said that the GCEDC has moved to Plymouth above the Meredith bank. Their new phone number is 536-2011 and their 800 number remains the same 888-535-0002.

The committee thanked M. Scarano for coming.

Rep. Williams moved to approve the minutes from March 16, 2009, which was seconded by Rep. Laliberte. There were additions/corrections made. All were in favor.

TEASURER'S REPORT

Director Clough said that Treasurer Sievers could not be in attendance because she had a class this morning as well as mid-term and a paper due this week. Treasurer Sievers sent the committee a bank stability chart. *(see attached)

Director Clough went over the cash management and cash flow report. She said that the County is drawing down the Woodsville account and it will probably be depleted by the second week of May and they will have to draw off Northway

Bank until the Community Guaranty Savings Bank CD matures.

Rep. Ward asked when they would expect to need a tax anticipation note and Director Clough said probably late July or early August and she'll have to see what amount will need to be borrowed.

Rep. Williams asked Director Clough if the Treasurer was doing her job properly and Director Clough said that depended on what is meant by properly and that she comes in and signs checks but doesn't spend any time looking at reports and noted that she is a different kind of Treasurer than what they've been used to. Commissioner Burton said that he looks to see that the bills are paid and that the money is invested at the highest rates and borrow at the lowest. He said that he is concerned that when it comes time for the Treasurer to borrow money that she is ready to do so.

Director Clough said that she has the Northway bank checkbook and the Treasurer's signature stamp if needed but that the Deputy Treasurer is still not listed as a signer on any of the investment accounts.

Rep. Ward moved that the Treasurer be requested to place the Deputy Treasurer as a signer on all accounts no later than April 28, 2009, which was seconded by Rep. Ford. All were in favor.

Rep. Williams said there is a lot here to be desired but that the Executive Director should not be doing the job for the Treasurer.

Rep. Gionet asked if the Commissioners have brought forward what should be expected from her and Commissioner Burton said that Director Clough has tried to do that and if Treasurer Sievers spent some time here to find out what was going on it would be clear, but that hasn't happened.

Rep. Ward moved that the Treasurer present a plan for Tax Anticipation Notes, at the May 18, 2009 Executive Committee meeting, which was seconded by Rep. Gionet.

DISCUSSION:

Rep. Preston asked how much of her job description is in the RSA and Commissioner Burton said that he would have to get his book but that in the past the NHAC has run a workshop for newly elected officials, though he didn't know if that were the case this year.

RD Sharp asked to speak and was acknowledged. He said it might be best to get a hold of the constitution and RSA and read what it says about the Treasurer before making new demands that may or may not fit.

Rep. Preston said that he felt that the previous motion regarding putting the Deputy Treasurer on the accounts was fine but the TANs motion may be micromanaging.

Rep. Ward said that the idea was not to tell her how to make a plan but rather to be sure there is one.

Director Clough said that the County can not wait to have to borrow money because when it's needed it's needed. She said that with the lack of communication she doesn't know whether or not the Treasurer even understands where the County stands financially.

Rep. Mulholland asked if the Deputy Treasurer can handle the transferring money if his name is on the accounts which he can, said Director Clough.

Rep. Ford felt the motion makes the situation more imminent and that if there is no motion in place who knows how this might go.

Rep. Williams agreed that the motion should be voted on and is in order.

Rep. Gionet said that he didn't think that they should have to rely on the Deputy Treasurer to do the job of the Treasurer.

Rep. Preston asked how long it usually takes when looking at TANs and Director Clough said that it's usually looked at a couple of weeks before, which may be the beginning of July. Rep. Preston said that perhaps it's better to confront her at the next Executive Committee meeting in May, face to face. Rep. Ford said that sometimes when you are new to something creating the process takes a little longer and this motion allows her to go through the process ahead of time.

Rep. Williams reiterated that he thought this was a good motion.

Rep. Preston asked if the plan produced were to be approved by the Commissioners and not the Delegation anyway and Director Clough said the Delegation approves the amount of money and authorizes the County to borrow up to a certain amount.

Commissioner Burton read from RSA 29:8

29:8 Borrowing. – Whenever the money in the treasury of any county shall be insufficient to meet the demands upon the same, the treasurer, upon the order of the commissioners with the approval of the executive committee of the county convention, and such approval shall not be given until the treasurer has appeared in person before the committee to testify in support of any such request, may borrow such sum as they shall deem necessary for the purpose, and give the note

of the county therefore; provided, however, that if the sum to be borrowed, together with the collected taxes of the same fiscal year, shall exceed by 10 percent the total appropriations made for that year by the county convention, the approval of the county convention for such excess borrowing must be secured, unless the convention has not acted upon the appropriations for the ensuing year. Nothing in this section shall be deemed or construed as authority to exceed appropriations made by the county convention.

Rep. Gionet said he thought the motion was in order and Rep. Williams asked to call the question.

When the vote was taken Reps. Mulholland, Laliberte, Williams, Ward, Gionet and Ford were in favor. Reps. Preston and Friedrich were opposed. (Rep. Aguiar was absent from meeting) Motion passed.

Rep. Mulholland said that she will speak with Treasurer Sievers regarding the passing of the motions.

COMMISSIONERS' REPORT

Commissioner Richards reviewed items as Commissioner Cryans was away.

- Lawsuits –
- Jail Lawsuit – Appeal was filed on April 15th at the NH Supreme Court.
- Elected Officials Lawsuit – Hearing on Summary Judgment Motions will be May 22nd @ 11:00 AM.
- Total Legal Fees paid out in FY 2009 - \$265,641.95
- \$220,876.45 – Jail Lawsuit
- \$28,266.42 – Elected Officials Lawsuit
- \$16, 499.08 – General Legal Fees
- Total Legal Fees paid for Jail Lawsuit since Feb 2008 - \$335,805.78.

Water Tank Project

- Tank is on-line.
- County has had no further negotiations with WW&L
- Very little maintenance involved – being done by County Personnel who have received training.
- Contractor is finishing clean-up work and Commissioners' approved an extension of the job to finish upgrading road to the tank and re-routing road to safer entrance/exit on Route 10.

Budget –

- Commissioners have finished meeting with Department Heads
- Still in negotiation with Employees

- Public Hearing has been scheduled for May 26, 2009 @ 7:00PM
- Budgets will be mailed out to the Delegation after May 08, 2009

Jail Project –

- Core Committee met with SMRT & HP Cummings on April 10th to review proposed re-design.
- Building has been reduced by approximately 20,000 square feet of occupied space.
- There are 150 beds – 118 Male & 32 Female
- Includes re-design fees by Architect and all other associated costs. Approximate building cost is \$28.2M
- SMRT & HP Cummings will formally meet with the Commissioners on April 30, 2009 @ 10:00 AM to present this plan to them.
- Funding has been put into the FY 2010 budget to continue with re-design work.

Alternative Energy

- No information received yet regarding grant submitted to USDA.
- Looking at other sources of funding for the project
- Commissioners voted 2 -1 (Commissioners Richards and Burton) to put funds into FY 2010 budget for bonding of the project.
- SMRT has met with Dr. Phetteplace (Alt. Energy Committee member) regarding geothermal for the jail. Right now that is on hold as there are oppositional concerns and not quite enough information.

Rep. Williams asked if the geothermal study needs more tests and Commissioner Richards said that right now, Dr. Phetteplace feels there is adequate water supply but it has not been well tested. Director Clough said that first the decision has to be made whether to do a closed or open looped system and there seems to be disagreements between the two engineering sides.

Rep. Gionet asked if there were hydrology tests done and Commissioner Richards said somewhat but only comparables and that no test wells have been drilled.

Rep. Gionet asked what the operational cost of the Jail would be and Commissioner Richards said they don't have that answer yet.

Rep. Gionet asked if they were considering the geothermal without the Jail and Commissioner Richards said it is specifically for the Jail only.

Commissioner Burton said that he was in favor of anything that would get them unhitched from the powers of the Middle East.

Commissioner Burton said that there will be a Governor & Council breakfast to

kick of County Week at the Merrimack County Nursing Home on May 6th beginning at 8:00 AM.

Commissioner Burton said that he was visiting his Selectboards and invited any of the Reps. to join him if so interested.

Rep. Williams said that there has to be test wells before going any further with the geothermal. Commissioner Richards continued on with the Commissioners report.

- Spring Clean-up going on around Campus.
No official activities for County Government Week this year – Commissioners voted to donate \$2,000 to Barbara B Hill Children’s Fund vs. doing formal County Day this year.

Rep. Ward asked if the attorneys for the Jail lawsuit gave any indication of a timeline and Director Clough said that Atty. Bailey thinks that it may be wrapped up by late summer and there is a bond interest payment added to the budget. Director Clough said they are \$190K over budget for legal fees and she will be recommending that the Commissioners take that money out of the FY09 Jail bond money.

Rep. Laliberte discussed the article that was written in the Valley News regarding the legal fees and asked if anything had been done to address that. Director Clough said that she felt that the article was slanted and that the survey they did on local attorney fees was done in 2004/05. She said in her opinion the legal team has done a fantastic job and has won the cases.

Rep. Friedrich asked how much of the article was true and whether or not the County knew in advance what the attorney’s fees were going to be. Director Clough said that she did know what Attorney Bailey’s hourly rate was because the County has used this law firm in the past. Director Clough did not have any idea that this lawsuit would last as long or be so labor intensive. Director Clough added that different lawyers were used but only a few hours and in no way would they create large fees. She said that Attorney Bailey’s fee is \$290 an hour.

Rep. Ward asked what the expected cost of the appeal will be and Director Clough said she thought it would be around \$15K.

Rep. Ward passed out the original tax impact information on the Jail bond, which was given out at the Feb.11, 2008 meeting. He said that there has been a 70% increase in taxes within the last two years and he feels that is too much for the taxpayers to absorb.

Rep. Ford moved to accept the Commissioners report, which was seconded by

Rep. Williams. All were in favor.

FINANCIAL REPORT

Census at the Nursing Home is 130 and the census in-house at the Jail is 96 with 14 in the drug court program and 11 out on the electronic monitoring bracelet.

In the monthly variance report, Director Clough said that the Sheriff's revenue should self correct and that, HS will only have to pay until the cap is reached and then that figure will stabilize. Under Other, the expense is legal fees.

Rep. Gionet asked what the two people's salaries who were eliminated from HS add up to, which Director Clough estimated around \$72,554 which doesn't include benefits which are around \$30K

He asked if those two positions will be kept on the payroll and Director Clough said that one person works in HR and the other position will not be funded. Rep Gionet asked what the person in HR does and Director Clough said that she carries out the functions of HR and that she could get a job description if he would like one, which he said he would.

Prorated:

Director Clough said they are slated to receive around \$600K from FMAP funds, which she believes the state currently has. The question is how they will be distributed, be it cash or credit. The hope is that it will be in cash. There may be another \$200K for FY09 and additional payments in FY10. There is a \$1.9M undesignated fund balance.

Rep. Laliberte asked how the County is planning to use the stimulus money and Director Clough said that the FMAP money is different and comes into the state first. There is no designation or distinction as to how this money can be used. The Commissioners have not designated it at this time.

Rep. Laliberte moved to approve the Executive Director's report which was seconded by Rep. Williams. All were in favor.

Rep. Friedrich asked for clarification as to whether or not the new Treasurer invested the money appropriately. Commissioner Richards said it took time but has since been invested. Rep. Friedrich then asked if the previous Treasurer's investment at a 1% rate was deemed inappropriate, which was also questioned by Rep. Gionet. Director Clough suggested that this was in the past and that she was not privy to what other rates may have been available at the time.

Director Clough said that to say that the current Treasurer did not invest appropriately is not the right statement, adding that Treasurer Sievers did not invest the money in a timely manner as it took five to six weeks for her to do so.

Executive Committee assignments for department budget reviews are almost fully decided:

REPRESENTATIVE	DEPARTMENT
Gionet	Maintenance
Preston	Nursing Home
Ward	Jail
Ford	HS –Drug Court – County Attorney’s
Williams	not assigned
Aguiar	Sheriff/Dispatch
Friedrich	not assigned
Mulholland	not assigned
Laliberte	Deeds

Chair Mulholland recognized H. Brown who said that there were good statements made by Rep. Ford and Commissioner Burton and that it was time to extend the olive branch to the new Treasurer.

11:15 AM Rep. Ford moved to adjourn, which was seconded by Rep. Laliberte. All were in favor.

Respectfully submitted,

Phil Preston, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday May 18, 2009

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

OTHERS PRESENT: Harold Brown and RD Sharp

Rep. Mulholland called the meeting to order at 9:10 AM

Rep. Preston moved to accept the minutes from April 20, 2009, which was seconded by Rep. Laliberte.

Rep. Friedrich stated that there was information in the draft of the minutes that she felt should be removed saying that although it was an accurate account of what was said, she felt it presented the Treasurer in a negative light and didn't think it needed to be included. Rep. Ward disagreed saying that accurate accounts should not be taken out. A discussion ensued as to what everyone thought.

A motion was made by Rep. Preston who suggested that everything in the paragraph after "investment account" in the draft minutes should be removed, which was seconded by Rep. Friedrich.

Reps. Preston, Friedrich, Aguiar, Mulholland and Ford approved the removal of the wording, Reps. Laliberte, Ward and Williams opposed. The motion passed.

The Representatives then voted on approval of the minutes. Reps. Preston, Aguiar, Mulholland, Ford and Laliberte approved, Reps. Williams and Ward did not approve.

Rep. Ward then asked how the minutes from today would reflect this vote without the wording that was removed and it was decided that it would be presented as it is written above.

TEASURER'S REPORT

Treasurer Sievers informed the committee that she has gotten a second signature on all the investment accounts but one which she is having difficulty with. She said that the securitization agreements have been received and Attorney St. Hilaire is reviewing them.

Treasurer Sievers said that she discussed the TAN's with Director Clough and they will probably need to borrow around \$7M around the end of July. She said that she will be looking for an Attorney around the end of June to handle this.

Treasurer Sievers said that she would like to recommend Frank Stiegler as Deputy Treasurer for the next year.

Rep. Aguiar asked the Treasurer for information on Mr. Stiegler and she said that he was the Deputy Treasurer for the past Treasurer.

Director Clough said that the Treasurer recommends who she would like for Deputy Treasurer and the Commissioners vote to appoint the person.

Rep. Preston asked which bank Treasurer Sievers was still waiting on and she said it was Meredith Village and that somehow the information was not reaching its destination even though phone calls and emails have been sent. Rep. Laliberte suggested a personal visit to the bank when phone calls and emails don't do the job.

There was a discussion about getting bids from outside the County when it came to investing money. Rep. Aguiar suggested that better rates may be had by doing so.

Treasurer Sievers said that she considered looking into that perhaps next year and Rep. Aguiar said he for one would be in favor of that. Rep. Ward said that he was opposed to that saying that property taxes that are collected should be put back into Grafton County for the economic value and that there should be good rates that can be found here. He said it had long since been a practice of doing it this way.

Rep. Williams said that he didn't have a problem looking outside the county but this is only short time money and it was probably better to stick within the County. Rep. Aguiar said that he was aware of the tradition but didn't think that they should fall into the habit of always doing things the way they've always been done. He said that maybe the taxpayers would want to see that the County is doing the best they could with the funds.

Rep. Aguiar moved to accept the Treasurer's Report, which was seconded by Rep. Ford. All were in favor.

COMMISSIONERS' REPORT

Commissioner Cryans began by informing the committee that the Commissioner's hearing on the budget will be on May 26th at 7:00 PM in the UNH Conference Room if anyone wanted to attend.

The Commissioners will be attending a retirement party at the Nursing Home on that same day at 2:00 PM for four retirees who cumulatively have over 100 years of service.

There was another GED graduation at the Jail on the 13th for 9 graduates. This makes 44 people who have received their GED through the program, which Commissioner Cryans said was phenomenal.

On June 24th the Drug Court will have a graduation and will celebrate its second anniversary. Attorney General Kelly Ayotte will be the guest speaker. The ceremony starts at 10:30 at the Courthouse.

On May 29th at 11:00 AM there will be a hearing on the summary judgment motions in the Elected Officials lawsuit.

Nothing has been heard regarding the Jail lawsuit and the Supreme Court.

Rep. Laliberte noted the article in the Valley News about Billy the Cow and said that it made the County sound insensitive. Commissioner Cryans said that unfortunately, that is the life of an animal on the Farm.

Rep. Ward asked how many Drug Court graduates there have been and Commissioner Cryans replied two. He asked how many people are in the program and Director Clough said 15 at present. Commissioner Cryans explained how people progress in the program and the rewards and disciplines.

Rep. Ward asked when the program began and Commissioner Cryans said 2007.

Rep. Williams asked where the Jail was headed as far as the budget goes and Commissioner Cryans said that it has to be heard by the Supreme Court and he didn't really have a time table yet. Rep. Williams asked if there was money put in the budget for it this year and Commissioner Cryans said they had taken some money that was in this current budget to use for the re-design and currently have received a new estimate of around \$33M. He said they want the process to continue. There are no new positions in the budget except a part time person for maintenance.

Rep. Williams asked when the architects would be ready with the re-design and Director Clough said that if they could move forward, they could do some site work in September but the full building documents won't be ready until late fall or early winter. She said that they hope to begin construction in the spring of 2010.

Rep. Friedrich said that there may be something that the County could do to get reporters on their side.

Rep. Friedrich asked if there will be a re-vote on the Jail bond vote and Commissioner Cryans said that he didn't see why there would need to be. Rep. Friedrich said that she thought she heard Commissioner Burton say that their Selectboard meeting. Commissioner Burton said that he didn't recall saying that and didn't think there was a need for another vote.

Rep. Mulholland asked about geothermal and test drilling and Commissioner Cryans said that it is being looked into by SMRT although ultimately there will come the time when testing will have to be done to see if geothermal will even work.

Rep. Ward asked if the Jail operating budget and the bonding costs for the new facility have been revised since the reduction and Director Clough said they had not as of yet and are still working the redesign. They hope to be able to nail down all the numbers including the principal and interest by mid summer.

Rep. Ward asked about the biomass project and Commissioner Cryans said that it was originally voted on to proceed two to one and then he asked if the motion be reconsidered saying that without grant funding it just seemed like too much to ask given all the other things going on. Commissioner Richards said that after rethinking it, she agreed that maybe this wasn't the time so she voted to take it back out of the budget. Commissioner Burton stayed steadfast on his vote. She said that she was still looking for outside funding. Commissioner Cryans said that he wasn't insensitive to the issue and noted there would certainly be no grant money if in fact it did make it into the budget.

Rep. Williams said not to give up on this as he thought that there would be more stimulus money coming and that biomass at the County would keep the local wood industry busy in this area.

Commissioner Cryans said that the Commissioners had a tour of the geothermal plant at the Merrimack Nursing Home.

Rep. Ward asked how much savings there would be if the biomass was used at the Jail and Commissioner Cryans said that there would still need to be a redundant oil system for backup. Commissioner Richards said that the geothermal used in Merrimack didn't need a redundant oil system because of the number of working wells.

Rep. Preston went back to the question for the need of another bond vote for the Jail project and Director Clough said that the delegation originally voted to allow the Commissioners to spend up to \$38M and right now it is the same project so legally there doesn't need to be another vote, and that information the Director said, is a legal opinion from an attorney.

Rep. Friedrich said that she has heard a lot from constituents about going forward with this project in bad times and asked if there had been any reconsideration of the matter. Commissioner Cryans said that the reduction of the project is a response to letters that were written but stated that there is still a very real need for a new jail and he felt that the Board responded in a responsible way by asking for a reduction.

Commissioner Richards said that the costs would not be seen in the taxes for a while and deferred to Director Clough for further information. Director Clough said that they would probably bond a couple of times to spread out the impact. She said that after bonding, the first payment which would be due in six months would be interest only and then at a year it would revert to principal and interest. She said it would take a couple of years before the full impact was felt.

10:17 AM Rep. Gionet arrived.

Director Clough added that the costs for geothermal is not included in the

estimated \$33M, so that number will increase.

Rep. Aguiar said that he would like to be sure that the County took into consideration exploring all measures of conservation. Commissioner Richards said much of that had been done and that Maintenance Superintendent Oakes could supply more information on that, including the energy audit.

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

Rep. Ward offered congratulations to the Commissioners and Director Clough saying that they had a great start on the budget.

FINANCIAL REPORT

Census at the Nursing Home is 131 and the census in-house at the Jail is 103 with 15 in the drug court program and 13 out on the electronic monitoring bracelet.

Monthly Variance Report:

In the monthly variance report, Director Clough said that the Farm, Deeds and Interest were off and will finish behind in revenues. In expenses, the Drug Court will be over expended by the end of the fiscal year but Human Services has met the cap, meaning no more bills will need to be paid, and then that number will level out. Under Other, the expense is legal fees.

Prorated:

The FMAP money has been approved and will be received covering the period from Oct. 1st to Mar 31st. The County will then receive money quarterly through next year (FY2010) but it is not shown in the Commissioners budget. There is an undesignated fund balance of almost \$2.3M.

Rep. Ward asked about pro-share money and Director Clough said she didn't know if it would be received but had heard that the increase in bed tax payments will reduce the pro-share dollar for dollar.

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

Rep. Mulholland recognized Haverhill citizen Ron Willoughby who asked to address the committee.

Mr. Willoughby asked that the County reign in their spending and questioned the need for continuing with the Farm as it loses money. He then listed items he would like to see:

- All contracts should be put out to bid and the County should accept the lowest bidder regardless.
- There should be minimum project spending and anything over that should go to the voters to agree on.
- There should be complete and honest explanations of planned projects including cost of maintenance once complete, administrative costs, etc.
- There should be an obligation to the taxpayers.

Mr. Willoughby commended the reduction of the Jail.

He stated that the middle class is being wiped out and this has to stop. He said everything rides on the backs of the taxpaying property owners. He suggested allowing gambling in the state and said that he was in favor of a sales tax but not an income tax.

He said that the legislators could either be a part of the solution or a part of the problem and asked for more fiscal restraint.

10:36 AM Rep. Ward was excused.

Commissioner Burton said that he and Senator Reynolds were sponsoring a meeting on the state budget at Glencliff home for the elderly beginning at 7:00 PM this evening.

Rep. Aguiar said that times are frustrating for everyone who pays taxes including everyone in the room.

Rep. Mulholland thanked Mr. Willoughby for his observations.

Director Clough said that the delegation meeting to approve the budget was set for June 29th at 10:00 AM.

The committee discussed when they would be presenting their overview of the Departments budgets. It was decided that meetings would be held on Monday, June 8th, 15th and 22nd for committee members to present their reviews.

There was a discussion as to how the process works.

11:10 AM Rep. Preston moved to adjourn, which was seconded by Rep. Ford. All were in favor.

Respectfully submitted,

Phil Preston, Clerk

EXECUTIVE COMMITTEE FY10 BUDGET REVIEW

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday June 8, 2009

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

OTHERS PRESENT: Robert Bleckyl-Caledonia Record, Sheriff Dutile, Director Andross, Supt. Oakes and RD Sharp

Rep. Mulholland called the meeting to order at 9:16 AM

SHERIFF DEPT ~ Rep. Aguiar (Sheriff Dutile and Director Andross present)

Rep. Aguiar passed out handouts for each Department he reviewed wherein he had chosen key items for review.

Rep. Ward questioned the overtime for Deputies saying that line shows that it is only expended \$6500 per quarter and is now being budgeted at \$9000 per quarter, though he was not questioning the workload of the Department. Sheriff Dutile said that some of that is due to step increases and the COLA and that the hours do go up in the summer.

Rep. Aguiar questioned why the bailiff line is listed if it is reimbursed and Director Clough said that it is a wash item as opposed to the special duty line which the County makes money from. She said that the auditor suggested it be kept that way. Rep. Aguiar asked why the Forest Patrol isn't done that way and Director Clough said it probably could be.

There was a question about the variance in the Sheriff's salary and Director Clough explained that much of that has to do with it being voted on in a calendar year and that last year's figure included longevity. She added that now there is a separate longevity line. The salary stated now is exactly what was voted on by the Delegation in 2008.

There was a question regarding whether or not the social security and workmen's compensation figures were right and Director Clough said that they are calculated by classification, law enforcement being a high classification, and talked about how the payments are made.

9:45 AM Rep. Williams arrived.

Sheriff Dutile noted that the state has negotiated a gas cap in the amount of \$2.09 which should help greatly.

There was a discussion about the General Liability Insurance increase and Director Clough said that the County had looked into insurance with Primex, as the nine other Counties carry insure with them, and found that they were comparable to LGC, which is the County's carrier.

There was a discussion about the increase in retirement and Rep. Ward suggested that the increase is higher than the salaries. Director Clough said that retirement costs have gone up from 8.74% to 9.09% for group I and 11.84% to 12.68% for group II, which is what Deputies are. Full time special duty is included in those figures too.

Rep. Aguiar said that the Sheriff's budget showed a modest increase of 1.9%.

Rep. Gionet asked why the County is on a fiscal, not calendar year. Director Clough said that seems to be the biggest problem for Maintenance because of capital projects but that all the benefits are on fiscal and it is the same schedule as the state which makes it less difficult to adjust to changes. She said that in her opinion, it works well.

DISPATCH ~ Rep. Aguiar

Rep. Aguiar went over the Dispatch budget and there was a discussion about the telephone lines. Director Clough said that the County gets one bill and then it is allocated out to the various departments. Director Andross said that there are also 911 calls, mobile calls and the alarm calls which are tied into his telephone fees.

Dispatch showed a decrease of .56%

10:06 AM Commissioner Burton arrived.

Rep. Friedrich questioned the cost the CodeRed system and wondered why it was included in the capital expense and asked if this truly was a capital expense. Director Andross said that when doing the budget, this was explored and yes that it is a "one time per year expense". He said if it ends up being a long term thing then it should be put into the operating budget.

Rep. Friedrich suggested that this is not a tangible item which is purchased, such as equipment, and therefore should not be considered a capital item. Director Andross discussed possibly moving it to a capital reserve expense account.

Rep. Aguiar questioned what qualified as full time. Director Clough said that 35 hours qualifies as full time. Sheriff Dutile said that law enforcement and firefighters can work 42 ½ hours and be considered full time with no overtime pay.

SHERIFF DEPT. REVENUE ~ Rep. Aguiar

Rep. Aguiar reviewed the Sheriff's revenues which are up.

Rep. Ward questioned why the special duty numbers are not budgeted and the Sheriff said there is no concrete way of doing it and that the amount only shows as profit. Director Clough said that it's not meant to be carried forward into the general fund but to be used as a special fund for the needs of the special duty assignments, which was voted on by the delegation some years back.

There was some discussion about the alarm monitoring services and Director Andross said that amount may increase with more subscribers coming on board. There could also be more income with the increased number of writs served.

SHERIFF CAPITAL EXPENSE: ~ Rep. Aguiar.

There will be only one new cruiser purchased as opposed to the usual three.

10:40 AM Rep. Ford was excused.

Rep. Aguiar said that he felt that the Sheriff/Dispatch budget was pretty lean and didn't see areas to reduce any further.

Rep. Aguiar said that he was philosophically opposed to elected officials receiving longevity and that the committee should address longevity as a whole. He said that he would be recommending an increase in the Sheriff's salary in 2010 as comparably he is lower than other Counties. He added that personally he feels that longevity should be done away with.

MAINTENANCE ~ Rep Gionet (Supt. Oakes present)

Rep. Gionet began with the Supt. salary which has been moved up one grade per recommendation of the wage consultant though added that he was not a proponent for merit increases and longevity.

10:55 AM Commissioner Burton was excused

It was noted that contract service costs have been reduced which is due in part to the Supt. looking for better values.

There was a discussion about taking care of items which would make the County more energy efficient.

Supt. Oakes noted that the fuel bid was locked in early this year at \$2.17 a gallon as opposed to \$3.88 last year which contributed to the largest reduction in the Maintenance budget.

Supt. Oakes said that the new ozone laundry system in the Nursing Home will hopefully result in a 40 gal a day fuel reduction.

The total Maintenance budget, which is not listed due to it being allocated out to all departments, is \$1,724,160, which is a decrease of \$105,495 from last year, or (6%).

There was a brief review of the capital expense budget.

Rep. Gionet touted the exceptional work that Supt. Oakes does for the County.

Rep. Gionet said that he wanted it noted that the County has the potential for their own water source across the road.

DEEDS ~ Rep. Laliberte (RD Sharp was present)

Rep. Laliberte reviewed the revenues and thought that they were a bit low but deferred to RD Sharp and the Commissioners decision.

Rep. Ward suggested that he thought the revenue could be a little higher than what was budgeted.

RD Sharp had presented a revised budget sheet which took into account the grade increase for the Deputy Register. Rep. Laliberte and RD Sharp also made specific reductions to other line items which resulted in a total budget of \$572,543 which is a \$34,322 reduction from last year.

Rep. Friedrich asked why the lease with Connor & Connor isn't also considered a capital expense like the Dispatches 911 system. Director Clough said that the Sheriff decided to put CodeRed in the capital expense budget but it can just as easily be moved to their operating budget.

There was a brief discussion about the repair of books whose amount is being paid for monthly.

In regard to the new equipment fund, RD Sharp said that the money is not for new equipment but rather for replacement of equipment that breaks.

Director Clough said that the delegation will be asked at their meeting on the 29th to approve that \$4867 be expended from the Deeds surcharge account. This money will be used for new computer equipment in the viewing room.

Commissioner Cryans said that when they looked at the Deeds revenue a few months ago the numbers weren't as up to date as they are now and things weren't looking as positive. He said that perhaps adding another \$50K would be appropriate.

Commissioner Cryans discussed how the department heads were asked to bring in their request and that the Commissioners then take it from there. They were asked to try to bring in a level budget but the Commissioner said, it was important to be able to offer the same services, have the same projects and do the same jobs while also preserving jobs.

Rep. Mulholland suggested approving the minutes from the last Executive Committee meeting at the next budget meeting on the 15th.

12:17 PM. Rep. Laliberte moved to adjourn which was seconded by Rep. Preston. All were in favor.

Respectfully submitted,

Phil Preston, Clerk



EXECUTIVE COMMITTEE FY10 BUDGET REVIEW

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday June 15, 2009

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

OTHERS PRESENT: Rep. Ladd, FM Kimball, Supt. Libby, Atty. St. Hilaire,

Ofc. Mgr. A. Farina, HSA Bishop and ITM Ruggles.

Rep. Mulholland called the meeting to order at 9:10 AM

FARM: Rep. Mulholland (FM Kimball present)

Rep. Mulholland reviewed the Farm budget. FM Kimball said he has cut the herd by ten cows and will be cutting another ten in the upcoming budget. The capital expenses have been reduced from last year but a new, used Farm truck will be purchased.

Revenues are down due to the price of milk and in FY10 milk is budgeted at \$15 per 100# weight.

The Farm will be increasing the number of piglets which are currently being sold at \$65 each.

There will be no wood for sale this year.

Rep. Preston asked about the wood and FM Kimball said that there would probably not be a wood cut this year and he didn't think the farm made that much money on it anyway.

Rep. Williams asked how many inmates are used on the Farm and FM Kimball replied that he usually has five inmates in the barn and an additional four, five days a week. While they were haying they had eleven inmates with them. There is one inmate used at the Farmstand and inmates are also used for picking crops.

Commissioner Cryans said that Supt. Libby had provided them with a list of inmate hours calculated at an hourly wage of \$7.25 for the work. The following are totals for an 11 month period:

Milk/Haying/Chores etc.

19,438 inmate hours @ \$7.25 = \$141,000

Rep. Williams suggested that with that figure, it costs about \$400K to run the Farm.

Rep. Friedrich said that she wanted to note that even if milk were up to \$20, the Farm would still be losing money.

Rep. Williams asked if the Farm would ever be on a pay as you go basis or will it be at a cost every year. FM Kimball said that that in the twenty-eight years that he has been on the Farm, it has only made money perhaps ten of those years. He said that he is working to produce more revenue by cutting back on the milk production and adding more crops.

Rep. Preston asked when the last time was that the cows were grazed and FM Kimball said the mid 1980's. He said that they stopped because of the loss of land to do so. He said grazing was more productive because the milk production

came from the food on the land. Right now he has 25 acres of crop land.

Rep. Aguiar questioned how the Farm is covered regarding man hours and FM Kimball explained.

Commissioner Richards talked about the return to the land movement and niche marketing and the possibility of changing the Farm.

There was a discussion about inmate supervision.

Rep. Williams said he supports progressive changes to the Farm.

COUNTY ATTORNEY ~ Rep. Ford (Attorney St. Hilaire present)

Rep. Ford did a breakdown of the Atty's Office and said that there was \$12K less in personnel costs.

Next was the Violence Against Women Act budget which is funded primarily by a grant. Atty. St. Hilaire spoke briefly about this program and how it ties in with the Victim Witness program, which is also additionally funded by grant money.

Atty. St. Hilaire discussed the rise in crime rates which equate to more cases. He said that coming in with a level budget this year was very difficult but said they can likely manage for a year.

The medical referee line was discussed which is out of the control of the County. Atty. St. Hilaire discussed how autopsies are determined, which is by the state, and that each time a medical examiner is called in, the County pays a fee. The state pays for the autopsies.

Rep. Preston asked Atty. St. Hilaire his opinion on gambling coming into the state and he said that he was very opposed to it, stating crime and other additional costs. Rep. Gionet said he was sorry to hear that as he was in favor of it bringing in new revenue.

There were discussions between those who agreed and disagreed.

Rep. Ladd asked how the reduction in police officers affect the Attorney's Office and Atty. St. Hilaire said that he would probably not even see certain cases.

There was a discussion about the Child Advocacy Center and the work they do.

Rep. Williams asked how many police officers were needed per capita and Atty. St. Hilaire said he wouldn't know that and referred the Representative to the Chief's of Police for that answer.

There was a discussion about the investigative services and Atty. St. Hilaire said that the hours had been cut back but that person has done an incredible amount of work and has been a great help.

Rep. Mulholland thanked Atty. St. Hilaire for being such a wonderful attorney and then asked why he wanted that job. He replied that he was proud to be a prosecuting attorney and is very grateful to his staff and all their hard dedicated work. He did add that wavering County pay scales lead to attorneys that tend to wander and that right now Grafton County is competitive but is degrading and he thinks that is due in part to the economy.

CORRECTIONS ~ Rep. Ward (Supt. Libby present)

Rep. Ward began by noting that Supt. Libby had a \$43K budget increase adjustment from last year which came from an error in calculations.

There was a discussion about the GED instructors and Supt. Libby said that last year the State stopped funding special education. He then requested that the Commissioners fund the line for GED instructors, which they did, and this has resulted in 44 inmates receiving their GED thus far. He said that increased education leads to a lower recidivism rate which is far greater than the state's. So far only 3 out of 44 people who have received their GED have returned to Jail. He said that there will be arrangements to do some job planning in the new facility.

The cost of meals has been reduced by .50 each which is due to a collaborative effort between the Nursing Home Administrator and Supt. Libby.

The Jail is now doing their own laundry in the female section. Washers and dryers have been put in and there is a reduction in laundry fees which are done at the Nursing Home. The new facility will have washers and dryers in both the men and women's section.

There was a discussion about the reduction in the cost to medical/dental and Supt. praised his medical coordinator saying that having her there has made a big difference. She now monitors the inmates and the facility is non-narcotic medications only.

There was a discussion about stainless steel toilets that were purchased and Supt. Libby said they could be sold or perhaps installed in the new facility, and that they were purchased to have on hand when needed.

COMMUNITY CORRECTIONS

Supt. Libby explained that Community Corrections handles Drug Court supervi-

sion, electronic bracelet monitoring, work release, community work program and operation impact.

There was a discussion about electronic monitoring and the role that the police departments play in the program.

GOVERNORS COMMISSION GRANT

This grant covers a substance abuse counselor and funds consultants (Headrest) This year the grant was cut down to \$69K and the Commissioners have agreed to budget funds for remaining amount to level fund from last year. Supt. Libby said that the State confiscated the money which comes from the sale of alcohol and is supposed to be used specifically for this program. The County will be funding approximately \$12K for this program.

CORRECTIONS REVENUE

Rep. Friedrich wanted it noted that she opposed the County making money off of inmates and specifically their use of the telephone. She also opposed charging inmates for the electronic bracelets. Rep. Ward said that the bracelets were an elected benefit and that inmates did not have to participate if they chose not to. Rep. Ford suggested looking at it as monitoring fees. Supt. Libby said that fees are always charged which include medical co-pays and such. Fees are resource based.

11:15 AM The Executive Committee took a brief break

11:25 AM The Executive Committee resumed their meeting.

HUMAN SERVICES ~ Rep. Ford (HSA Bishop was present)

Other than personnel costs this budget is primarily mandated by the state. At present there is only HSA Bishop in this department as the responsibilities have diminished in the way of juvenile care.

Incentive funds are now going to be taken over by the State as well and are no longer being done by the Counties. Rep. Ford said that she sees this as a huge issue particularly for Coos and Grafton County and she wanted the other Representatives to be aware of it. Rep. Williams said that he is sorry to see that they have lost local control.

HSA Bishop explained how incentive funds were done before and how they will now be done.

There was further discussion about this issue.

HSA Bishop said that she sent letters out to all the agencies that had applied to the County so that they would be informed.

Commissioner Cryans said that with it being done by the state, he can't see the money getting disbursed on a local level as it had in the past nor coming back to Grafton County. Rep. Ford suggested keeping an eye on it.

Rep. Williams asked what HSA Bishop now handles in the department since many of the responsibilities have been eliminated. She replied that she process some bills, still does some administration for the current incentive funds and that she is also working with the Executive Director on some special projects.

12:00 PM The Executive Committee broke for lunch.

12:18 PM The Executive Committee resumed their meeting.

IT DEPARTMENT ~ Rep. Mulholland (ITM Ruggles present)

Rep. Mulholland said that the Commissioners approved increasing the part-time person from 20 hours to 32. She said that the IT budget is similar to the Maintenance budget in that it allocates out to all the other departments. She said that given the size of the campus and the amount of technology, this department is stretched.

The T-1 line that was used through UNH to operate the internet has been removed from use and ITM Ruggles had fiber optic run in order to use Charter Communications. This has saved the County approx. \$350 a month.

ITM Ruggles discussed all the things he has implemented including free office software which saves on licensing.

Rep. Ward asked about contracted services and not having that line expended. ITM Ruggles said that there is still a plan to do the project, which is running more fiber optic lines over to the Sheriff's Dept. He said that he will ask to encumber the money. Rep. Ward asked if he was planning to add more money to that line and ITM Ruggles said that he was and that this was planned to be a two year project but lack of time due to other issues has prohibited him from getting to it this year however.

Rep. Williams asked if outside contractors had been reduced since his arrival and he said that his department has replaced the need to have most of them.

Rep. Ward asked about costs in the repair and maintenance line and ITM Ruggles said that a large amount was put in that line for repair on some laptops that the Sheriff's Dept has and whose warranties had been exhausted.

ITM Ruggles asked that the committee bear in mind that the IT Dept. is fairly new and that he is still finding his way.

Rep. Mulholland said that she is still of the mind that the part-time person be made full time and thought that the cost of that would be an additional \$28K.

Rep. Williams moved to approve the minutes from May 18, 2009, which was seconded by Rep. Aguiar. All were in favor.

12:45 PM Commissioner Richards was excused.

Rep. Williams moved to approve the budget minutes from June 8, 2009, which was seconded by Rep. Preston. All were in favor.

OTHER BUSINESS

Rep. Gionet had a question about one of the Commissioners' meeting minutes regarding something that the NH Administrator has said. Director Clough said it had to do with the Medicaid auditor and the Administrator's opinion of that person.

Rep. Gionet then questioned another issue about retirement and Commissioner Cryans said that he would prefer to address that next week after the matter had been dealt with as it was a personnel matter that the Commissioner did not feel was appropriate to discuss at this time.

Rep. Aguiar stated that he was uncomfortable about people going on and giving glowing accolades to a department head during the presentation. He said they were there to deal with the budget and didn't think this was the appropriate place for it.

Rep. Aguiar also stated that there is money in the budget for the County Attorney's longevity and that he had not been a previous employee of the County. In the past it was explained that some of the elected officials received longevity because they were employees of the County prior to their being elected. He said that there were a number of practices that the County engaged in that he did not care for and that just because it had been done in the past did not mean that it needed to continue.

There was a discussion about longevity for elected officials and longevity for regular County employees.

Commissioner Cryans said that he was in favor of longevity and that it allowed the County to reward people who have been here over six years. He said that there are 250 employees who have been with the County four years or less. He said this issue has come up every year and either you love it or you hate and he was aware that Rep. Aguiar didn't like it.

Rep. Aguiar said that he understood there was going to be a report on longevity, although he has not seen one.

There was a discussion about what authority the delegation had and whether or not it was within their power to eliminate longevity. Director Clough said that the delegation has control over the final budget but that they do not set or control policies. She said that if the delegation chose to eliminate the total amount for longevity, the Commissioners at their discretion, could remove that amount from other areas and still give employees longevity.

Commissioner Cryans said that his concern was for the regular employees but if the delegation wanted to eliminate longevity for elected officials that would be fine with him. Rep. Williams thought there should be a discussion about longevity for elected officials.

Rep. Laliberte asked what other Counties do in the way of longevity and Commissioner Cryans said that he did not know.

Commissioner Cryans said that it would not seem fair to anyone currently in the system to be affected by this. Rep. Aguiar said that he thought there was a place for longevity with someone who was maxed out with no further possibility for pay, but not other than that.

Director Clough informed the committee that the Commissioners voted to increase the Deed's revenue line for fees by \$50K

Rep. Ward asked Director Clough for information for next meeting including the amount of the undesignated fund balance, stimulus money status and the new Medicaid rate.

Rep. Ward asked the committee if everyone was in agreement with leaving \$1 in the incentive fund line in the event that the incentive fund money does come back to the County, which they all agreed upon.

1:11 PM. Rep. Ford moved to adjourn which was seconded by Rep. Gionet. All were in favor.

Respectfully submitted,

Phil Preston, Clerk

EXECUTIVE COMMITTEE FY10 BUDGET REVIEW

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday June 22, 2009

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

OTHERS PRESENT: (at various times) H Brown, RD Sharp, HSA Bishop, K. Jablonski, M. McLeod, NHA Bolander, Supt. Libby, Dir. Andross and Lt. Morris.

Rep. Mulholland called the meeting to order at 9:05 AM

Rep. Ward prefaced the meeting by saying that the equalization numbers show a reduction of 2/100 of a point which is good news. He added however, that will only get worse in the next couple of years.

NURSING HOME ~ Rep. Preston (NHA Bolander was present)

Rep. Preston said that the NH revenue was up 3.4% and the total revenue for all departments was down 1.1%.

Proshare and FMAP monies are not included in the revenues.

Medicaid reimbursement rate will be increasing \$3.61, and that money has not been calculated into the revenue.

9:15 AM Rep. Aguiar arrived.

The Nursing Home retiree health insurance has been moved from the Commissioners budget into the Nursing Home which will allow the NH to put it on their cost report. Hopefully this will affect the reimbursement rate in the future.

Adding this to the NH budget creates a 10.7% increase for the Administration budget.

9:20 AM Rep. Friedrich arrived.

Rep. Preston then reviewed the other departments within the Nursing Home.

Knowing that longevity has been a talking point, NHA Bolander wanted to note that longevity is a very large reason why people stay at the County. She said that nurses can opt to go wherever they want and the benefit package which includes longevity is a consideration. She said that losing good nurses has an effect on the overall standing of the nursing home which so far has been very good. She said she would hate to see that end.

There was a discussion about the probability of stimulus money coming in and NHA Bolander said that long term health care is at the bottom of the list.

It was noted that the Laundry and Housekeeping departments have merged into one department, Environmental Services, in an attempt to be more efficient. There was a discussion about the need for new equipment since there was no request for any and NHA Bolander said that when preparing the budget, it was strongly suggested that no new equipment be requested. She added that she thought they would be alright with what they had for now.

NHA Bolander passed out information showing how revenue is determined.

Rep. Gionet asked NHA Bolander to clarify her comment during a Commissioners meeting regarding the Medicaid auditor and she explained the reasons why she thought that person was unprofessional which included spending a lot of time discussing personal matters.

There was a question about the DoC taking over doing their own laundry and NHA Bolander said that the Jail is doing their own personal items but the NH still does some other things for them.

UNH COOPERATIVE EXTENSION ~ Rep. Friedrich (K. Jablonski & Rep. M. McLeod present)

K. Jablonski who is the Office Manager for UNHCE began by saying that this department is funded in part by the County, UNH and some grant money.

Rep. Ward questioned why money was being encumbered for special projects which K. Jablonski said was for a position that works under the Master Gardeners. He questioned why more money was then being put in on top of the encumbered money and K. Jablonski said it was needed to run the program.

K. Jablonski also stated her opinion that longevity is important.

The ATM line has been reduced due to the IT Manager setting up a different structure; however, there will remain a connection to the UNH learning network which K. Jablonski said can be used by other County personnel.

Rep. Martha McLeod is now the chair of the UNHCE advisory board and said that the advisory council advocated for the hiring of a new forester and agriculture agent after the other's retired because of the need and use in the County.

There was a discussion about certain items being in the capital expense budget rather than individual budgets.

DRUG COURT ~ Rep. Ford

There has been a large increase in treatment services as the program has been increased to accommodate up to 25 participants. At this time there will be three graduates since the program began.

Rep. Ward asked about the evaluation process saying that three graduates at a cost of \$50K per year seems like a lot of money. Commissioner Cryans said that B. Muh has a model of the evaluation program and there was further discussion as to how the program works.

There has been no grant money obtained for this program and it was noted that this budget is very young and it has been quite difficult to determine the actual costs.

SOCIAL SERVICES ~ Rep. Williams (HSA Bishop was present)

Because the VNA will no longer be providing services for family support, the money that was originally budgeted will be transferred over to the Diana Love Center who will be picking up that service. Other adjustments were made due to that change, however, there is no effect to the bottom line of the budget \$582,350., but rather just a shifting of monies to different agencies.

Rep. Williams noted that Grafton County was one of the few Counties that support social service agencies and he feels that it is money well spent.

C. Swart is the consultant for the Commissioners and reviews each agency then supplies a report to the Commissioners. Rep. Williams recommended that this budget remain as is saying that it was a good budget.

HUMAN RESOURCES ~ Rep. Friedrich

HR Director Mann was unavailable to consult with Rep. Friedrich so Director Clough gave an overview.

Director Mann will be retiring as of July 1st, so there needs to be some changes to the budget. Director Clough said that Mann's payout will come out of this budget so the salary line may increase. She said however that the longevity line will decrease.

There was a question about HR Mann coming back to work after retiring and Director Clough said that the retirement system has dictated she can not come back to work once she is retired.

There was a discussion about hiring and the timing of that and Commissioner Cryans said it could take anywhere from one to three months.

Rep. Aguiar asked about a retired and then rehired person here at the County and Commissioner Cryans said that this is a personnel issue that is being handled through the Board of Commissioners. He said that the retirement system has informed the Board as to how they believe this should be handled and there is a process underway. He noted that he didn't view this as a major tax issue for people but more of an issue for the person going through it.

Rep. Williams asked what the retirement policy is and Commissioner Cryans explained that a person can not come back to work under the same conditions and draw retirement pay at the same time.

Rep. Aguiar asked why this wasn't looked into at the time of retirement and Commissioner Cryans asked why they should have since it seems to be done all around. He said it was easy to look backward and ask why but he is still under the impression that the County did nothing wrong in this matter.

Rep. Ward said that historically you could not retire from one position and then come back with the same position.

Rep. Williams said that he didn't think that the Commissioners did anything that he wouldn't have done in the same situation.

Rep. Gionet asked if perhaps there should be a question about the person's credibility and Commissioner Cryans said not at all.

Director Clough continued on with HR budget saying that one of the HR Clerk positions had been eliminated and that drug testing, which is done for all new employees, is now going to be done in-house which saves money.

There was a lease on a copier and Rep. Friedrich said that it would be helpful to keep continuity throughout the budget by putting leases in the same areas.

COMMISSIONERS' OFFICE ~ Rep. Williams

Director Clough reviewed the Commissioners Office budget saying that it had been reduced 1.46% and that she tried to cut as many items as possible. The travel line for the Commissioners had increased.

Director Clough then reviewed the following budgets as well

- Treasurer
- GCEDC
- NCC
- Wage & Benefits
- TANS
- Bonded Debt
- Jail Capital Improvement (money will be encumbered from FY 2009)
- Contingency
- Unemployment Insurance
- Other

- Delegation (which has increased)

Rep. Williams asked Director Clough for an overview of the fiscal budget in her opinion. She said that this budget was a lot of hard work for everyone and that she along with the department heads feel that eventually these cuts will catch up with everyone. Her concerns are that in 2011 the long term cap on healthcare will go away, leaving the County with significant increases.

Rep. Ward said that they need to be aware that they will begin to see a decrease in equalized values which could be 20-30%, which will mean a huge increase in taxes.

Director Clough said the projected surplus will be around \$2.9M with pro-share money expected at \$606,895. FMAP money will be about \$432K and that the state is taking about 17%. Director Clough said that no FMAP funds are accounted for in FY10.

There was a discussion about the incentive funds and the take over by the state of those funds.

12:00 PM the committee broke for lunch.

12:27 PM the committee resumed the meeting.

Rep. Williams moved to approve the FY10 Grafton County budget in the amount of \$32,657,053 with the amount to be raised by taxes at \$18,707,142, which was seconded by Rep. Preston.

Discussion:

Director Clough pointed out that the Commissioners had voted to increase the Deeds revenue to \$750K. Rep. Preston asked what prompted the change and Commissioner Cryans said that the Board felt that the number was a little too conservative and that after listening to Rep. Ward talk about the real estate market, they agreed it would be feasible to do so.

Rep. Ward said that he had some motions and asked Chairman Mulholland how they should be handled. Rep. Mulholland said there was currently a motion on the floor and since there would be a change in the Deeds budget, there would need to be an amendment.

Rep. Williams and Rep. Preston withdrew the original motion.

Rep. Williams moved to approve the FY10 Grafton County budget at \$32,535,765 with \$18,657,142 to be raised by taxes, which was seconded by Rep. Preston.

Rep. Laliberte moved to amend the motion and increase the expenses in the

Deeds department by \$995 which followed the recommendations made at the time of her presentation of the Deeds budget, which was seconded by Rep. Ford. Rep. Williams opposed, Reps. Gionet, Laliberte, Mulholland, Preston, Friedrich, Aguiar, Ward and Ford were in favor. Motion passed

Rep. Ward moved to fund longevity at 50% of the current amount, which was seconded by Rep. Aguiar.

Discussion:

Rep. Ford asked if this was contractual amount agreed on by the Union and Director Clough said that it was. Rep. Ward said that this would only be for those who are not Union contracted and who are maxed out. Rep. Laliberte commented that this would not be fair to those who are not under contract saying it could cause protest and should be all or none. Rep. Ward said this was only a budgetary action. Commissioner Cryans said that he is also opposed to this and said that if they wanted to end this practice, it could be done with new hires. He said that this will cause turmoil if this is taken away and noted that not all County employment is high end and that some people live paycheck to paycheck.

Rep. Aguiar asked if this passed, would the Commissioners follow through on the motion and Commissioner Cryans replied that it would be an abdication of the Board of Commissioners authority to do so and said that he felt it was a good program. Rep. Aguiar said that amount of longevity has increased over the years and has become significant. Director Clough said that the Collective Bargaining unit's longevity has increased to \$100 this FY.

Rep. Ford said that she feels it is an important benefit to the continuation of service which, if taken away, could lead to loss of personnel.

Rep. Preston said he didn't think this was the time to be reviewing this and that if the Delegation chooses to try to influence this policy, it should be done at another time.

Rep. Williams said to take it away for some and not for others sends a poor message although he does agree that the policy should be reviewed.

Director Clough explained the Union/Employee Council negotiation process. Commissioner Cryans said that on the other hand, the County have negotiated to increase contributions that the employees pay for health benefits in the past and changed the health insurance benefit. He added that the private sector is able to give bonuses.

Rep. Aguiar said that there is a place for longevity which is when an employee is maxed out on the wage scale. He said that what the County is doing is giving out \$100K in Christmas bonuses.

Rep. Laliberte said that what the County is doing by offering this benefit is

retaining long term knowledge.

Rep. Ward said that he is looking at this because of the economy and he went on to discuss the tax increase that the taxpayers will be paying.

Rep. Aguiar asked when the delegation can recommend that the County cease longevity and Director Clough replied that the delegation does not set policy so it can be recommended at any time.

Rep. Friedrich asked if the County could just add more steps and Commissioner Cryans said that would be a far more costly venture. Rep. Friedrich said that she is opposed to a two tiered system but not opposed to it beginning with new hires.

Rep. Preston moved to call the question which was seconded by Rep. Ward. All were in favor.

The vote was taken to fund longevity at 50% of the current amount. Reps. Gionet and Ward were in favor. Reps. Laliberte, Williams, Mulholland, Preston, Friedrich, Aguiar and Ford were opposed. Motion does not pass

Rep. Williams commented that this is something that needs to be considered next time.

Rep. Aguiar moved to encourage the Commissioners to cease and desist the practice of longevity. Rep. Preston said this was non germane to the motion on the floor.

Rep. Ward moved to not fund the Cost of Living Adjustment in the budget, which was seconded by Rep. Aguiar.

Discussion:

Rep. Ward said that his community did not fund a COLA and having a COLA and step increases is too much.

Rep. Preston said that he sees this as another decision by the Commissioners and it is not in the control of the delegation. Rep. Mulholland asked if the Union had agreed to this as a negotiation and Director Clough said they did. Rep. Laliberte said just as in the longevity, she would not agree to a two tier system.

Rep. Preston moved to call the question, which was seconded by Rep. Ward. Reps. Gionet, Laliberte, Williams, Mulholland, Preston, Friedrich, Ward and Ford were in favor. Rep. Aguiar opposed.

In the vote to not fund the Cost of Living Adjustment in the budget, Reps.

Gionet and Ward were in favor. Reps. Laliberte, Williams, Mulholland, Preston, Friedrich, Aguiar and Ford were opposed. Motion does not pass.

Rep. Ward moved that the Deeds revenue be increased to \$875K, which was seconded by Rep. Ford.

Discussion:

Commissioner Cryans said he would be concerned about that number but if the Register of Deeds agrees than he would defer to him. RD Sharp said it could be done.

Williams moved to call the question which was seconded by Rep. Ford. All were in favor.

In the vote to increase the Deeds department revenue to \$875K, Rep. Mulholland was opposed and Reps. Gionet, Ward, Laliberte, Williams, Preston, Friedrich, Aguiar and Ford were in favor. Motion passes.

Rep. Ward moved to add \$10K each to the revenues of the Sheriff, DoC, Interest, and Div/Misc. category, which was seconded by Rep. Williams.

Discussion:

Rep. Ward said he had reviewed the numbers and said they are already over revenue at this point. Rep. Preston asked where the numbers came from that Rep. Ward was proposing. Commissioner Cryans said that he hadn't heard about the department heads being talked to about increasing these numbers and said he was particularly concerned about the interest saying there was no way to gauge that.

Rep. Williams said that it's only a \$40K increase and doesn't seem like it will make that much difference to add those figures in.

Director Andross said that the revenues have been looked at very closely and have been given as a best projection. He said the department will try to work with whatever number is given but feel that what is there is already a good number.

Supt. Libby said that 50% of his revenue is grant money which has already been cut so he didn't know where that money would come from.

Rep. Preston said that he feels that the \$40K is an arbitrary number.

Rep. Laliberte moved to call the question which was seconded by Rep. Williams. All were in favor.

In the vote to increase revenues \$40K, Rep. Gionet, Aguiar, Williams and Ward were in favor and Reps. Laliberte, Mulholland, Preston, Friedrich and Ford were opposed. Motion does not pass.

Rep. Ward moved to add \$500K of revenue to the Nursing Home from the FMAP funds, which was seconded by Rep. Aguiar.

Discussion:

Commissioner Cryans said that he was a little concerned about doing that as it might be only one time money which would throw things off the following year.

Rep. Preston agreed that it shouldn't be done.

Rep. Ward said that the money should be used to offset expenses.

Rep. Williams asked if the FMAP money has to be spent and Director Clough said that it did not and that this money is going away in 2011. There was further discussion about stimulus money.

Commissioner Cryans said that he felt that they had brought forth a good budget. Rep. Ward said that taxes have been raised 70% in the last two years that include the water tank bond and the Jail bond and he said that the tax payers needed a break and to not use the stimulus money to handle expenses is just hoarding cash.

Commissioner Cryans disagreed with Rep. Ward and noted that not a large percentage of County taxes show up on a bill. He said that the Jail had been downsized in response to the taxpayers.

Rep. Williams moved to call the question which was seconded by Rep. Ford. All were in favor.

In the vote to add \$500K of FMAP money to the Nursing Home revenue, Reps. Friedrich, Gionet, Ward and Williams were in favor. Reps. Laliberte, Mulholland, Preston, Aguiar and Ford were opposed. Motion did not pass.

Rep. Ward moved to use \$500K of Pro-share money as revenue in the Nursing Home budget, which was seconded by Rep. Aguiar.

Discussion:

Rep. Ward said that in the past the pro-share monies have not been used as revenue. These monies have been in place for many years and has not been used to reduce expenses.

Rep. Mulholland asked where the past pro-share money went and Director Clough said that it became part of the surplus. Rep. Ward said that it's like not actually counting the money and should be used for the benefit of the taxpayers. Commissioner Cryans said that he was concerned as to how they would calculate the money. Director Clough said it is used as surplus to offset the taxes which is a benefit to the taxpayers.

Rep. Williams moved to call the question, which was seconded by Rep. Laliberte. All were in favor.

In the vote to add \$500 of pro-share money as revenue in the Nursing Home, Reps. Gionet, Williams, Friedrich, Aguiar and Ward were in favor. Reps. Laliberte, Mulholland, Preston and Ford were opposed. Motion passed.

Rep. Ward moved to use \$2M from surplus to reduce taxes, which was seconded by Rep. Friedrich.

Discussion:

Director Clough said she was extremely uncomfortable with that suggestion because there is no guaranty that money will be there at the end of the year and DRA will want to know why.

Rep. Ward said that there are a large number of encumbrances and that he has an issue with this practice. If there were less encumbrances there would be more money for the budget.

Rep. Williams said he didn't think it should be tinkered with and that the Commissioners are more familiar with those numbers.

Rep. Laliberte said that there should also be money for unanticipated expenses and to leave the surplus alone.

Rep. Friedrich asked where that extra money would come from that Rep. Ward proposed and he replied that it should come from the pro-share and FMAP money.

Director Clough did not think it was prudent to try to budget the FMAP money.

Rep. Williams moved to call the question which was seconded by Rep. Preston. All were in favor.

In the vote to increase the surplus to reduce taxes to \$2M, Rep. Ward, Friedrich and Gionet were in favor. Rep. Laliberte, Williams, Mulholland, Preston, Aguiar and Ford were opposed. Motion did not pass.

Rep. Ward made a motion to not fund the pig barn roof project in the amount of \$140K, which was seconded by Rep. Aguiar.

Discussion:

Commissioner Cryans said that he views this as a continuum of needed repairs. He said that the County looks good and he would like to see this go forward. He noted that once a roof goes, then there are some real problems.

Rep. Gionet said that he had helped to save \$25K by securing sand and eliminating the need for a shed.

Rep. Williams said that the roof is in real bad shape and if not done this year it will have to be done next year.

Rep. Friedrich noted that they ought to consider the taxpayers and postpone the

maintenance for a year.

Rep. Preston said he didn't think it made sense to put it off as it will only worsen and then you're asking for bigger problems down the road. Rep. Gionet agreed

Rep. Gionet moved to call the question which was seconded by Rep. Williams. Rep. Aguiar opposed and Reps. Gionet, Laliberte, Williams, Mulholland, Preston, Friedrich, Ward and Ford were in favor.

In the vote to remove \$140K from the capital out budget for the repair of the pig barn, Reps Friedrich, Aguiar, Ward were in favor. Reps. Gionet, Laliberte, Williams, Mulholland, Preston and Ford were opposed. Motion did not pass.

Rep. Ward moved to encumber \$390K from the FY09 budget for the Jail bond and to delete \$390K from the FY10 budget, which was seconded by Rep. Williams.

Discussion:

Rep. Ward said that he didn't think there should be any use of the bond payment money on anything else but a bond payment. There shouldn't be another payment in the budget since they haven't used the first payment. He said that bond money payments should not be spent on something else.

Director Clough said she envisioned using those funds to cover the over-expenditure in legal fees. There will still be a balance left in there.

Commissioner Cryans noted that they have achieved success with the legal situation which is important.

Rep. Ward said that there is money in other funds that could be used and that he didn't understand why they're raising the money twice.

Rep. Laliberte moved to call the question which was seconded by Rep. Ward. All were in favor.

In the vote to encumber \$390K from the Jail bond and to delete \$390K from the budget, Reps. Gionet, Friedrich and Ward were in favor while Reps. Laliberte, Williams, Mulholland, Preston, Aguiar and Ford were opposed. Motion did not pass.

Rep. Ward moved to delete \$350K from the budget which is to be used for architectural and engineering fees which was seconded by Rep. Aguiar

Discussion:

Rep. Ward said that under similar circumstances, the engineering and architectural

Fees are paid for out of the bond fees. There is money in the bonds to pay that fee. Interest generated from the bonds will also help to pay those fees.

Director Clough said that right now, the bond funds are unavailable because of the legal issues and that's why that money is there. It also includes money for the redesign.

Rep. Ward said nobody pays for architectural and environmental fees.

Rep. Laliberte said she understood that the money to pay for the geothermal test well drilling would come from this money too.

Rep. Aguiar asked if there was any long term advantage to adding the engineering and architectural to the bond and Rep. Ward said that the reason is to spread out the money over a longer period of time. He said that the fees should be a part of the project and that it is to the advantage of the taxpayer.

There was some further discussion.

Rep. Gionet moved to call the question which was seconded by Rep. Laliberte. All were in favor.

In the vote for removal of \$350K for engineering and architectural fees, Reps. Gionet, Friedrich and Ward were in favor. Reps. Laliberte, Williams, Mulholland, Preston, Aguiar and Ford were opposed. Motion does not pass.

Rep. Ward moved to add \$100K of revenue into the Nursing Home from the increased Medicaid rate and \$200K of revenue into the Nursing Home from Bed Tax money, which was seconded by Rep. Williams.

Discussion:

Rep. Preston said that he reviewed the Nursing Home budget and felt that it was pretty well thought out and he is against second guessing it.

Rep. Laliberte said that she has a problem with increasing the revenue from the Medicaid rate as the increase is only for six months and then there is a possibility of it being decreased.

Rep. Williams moved to call the question which was seconded by Rep. Ward. All were in favor.

In the vote to increase the Nursing Home revenue a total of \$300K, Reps Gionet, Friedrich, Williams, Ward, Mulholland, Ford and Aguiar were in favor. Reps Laliberte and Preston were opposed. Motion passes.

Rep. Williams moved to amend the original budget motion and approve the budget in the amount of \$32,512,093 of which an amount of \$17,775,452 will be raised by taxes, which was seconded by Rep. Gionet. (decrease in overall budget of 1.22% and a decrease of 5.46%)

Rep. Williams moved to pass the budget as amended which was seconded by Rep. Laliberte.

Rep. Aguiar suggested that everyone think about supporting the budget as a whole.

Rep. Ward moved to increase the budget in an amount not to exceed \$15K in order to make a part time IT person, full time as of Jan 1, 2010, which was seconded by Rep. Ford.

Those in favor of calling the questions were Reps. Laliberte, Mulholland, Ward, and Ford. Those opposed were Reps. Preston, Gionet, Aguiar, Williams and Friedrich. Motion to call question does not pass.

Discussion:

Rep. Mulholland asked for discussion as to why members were opposed to calling the question.

Rep. Aguiar said that he did not feel that this was the right time for a full time position to be added.

Rep. Williams agreed saying that the recommendation should have come from the Commissioners, which it was not, plus there is probably money elsewhere in the budget that could be used if needed.

Rep. Ford said she would like to see an additional full time IT person and added that good IT service means less work time lost.

Rep. Ward said that this will allow the lead person to follow his plan while the other person handles other things.

Director Clough said that there is a need there.

Rep. Preston said that he would defer to the Commissioners budget.

Rep. Gionet questioned why the IT Manager didn't mention it when he was here.

Rep. Williams moved to call the question which was seconded by Rep. Ward. All were in favor.

In the vote to add up to \$15K to increase a part time position to a full time person in the IT department, Reps. Laliberte, Gionet, Mulholland, Ward and Ford were in favor. Reps. Aguiar, Friedrich, Williams and Preston were opposed. Motion passed.

After all the amendments were made a final motion was made.

Rep. Williams moved to approve the amended budget which was seconded by Rep. Laliberte. Reps. Laliberte, Gionet, Williams, Friedrich, Aguiar, Ward and Ford were in favor. Rep. Mulholland and Preston were opposed. Budget has passed as amended.

Rep. Aguiar said he would like to suggest other ways of handling pay increases rather than by percentage. Rep. Mulholland said that they will schedule this as a

topic for the September meeting.

Rep. Gionet moved to adjourn which was seconded by Rep. Williams. All were in favor.

2:38 Being no further business, the meeting was adjourned.

Respectfully submitted,

Phil Preston, Clerk



Grafton County Delegation Vote
Proposed Budget Fiscal Year 2010
Grafton County ~ UNH Conference Room
North Haverhill, NH
Monday June 29, 2009

PRESENT: Reps. Ward, Bulis, Taylor, Gionet, Ford, Ladd, Ingbretson, Aguiar, Friedrich, Cooney, Smith, Maybeck, Williams, Preston, Benn, Pastor-Bodmer, Pierce, Laliberte, Mulholland, Almy, White, Gould and Harding. Commissioners Cryans, Richards and Burton, Executive Director Julie Clough and Sec. Martino

OTHERS: S. Cunningham, B. Ruggles, C. Putnam, L. Rock, L. Klein, D. Dutile, T. Andross, K. Jablonski, J. Oakes, N. Bishop, S. Leavitt Doubleday, M. Tyler, T. Gahn, B. Sharp, H. fisher, H. Wetherbee, B. Paronto, G. Libby, H. Brown, D. Kimball, R. Bleckyl (and others who did not sign in)

Chair Mulholland called the Meeting to order at 10:05 AM

The roll call was taken by Rep. Preston and a quorum declared.

Rep. Taylor moved to take a recess to caucus, to return at the call of the chair, which was seconded by Rep. Benn.

Reps. Ward, Gionet, Ladd, Ingbretson, Maybeck, Williams were opposed. Reps. Taylor, Ford, Aguiar, Friedrich, Cooney, Smith, Preston, Benn, Pastor-Bodmer,

Pierce, Laliberte, Mulholland, Almy, White, Gould and Harding were in favor. (Rep. Bulis had not arrived yet) Motion passes 16 in favor to 6 opposed.

10:09 Chair called a recess to caucus.

Democrats moved to the Commissioners conference room to caucus. Republicans also chose to caucus and moved to another conference room.

10:20 AM Rep. Bulis arrived and joined the Republicans.

10:46 AM Everyone returned and the Chair called the meeting back to order.

Rep. Williams moved to appropriate \$32,522,390 for Fiscal year 2010 budget of which \$17,785,749 is to be raised by taxes, which was seconded by Rep. Aguiar.

Discussion:

Rep. Almy moved to make an amendment and to reduce the Nursing Home revenue on line 02-5020-102 by \$100K, line 02-5020-108 by \$500K and line 02-5020-113 by \$200K, increasing the reduction of amount to be raised by property taxes by \$800K, which was seconded by Rep. Taylor.

Rep. Almy stated that to increase the revenue for the increase of the Medicaid rate would mean that you would need to add two more people to the census. In regard to the Pro-share money, she said that money is likely to be removed altogether as the federal government would like to use it for their healthcare program, so it is unlikely to continue to come in. She said that the Bed Tax is proposed for removal but at the very least, the amount will decrease.

Nursing Home Administrator Bolander spoke in agreement with Rep. Almy saying that when putting the budget together, she looked at all aspects as to what was possible. She said that they were realistic and responsible. She said it was very likely that both the Pro-share money and the Bed Tax money would be taken away and that she had great concerns about using them as revenue.

Rep. Pierce asked about the probability of receiving the money and NHA Bolander said it would depend on whether there is money to fund the programs or not.

Rep. Bulis said that the loss of money is pure conjecture and nothing will change until next year anyway. NHA Bolander said that if it were to happen it would be in the federal fiscal year 2010 and the other changes would come over time.

Rep. Ward who had proposed the adjustments to the executive committee spoke

and said that there was a \$3.61 increase to the Medicaid reimbursement rate which would bring in approximately \$131K for a six month period and the proposal is for only \$100K. He said the proposal was approved in vote of 7 to 2 with the executive committee.

Rep. Ward stated that the Bed Tax money had been received over the past years and that the budget operated on a surplus over the last two years. He said that the executive committee voted 7 to 2 in favor of adding \$200K of that money to the Nursing Home revenue.

Rep. Ward then said that the Pro-share money has always been off budget though the money was always received. He said that the revenue had not been included to reduce the property taxes and they needed to do that. He said the executive committee voted in favor off adding \$500K to the Nursing Home revenue 5 to 4.

Rep. Ward noted that the FMAP money had not been included in the budget revenue to reduce expenses and that using this money for revenues will decrease taxes.

NHA Bolander wanted it noted that you can not increase the Medicaid rate without increasing the care.

Rep. Pierce further discussed putting revenue in the budget without the possibility of it always being there. NHA Bolander said that in her opinion it would be taking a risk.

Rep. Bulis said there was a risk to all revenues and that he believed they should stick with the numbers agreed upon by the executive committee.

Rep. Almy changed her mind and said that now she would be accepting of keeping in the increased Medicaid reimbursement revenue and made an amendment to her amendment, to remove only the \$100K Bed Tax and the \$500K Pro-share money from the Nursing Home revenues, which was approved as accepted by K. Taylor (who originally seconded the amended motion).

Rep. Ladd said that he wanted to know more about the FMAP money and read some information from a website which discussed how that money can and can not be used. He wanted to make a separate motion but could not since there was already one on the table at present.

Rep. Benn said he was concerned about the surplus interfering with the bond rating if it were to drop too low and Director Clough said that the Commissioners adopted a policy to keep 5% in the undesignated fund balance. She said that her biggest concern is that there won't be enough money there for next year.

She said that a steady fund balance is what they would like to see as opposed to a fluctuating fund.

Rep. Ward said that not using the Pro-share money to help the taxpayers would be irresponsible.

Commissioner Cryans said that the budget is created with the concerns of the taxpayers. He said that he thinks this is a good budget and does not feel that County taxes are out of sight. He did not agree with the changes that the executive committee made and said that he thought it would have consequences next year. He said that the Medicaid increase came in after the budget was approved by the Commissioners and he is okay with adding in that revenue, but he is not comfortable with adding in the Pro-share and Bed Tax money and said that he thought it would be risky.

Rep. Pierce moved to call the question. Rep. Ward seconded the move. All were in favor.

Rep. Almy re-read her amended amendment as follows:

Rep. Almy revised her amendment to reduce the Nursing Home revenue on line 02-5020-108 by \$500K and line 02-5020-113 by \$100K, increasing the reduction of amount to be raised by property taxes by \$600K, which received its second from Rep. Taylor.

Reps. Taylor, Ford, Aguiar, Cooney, Smith, Preston, Benn, Pastor-Bodmer, Pierce, Laliberte, Mulholland, Almy, White, Gould and Harding were in favor. Reps. Ward, Bulis, Gionet, Ladd, Ingretson, Friedrich, Maybeck and Williams were opposed. Motion passes, 15 in favor, 8 opposed.

Rep. Ladd moved an amendment that FMAP revenue in the approximate amount of \$100K and known to most as stimulus money, be applied as revenue to support this year's budget in the amount of \$400K, or thereabouts, and in the amount of \$600K or thereabouts in the 2010 budget to offset property taxes, and that these funds not be placed in surplus, which was seconded by Rep. Ward.

Rep. Ladd said that FMAP money is for relief of property taxes and cannot be applied to the surplus as he understands it.

Rep. Almy asked to hear from Director Clough who said the money for this fiscal year has to go into the surplus as it was an unanticipated revenue. She said that next year is the only place to put the \$600K and that the following year that money will not be there. She said that the County is definitely getting \$400K for FY09 and will get some money for FY10 but she was not exactly sure how much or when.

Rep. Ward said that \$400K could be used to reduce taxes and that next year the \$600 could go to the Nursing Home as revenue to offset taxes.

Rep. Laliberte said that this was only a two year deal at best and that she didn't like the idea. She also suggested that there may be unexpected expenses that it may be needed for. Rep. Williams did not agree with that.

Rep. Ingbretson said that if there was ever a time for a cut it was now and Rep. Ladd said that they need to start ratcheting down and use the one time shot.

Rep. Taylor asked Commissioner Cryans if he was comfortable with the amendment and he replied that he did not want to use something on a one time basis and that knowing it is not coming in again, it would not be prudent to do so.

Rep. Almy made a friendly amendment to take \$600K in FMAP money and place it into the Human Services budget line 01-9072-102, which was agreed upon by Rep. Ladd and that this money was to be used to reduce property taxes by \$600K.

Reps. Ward, Bulis, Gionet, Ford, Ladd, Ingbretson, Aguiar, Friedrich, Cooney, Smith, Maybeck, Williams, Benn, Pastor-Bodmer, Pierce, Almy, White, Gould and Harding were in favor. Reps. Taylor, Preston, Laliberte and Mulholland were opposed. Amended motion passes 19 in favor, 4 opposed.

Rep. Williams moved to call the question on his original budget motion which was seconded by Rep. Ward. All were in favor.

The motion is: to appropriate \$32,522,390 for Fiscal year 2010 budget of which \$17,785,749 is to be raised by taxes.

All were in favor. Budget passes 23 to 0

Rep. Preston moved to authorize borrowing up to \$9M in anticipation of taxes which was seconded by Rep. Williams. All were in favor. Motion passes.

Rep. Laliberte moved to expend \$4,861 from the Register of Deeds Surcharge Account for equipment in the Registry which was seconded by Rep. Aguiar. All were in favor. Motion passes.

Rep. Aguiar moved to contribute \$64,511 from the Dispatch Fees for fiscal year 2010 to the Dispatch Capital Reserve Fund, which was seconded by Rep. Gionet. All were in favor. Motion passes

Rep. Williams moved to expend \$4500 from Dispatch Capital Reserve for the

purchase of a voicemail system, which was seconded by Rep. Ward.

Director Andross spoke to the motion saying that the current voicemail system in the administration area has gone down and needs to be replaced. After some discussion the vote was taken.

In the vote to expend \$4500 from Dispatch Capital Reserve for a new voicemail system, all were in favor. Motion passes.

Rep. Aguiar made a motion that beginning in the 2011 budget year, the Commissioners of Grafton County shall terminate the practice of providing “longevity” payment to all elected officials of Grafton County. The authority and responsibility of establishing compensation for Grafton County elected officials rests solely with the delegation, which was seconded by Rep. Pierce.

Rep. Aguiar said that he has disapproved of giving longevity to elected officials saying that the delegation should be the ones who determine their salary. He said his personal opinion is that the County cease all longevity but this motion speaks only to full time elected officials.

Rep. Pierce asked about the worth of health and other benefits and Rep. Aguiar said that was not part of this current motion.

Rep. Williams said that the delegation votes on the elected officials salaries but then longevity is added in later by the Commissioners. He said the amount should be voted on as a whole.

Rep. Aguiar said this deals with 2011 and forward and does not take this budget into consideration. He wants to make it clear that the Commissioners do not have the authority to give elected officials longevity.

While discussion the elected officials, Commissioner Cryans informed everyone that the summary judgment regarding the elected official’s salary has been decided and the County has prevailed. He said that the salary decision is applicable.

Commissioner Cryans also noted that he feels that longevity is valid and has been in place for quite some time.

Rep. Aguiar said he is trying to determine who has the authority to decide on this.

Rep. Ingretson made a friendly amendment to eliminate a portion of the motion, perhaps making it a bit clearer.

Amended motion would read:

Beginning in the 2011 budget year, the authority and responsibility of establish-

ing any longevity payments for Grafton County elected officials shall rest solely with the delegation. Rep. Aguiar agreed.

There was some further discussion and clarification of the motion and its intent.

Rep. Williams moved to call the question, which was seconded by Rep. Ward. All were in favor.

In the vote to leave the responsibility establishing any longevity for elected officials to the delegation, Reps. Bulis, Taylor, Gionet., Ford, Ladd, Ingbreton, Aguiar, Friedrich, Cooney, Smith, Maybeck, Williams, Preston, Benn, Pastor-Bodmer, Pierce, Mulholland, Almy, and Harding were in favor. Reps. Ward, Laliberte, White and Gould were opposed. Motion passes 19 to 4.

12:35 PM With no further business, Rep. Williams moved to adjourn and was seconded by Rep. Ward. All were in favor.

Respectfully submitted,

Phil Preston, Clerk



**COUNTY OF GRAFTON,
NEW HAMPSHIRE**

**FINANCIAL STATEMENTS
(WITH INDEPENDENT AUDITORS'
REPORT THERON)**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2009**

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SCHEDULES**

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MASON RICH

PROFESSIONAL ASSOCIATION

Certified Public Accountants

REPORT OF INDEPENDENT AUDITORS

Board of County Commissioners

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Grafton, New Hampshire, as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the index. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County of Grafton, New Hampshire as of June 30, 2009 and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2009 on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of our testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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The Management's Discussion and Analysis and budgetary comparison information on pages 3 through 13 and 46 through 50 are not a required part of the basic financial statements but are supplemental information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplemental information. However, we did not audit the information and express no opinion on it.

As discussed in Note VC to the financial statements, the County adopted the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions*, in fiscal year 2008/2009.

Respectfully submitted,

Mason + Rich, P.A.

MASON + RICH PROFESSIONAL ASSOCIATION
Certified Public Accountants

November 25, 2009

**COUNTY MANAGEMENT'S
DISCUSSION AND ANALYSIS**

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of Grafton County's financial performance provides an overview of the County's financial activities for the year ended June 30, 2009. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Financial Highlights

- The business-type activities show an operating loss for the year. Revenues increased by 3.46% while the expenses increased 8.41% over 2008. The County received \$1,682,136 in Nursing Facility Supplemental revenue during 2009 which was an increase of \$213,460 from FY 08.
- The General Fund reported an undesignated fund balance of \$2,641,263, which is an increase from last year's \$1.7 million. This allowed for stabilization in the amount of surplus used to reduce taxes.
- The County has seen some assistance as a result of the American Recovery and Reinvestment Act. We began receiving FMAP (Federal Medicaid Assistance Percentage) monies at the end of fiscal year 2009 and will continue to see these funds until December 31, 2011. In addition, we have seen several supplemental MQIP (Medicaid Quality Incentive Program) payments as a result of ARRA. These have contributed to an increase in revenues. It is important to remember that these funds are temporary.
- A \$38M bond for the new Correctional Facility was approved in February 2008, but the project is still on-hold due to pending litigation questioning the legality of the bond vote that was taken.

Overview of the Financial Statements

This annual report consists of a series of financial statements. These statements are organized so the reader can understand the County as a financial whole or as an entire operating entity. The statements also provide a detailed look at specific financial conditions.

The County's basic financial statements are comprised of three components; the County-wide financial statements, fund financial statements and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

County-wide Financial Statements

The County-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

Statement of Net Assets and Statement of Activities

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. The statement of activities presents information showing how the County's net assets changed during the current year. The statements are prepared using the accrual basis of accounting similar to the accounting method used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses, regardless of when the cash is received or paid.

The change in net assets is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, nonfinancial information such as changes in the County's tax base and the condition of the County's capital assets will also need to be evaluated.

In the statement of net assets and the statement of activities, the County is divided into two kinds of activities:

Governmental Activities – Most of the County's programs and services are reported here, such as the Sheriff's Department, Commissioners, Registry of Deeds, Treasurer, Department of Corrections and the Cooperative Extension service. Primarily taxes and intergovernmental revenues, including federal and state grants and other shared revenues, fund these services.

Business-Type Activities – These services are provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The County's Nursing Home is reported here.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's most significant funds -- not the County as a whole. Funds are devices that the County uses to keep track of specific sources of funding and spending for particular purposes.

The County has two kinds of funds:

- **Governmental Funds** - Most of the County's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

- *Proprietary Funds* -- Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds, like government-wide financial statements, provide both long and short-term financial information.

Notes to the Financial Statements -- The notes provide additional information that is essential to a full understanding of the data provided on the government-wide and fund financial statements.

Other Information -- In addition to the basic financial statements and accompanying notes, this report also presents individual fund statements and schedules.

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

Government-wide Financial Analysis

Table 1 provides a summary of the County's net assets for 2008 compared to 2009:

Table 1	NET ASSETS				
	Governmental Activities		Business-type Activities		Totals
	2008	2009	2008	2009	
Assets					
Current and Other Assets	\$ 4,899,872	\$ 4,899,873	\$ 872,463	\$ 915,886	\$ 5,815,759
Capital Assets, Net	<u>10,292,365</u>	<u>12,084,452</u>	<u>10,481,035</u>	<u>10,094,715</u>	<u>22,179,147</u>
Total Assets	<u>\$ 14,439,877</u>	<u>\$ 16,984,305</u>	<u>\$ 11,353,498</u>	<u>\$ 11,010,601</u>	<u>\$ 27,994,906</u>
Liabilities					
Current and Other Liabilities	\$ 1,686,227	\$ 2,017,913	\$ 914,212	\$ 2,170,155	\$ 4,188,068
Long-Term Liabilities	<u>3,229,614</u>	<u>3,819,528</u>	<u>8,264,037</u>	<u>7,175,591</u>	<u>10,995,119</u>
Total Liabilities	<u>\$ 4,915,841</u>	<u>\$ 5,837,441</u>	<u>\$ 9,178,249</u>	<u>\$ 9,345,746</u>	<u>\$ 14,094,090</u>
Net Assets					
Invested in Capital Assets, Net of Related Debt	\$ 7,791,789	\$ 8,574,132	\$ 2,324,785	\$ 2,411,266	\$ 10,116,574
Restricted for:					
Special Revenues	92,030	120,200	-	-	92,030
Capital Projects	101,131	166,110	-	-	101,131
Permanent Funds	-	-	-	-	-
Unrestricted	<u>1,539,086</u>	<u>2,286,422</u>	<u>(149,536)</u>	<u>(746,411)</u>	<u>1,389,550</u>
Total Net Assets	<u>\$ 9,524,036</u>	<u>\$ 11,146,864</u>	<u>\$ 2,175,249</u>	<u>\$ 1,664,855</u>	<u>\$ 12,811,719</u>

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

As noted earlier, the County's net assets, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities by \$12,811,719 (\$11,146,864 in governmental activities and \$1,664,855 in business-type activities) as of June 30, 2009. By far, the largest portion of the County's net assets reflects its investment in capital assets (e.g., land and improvements, building and building improvements, improvements other than buildings, machinery, equipment and vehicles) less any related debt used to acquire those assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets may be used to meet the County's ongoing obligations to citizens and creditors.

Table 2 shows a comparative analysis of government-wide data of the changes in net assets for 2009.

Table 2	Changes in Grafton County Net Assets		
	Expenses	Expenses	Ine/(Dec)
	2008	2009	Expenses
<i>Functions/Programs</i>			
General Government	\$ 5,427,475	\$ 5,227,571	\$ (199,904)
Public Safety	5,909,261	6,197,802	288,541
Human Services	7,098,660	6,682,975	(415,685)
Farm	593,849	538,540	(55,309)
Interest on Long-Term Debt	<u>104,947</u>	<u>127,213</u>	<u>(22,266)</u>
Total Governmental Activities	<u>\$ 19,134,192</u>	<u>\$ 18,774,101</u>	<u>\$ (360,091)</u>
<i>Business-type Activities</i>			
Grafton County Nursing Home	<u>\$ 13,333,277</u>	<u>\$ 14,419,308</u>	<u>\$ 1,086,031</u>
Total	<u>\$ 32,467,469</u>	<u>\$ 33,193,409</u>	<u>\$ 725,940</u>

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

Program Revenues

	Charges For Services 2008	Operating Grants and Contributions 2008	Capital Grants and Contributions 2008	Charges For Services 2009	Operating Grants and Contributions 2009	Capital Grants and Contributions 2009	Inc(Dec) Charges for Services	Inc(Dec) Operating Grants/Cont	Inc(Dec) Capital Grants/Cont
<i>Functions/Programs</i>									
General Government	\$ 1,490,704	\$ 1,597,274	\$ -	\$ 1,262,454	\$ 624,536	\$ -	\$ (228,250)	\$ (972,738)	\$ -
Public Safety	1,216,590	60,655	249,716	1,236,690	56,649	-	20,100	(4,006)	(249,716)
Human Services	-	238,016	-	-	242,578	-	-	4,562	-
Farm	482,986	-	224,492	409,372	-	147,073	(73,614)	-	(77,419)
Interest on Long-Term Debt	-	-	-	-	-	-	-	-	-
Total Governmental Activities	\$ 3,190,280	\$ 1,895,945	\$ 474,208	\$ 2,908,516	\$ 923,763	\$ 147,073	\$ (281,764)	\$ (972,182)	\$ (327,135)
<i>Business-type Activities</i>									
Grafton County Nursing Home	\$ 10,769,510	-	-	\$ 11,144,827	-	-	\$ 375,317	-	-
Total Business-type Activities	10,769,510	-	-	11,144,827	-	-	375,317	-	-
Total	\$ 13,959,790	\$ 1,895,945	\$ 474,208	\$ 14,053,343	\$ 923,763	\$ 147,073	\$ 93,553	\$ (972,182)	\$ (327,135)

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

	Net (Expense) Revenue and Change in Net Assets				Inc/(Dec)
	2008		2009		
	Governmental Activities	Business-type Activities	Governmental Activities	Business-type Activities	
<i>Functions/Programs</i>					
General Government	\$ 2,339,497	\$ -	\$ 3,340,581	\$ -	\$ 1,001,084
Public Safety	4,382,500	-	4,904,463	-	522,163
Human Services	6,860,644	-	6,440,397	-	(420,247)
Farm	(113,625)	-	(17,905)	-	95,724
Interest on Long-Term Debt	104,947	-	127,213	-	22,266
Total Governmental Activities	<u>\$ 13,573,759</u>	<u>\$ -</u>	<u>\$ 14,794,749</u>	<u>\$ -</u>	<u>\$ 1,220,990</u>
<i>Business-type Activities</i>					
Grafton County Nursing Home	\$ -	\$ 2,563,767	\$ -	\$ 3,274,481	\$ 710,714
Total Business-type Activities	<u>\$ -</u>	<u>\$ 2,563,767</u>	<u>\$ -</u>	<u>\$ 3,274,481</u>	<u>\$ -</u>
Total	<u>\$ 13,573,759</u>	<u>\$ 2,563,767</u>	<u>\$ 14,794,749</u>	<u>\$ 3,274,481</u>	<u>\$ 1,220,990</u>

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

	Governmental Activities		Business-type Activities		Governmental Activities		Business-type Activities		Total 2009	Inc/(Dec)
	2008	2009	2008	2009	2008	2009	2008	2009		
General Revenues										
Property Taxes	\$ 16,991,755	\$ -	\$ 16,991,755	\$ 18,801,280	\$ -	\$ 18,801,280	\$ -	\$ 18,801,280	\$ 1,809,525	
Payment in Lieu of Taxes	60,367	-	60,367	135,924	-	135,924	-	135,924	75,557	
Grants and Contributions Not Restricted	-	-	-	-	-	20,567	-	20,567	20,567	20,567
Interest and Investment Earning	271,397	-	271,397	120,901	5	120,906	5	120,906	(150,491)	
Miscellaneous	42,637	(40,625)	2,012	79,184	17,052	96,236	17,052	96,236	94,224	
Gain on Disposal of Assets	5,302	-	5,302	6,751	-	6,751	-	6,751	1,449	
Insurance Proceeds-Barn Fire	-	-	-	-	-	-	-	-	-	
Minor Equipment Replacement - Barn Fire	-	-	-	-	-	-	-	-	-	
Transfers	(2,771,060)	2,771,060	-	(2,747,030)	2,747,030	-	-	-	-	
Total General Revenues, Special Items and Transfers	14,600,398	2,730,435	17,330,833	16,417,577	2,764,087	19,181,664	2,764,087	19,181,664	1,850,831	
Change in Net Assets	1,026,639	166,668	1,193,307	1,622,828	(510,394)	1,112,434	(510,394)	1,112,434	(80,873)	
Net Assets, Beginning of Year	8,497,397	2,008,581	10,505,978	9,524,036	2,175,249	11,699,285	2,175,249	11,699,285	1,193,307	
Net Assets, End of Year	9,524,035	2,175,249	11,699,285	11,146,864	1,664,855	12,811,719	1,664,855	12,811,719	1,112,434	

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

Governmental Activities

The County's direct charges to users of governmental services made up \$2,908,516 or 12.93% percent of total governmental revenues. These charges are for fees for real estate transfers, fees associated with public safety services such as dispatching fees, fines and forfeitures related to judicial activity.

Property tax revenue accounts for \$18,801,280 of the \$22,492,836 total revenues for governmental activities, or 83.59% of total revenues.

The Human Service program was the largest expense for the governmental services accounting for 35.60% of the total expenses. Public safety was the second largest expense and accounted for 33.01% to the total.

Table 3, presents the cost of each of the County's three larger programs – Public Welfare, Public Safety (including the Department of Corrections) and General Government – as well as each program's net costs (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the County's taxpayers by each of these functions.

Net Cost of Grafton County's Governmental Activities

	Total Cost Of Services	Net Cost of Services
Human Services	\$ 6,682,975	\$ 6,440,397
General Government	5,227,571	3,340,581
Public Safety	6,197,802	4,904,463
Total	\$ 18,108,348	\$ 14,685,441

Charges for services and operating grants are received and used to fund general governmental expenses of the County. Property taxes and intergovernmental revenues fund the remaining general governmental expenses.

Business-type Activities

An overview of revenues of the County's business-type activities are as follows:

- The County received Nursing Facility Supplemental revenue greater than what was budgeted.
- The Medicaid Reimbursement Rate for the facility increased in January 2009.
- The County received a Medicaid Proportionate Share payment during the year, which was not budgeted for.

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

- The County is providing a greater level of Medicare A services that have a higher reimbursement rate than Medicaid recipients.
- The County received supplemental MQIP monies as a result of the American Recovery and Re-investment Act, which was not budgeted for.

Due to the above referenced situations, the County's business-type activities had higher revenue than projected.

Financial Analysis of County Funds

County's Budgetary Highlights:

Over the course of the year, the County Commissioners and Delegation revised the budget several times. These budget amendments fall into two main categories:

- Amendments to individual line items to re-appropriate funds within programs.
- Amendments to individual line items to re-appropriate funds between programs.

At the end of the year, actual revenues had exceeded expenditures by \$4,027,642.

Expenditures came in below budget. The total expenditures were below budgeted amounts by \$1,335,081.

Capital Assets and Debt Administration

Capital Assets:

The County's investment in capital assets for general and business-type activities as of June 30, 2009 was \$10,985,398 (net of related debt). This investment in capital assets includes buildings and improvements, improvements other than buildings, machinery, equipment and vehicles.

Long-term debt:

At year-end, the County had \$11,122,800 in bond obligations, notes and capital lease obligations. More detailed information of the County's long-term liabilities is presented in Note IV to the financial statements.

(Continued on next page)

GRAFTON COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION AND ANALYSIS

Economic Factors and Next Year's Budgets and Rates

The above indicators were taken into account when adopting the General Fund budget for 2010. Amounts available for appropriation in the General Fund budget are \$18,923,639, a decrease of \$462,007 over the final 2009 budget. Revenues from the following sources are expected to support these expenditures; property taxes (\$17,785,749), charges for fees (\$3,895,166) and grant revenue (\$124,428). The County will use these revenues to finance programs that we currently offer.

Budgeted expenditures are expected to decrease 1.19% to \$32,522,390. The County Commissioners issued a mandate to department heads regarding preparation of the fiscal year 2010 budget. That mandate was that budgets were to be submitted level funded at fiscal year 2009 levels. This was extremely difficult for departments considering wage and benefit increases that were beyond their control. As you can see from the bottom line this was accomplished. Many sacrifices were made, but everyone wanted to maintain jobs and not to have to look at lay-offs to offset expenses. There are also a number of "unknown" factors that will have impact on the County budgets in coming years, such as the funding for long-term care and the impacts of the need for a new Correctional Facility. If these estimates are realized, the County's net assets will remain level.

As for the County's business-type activities, we expect that the 2010 results will be similar as those for 2009. Revenue for the County's business-type activities saw a 5.61% increase for 2010. The future for long-term care funding remains uncertain as the counties are paying 100% of the non-federal share. This fiscal year the State did establish hold-harmless provisions. Our Medicaid reimbursement rate remains well below our actual cost per day; we must actively seek innovative ways to increase our business-type activities revenue.

Effective July 01, 2009, our daily Medicaid reimbursement rates did increase slightly from \$155.41 to \$159.02.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Grafton County Commissioners Office, 3855 Dartmouth College Highway – Box #1, North Haverhill, NH 03774.

BASIC FINANCIAL STATEMENTS

COUNTY OF GRAFTON, NEW HAMPSHIRE
STATEMENT OF NET ASSETS
JUNE 30, 2009

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash and Equivalents	\$ 1,209,855	\$ 500	\$ 1,210,355
Temporary Investments	2,027,233	-	2,027,233
Accounts Receivable	133,724	1,139,923	1,273,647
Due from Other Governments	571,021	518,799	1,089,820
Internal Balances	923,328	(923,328)	-
Inventories	34,712	141,699	176,411
Prepaid Expenses	-	37,179	37,179
Restricted Assets: Cash and Equivalents	-	1,114	1,114
Capital Assets:			
Land and Improvements	2,459,878	508,842	2,968,720
Buildings and Improvements	10,036,677	11,740,394	21,777,071
Furniture, Equipment and Vehicles	2,243,459	1,314,343	3,557,802
Construction in Progress	1,919,793	-	1,919,793
Less Accumulated Depreciation	(4,575,375)	(3,468,864)	(8,044,239)
Total Capital Assets, Net of Depreciation	12,084,432	10,094,715	22,179,147
TOTAL ASSETS	16,984,305	11,010,601	27,994,906
LIABILITIES			
Accounts Payable	688,851	161,813	850,664
Accrued Liabilities	214,547	711,538	926,085
Due to Other Governments	-	138,355	138,355
Retainage Payable	28,591	-	28,591
Liabilities Payable From Restricted Assets	-	-	-
Deferred Revenue	459,440	-	459,440
Net Other Postemployment Benefits Liability	347,434	614,699	962,133
Noncurrent Liabilities:			
Portion Due or Payable Within One Year:			
Bonds and Notes Payable	279,050	543,750	822,800
Capital Lease Obligations	-	-	-
Portion Due or Payable After One Year:			
Bonds and Notes Payable	3,231,250	7,068,750	10,300,000
Capital Lease Obligations	-	-	-
Compensated Absences	588,278	106,841	695,119
Total Liabilities	5,837,441	9,345,746	15,183,187
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	8,574,132	2,411,266	10,985,398
Restricted for:			
Juvenile Incentive	30,119	-	30,119
Deeds Surcharge	90,081	-	90,081
Capital Reserves	166,110	-	166,110
Permanent Funds	-	-	-
Unrestricted (Deficit)	2,286,422	(746,411)	1,540,011
Total Net Assets	<u>\$ 11,146,864</u>	<u>\$ 1,664,855</u>	<u>\$ 12,811,719</u>

The Accompanying Notes Are an Integral Part of This Financial Statement

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COUNTY OF GRAFTON, NEW HAMPSHIRE
 STATEMENT OF ACTIVITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Program Revenues			Net (Expense) Revenue and Change in Net Assets	
	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
Functions/Programs					
General Government	\$ 5,227,571	\$ 1,262,454	\$ 624,236	\$ -	\$ (3,340,581)
Public Safety	6,197,802	1,236,690	56,649	-	(4,904,463)
Human Services	6,682,975	-	242,578	-	(6,440,397)
Farm	538,540	409,372	-	147,073	17,905
Interest on Long-term Debt	127,213	-	-	-	(127,213)
Total Governmental Activities	18,774,101	2,908,516	923,763	147,073	(14,794,749)
Business-type Activities					
Grafton County Nursing Home	14,419,308	11,144,827	-	-	(3,274,481)
Total Business-type Activities	14,419,308	11,144,827	-	-	(3,274,481)
Total	\$ 33,193,409	\$ 14,053,343	\$ 923,763	\$ 147,073	\$ (18,069,230)

General Revenues:

Taxes:				
County Tax Assessment	18,801,280			18,801,280
Payment in Lieu of Taxes	135,924			135,924
Grants and Contributions Not Restricted to Specific Purposes	20,567			20,567
Interest and Investment Earnings	120,901		5	120,906
Gain (Loss) on Disposal of Capital Assets	6,751			6,751
Miscellaneous	79,184		17,052	96,236
Transfers	(2,747,030)		2,747,030	-
Total General Revenues, Special Items and Transfers	16,417,577		2,764,087	19,181,664
Change in Net Assets	1,622,828		(510,394)	1,112,434
Net Assets, Beginning of Year	9,524,036		2,175,249	11,699,285
Net Assets, End of Year	\$ 11,146,864		\$ 1,664,855	\$ 12,811,719

The Accompanying Notes are an Integral Part of This Financial Statement

COUNTY OF GRAFTON, NEW HAMPSHIRE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Equivalents	\$ 1,209,855	\$ -	\$ 1,209,855
Temporary Investments	1,861,123	166,110	2,027,233
Accounts Receivable	133,724	-	133,724
Due from Other Governments	569,254	1,767	571,021
Due From Other Funds	925,095	28,591	953,686
Inventories	34,712	-	34,712
Prepaid Expenses	-	-	-
Restricted Assets: Cash and Equivalents	-	-	-
TOTAL ASSETS	\$ 4,733,763	\$ 196,468	\$ 4,930,231
LIABILITIES			
Accounts Payable	\$ 688,851	\$ -	\$ 688,851
Accrued Expenses	1,943	-	1,943
Due to Other Governments	-	-	-
Retainage Payable	-	28,591	28,591
Due to Other Funds	28,591	1,767	30,358
Deferred Revenue	432,240	-	432,240
Total Liabilities	1,151,625	30,358	1,181,983
FUND BALANCES			
Reserved for Encumbrances	913,162	-	913,162
Reserved for Unemployment Escrow	27,713	-	27,713
Unreserved Reported in:			
General Fund	2,641,263	-	2,641,263
Special Revenue Funds	-	-	-
Capital Projects Funds	-	166,110	166,110
TOTAL FUND BALANCES	3,582,138	166,110	3,748,248
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,733,763	\$ 196,468	\$ 4,930,231

(Continued)

The Accompanying Notes Are an Integral Part of This Financial Statement

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COUNTY OF GRAFTON, NEW HAMPSHIRE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE TO NET
ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2009

Total Governmental Fund Balances \$ 3,748,248

*Amounts Reported for Governmental Activities in the Statement
of Net Assets Are Different Because of the Following Items:*

Capital Assets Used in Governmental Activities Are NOT
Financial Resources and Therefore Are Not Reported in
the Funds. 12,084,432

Other Long-term Assets Are NOT Available to Pay
for Current Period Expenditures and Therefore Are
Saved in the Funds.

Long-term Liabilities, Including Bonds Payable and Unmatured
Compensated Absences, Are NOT Due and Payable in the Current Period
and Therefore Are NOT Reported in the Funds (4,685,816)

Net Assets of Governmental Activities - Statement 1
\$ 11,146,864

Statement 4

COUNTY OF GRAFTON, NEW HAMPSHIRE
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	General Fund	Other Governmental Funds	Total Governmental Funds
<i>Revenues</i>			
Taxes	\$ 18,801,280	\$ -	\$ 18,801,280
Intergovernmental	430,718	649,536	1,080,254
Jail	168,312	-	168,312
Farm	409,372	-	409,372
Charges for Services	2,022,767	-	2,022,767
Rent	308,065	-	308,065
Interest	119,313	28,789	148,102
Miscellaneous	233,009	-	233,009
<i>Total Revenues</i>	<u>22,492,836</u>	<u>678,325</u>	<u>23,171,161</u>
<i>Expenditures</i>			
Current:			
General Government	4,004,201	624,884	4,629,085
Public Safety	5,648,084	132,965	5,781,049
Human Services	6,525,271	-	6,525,271
Farm	536,909	-	536,909
Capital	1,445,824	978,475	2,424,299
Debt Service:			
Principal	181,250	-	181,250
Interest	123,655	-	123,655
<i>Total Expenditures</i>	<u>18,465,194</u>	<u>1,736,324</u>	<u>20,201,518</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,027,642</u>	<u>(1,057,999)</u>	<u>2,969,643</u>
<i>Other Financing Sources (Uses)</i>			
Proceeds of Long-Term Debt	-	972,800	972,800
Insurance Proceeds - Barn Fire	-	-	-
Replacement of Equipment - Barn Fire	-	-	-
Operating Transfers In	21,525	171,355	192,880
Operating Transfers (Out)	(2,918,385)	(21,525)	(2,939,910)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,896,860)</u>	<u>1,122,630</u>	<u>(1,774,230)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	<u>1,130,782</u>	<u>64,631</u>	<u>1,195,413</u>
Fund Balances, Beginning of Year	<u>2,451,356</u>	<u>101,479</u>	<u>2,552,835</u>
Fund Balances, End of Year	<u>\$ 3,582,138</u>	<u>\$ 166,110</u>	<u>\$ 3,748,248</u>

(Continued)

The Accompanying Notes are an Integral Part of This Financial Statement

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COUNTY OF GRAFTON, NEW HAMPSHIRE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE OF GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Net Change in Fund Balances - Total Governmental Funds (Previous Page) \$ 1,195,413

Governmental Funds Report Capital Outlays During the Fiscal Year as Expenditures on Statement 4. However, on Statement of Activities (Statement 2) the Cost of Those Capital Items Has Been Capitalized and the Cost is Then Allocated Over Their Estimated Useful Lives and Reported as Depreciation Expense. This is the Amount by Which Capital Outlay Expenditures Exceeded Depreciation Expense for the Current Fiscal Year.

1,730,971

Repayment of Bond and Capital Lease Principal is an Expenditure in the Governmental Funds (Statement 4). But the Repayment Reduces Long-term Liabilities in the Statement of Net Assets (Statement 2). Also, Bond Proceeds Are Recognized as an Other Financing Source on Statement 4 But Are Recorded as a Long-term Liability in Statement of Net Assets (Statement 2). This is the Amount of the Repayments and Bond Proceeds That Have Been Charged to Long term Liabilities.

(777,344)

Accrued Interest on the Governmental Funds is Reported as Expenditure When Paid, While Interest Due at Year End is Recognized as a Liability and an Expense on the Statement of Net Assets (Statement 2). This is the Net Amount by Which Accrued Interest Expense Exceeded Interest Expense for the Current Fiscal Year

(24,064)

Estimated Compensated Absences and Accrued Payroll Payable Are Recognized When Payable on Statement 4, But Are Accrued and Expensed at Year End on Statement 2.

(127,514)

Net Change in Other Postemployment Benefits

(347,434)

Governmental Funds Report the Effect of Bond Premiums When Debt is First Issued Whereas These Amounts Are Deferred and Amortized in the Statement of Activities.

(27,200)

Change in Net Assets of Governmental Activities (Statement 2)

\$ 1,622,828

GRAFTON COUNTY, NEW HAMPSHIRE
STATEMENT OF NET ASSETS
PROPRIETARY FUND
JUNE 30, 2009

	Business- type Activities
	Grafton County Nursing Home
<i>ASSETS</i>	
Cash and Equivalents	\$ 500
Accounts Receivable - Services	1,139,923
Due From Other Governments	518,799
Due From Other Funds	-
Inventories	141,699
Prepaid Expenses	37,179
Restricted Assets: Cash and Equivalents	1,114
Capital Assets:	
Land and Improvements	508,842
Buildings and Improvements	11,740,394
Furniture, Equipment and Vehicles	1,314,343
Less Accumulated Depreciation	(3,468,864)
Total Capital Assets, Net of Depreciation	10,094,715
TOTAL ASSETS	\$ 11,933,929
<i>LIABILITIES</i>	
Current Liabilities	
Accounts Payable	\$ 161,813
Accrued Liabilities	711,538
Due to Other Governments	138,355
Due to Other Funds	923,328
Current Portion of Long-term Debt	543,750
Net Other Postemployment Benefits Liability	614,699
Total Current Liabilities	3,093,483
Noncurrent Liabilities:	
Long-term Debt	7,068,750
Compensated Absences	106,841
Total Noncurrent Liabilities	7,175,591
Total Liabilities	10,269,074
<i>NET ASSETS</i>	
Invested in Capital Assets, Net of Related Debt	2,411,266
Unrestricted (Deficit)	(746,411)
Total Net Assets	1,664,855
TOTAL LIABILITIES AND NET ASSETS	\$ 11,933,929

The Accompanying Notes Are an Integral Part of This Financial Statement

Statement 6

COUNTY OF GRAFTON, NEW HAMPSHIRE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Business- Type Activities <u>Grafton County Nursing Home</u>
Operating Revenues	
Intergovernmental:	
Nursing Facility Supplemental Revenue	\$ 1,682,136
Charges for Services:	
Room and Board from Social Security, Retirement and State	5,407,651
Room and Board from Private Patients	1,805,185
Room and Board, Therapy and Ancillary Services from Medicare	1,609,636
Physician Billing	33,324
Medicaid Proportionate Share	606,895
Total Charges for Services	<u>9,462,691</u>
Other Revenue:	
Meal Reimbursement	29,550
Miscellaneous	4,141
Total Other	<u>33,691</u>
Total Operating Revenues	<u>11,178,518</u>
Operating Expenses	
Administrative	2,177,657
Dietary	1,451,281
Nursing Service	6,828,170
Physical Therapy	260,994
Health Information Management	227,191
Therapeutic Recreation	383,460
Plant Maintenance	876,156
Laundry and Linen	267,218
Housekeeping	583,035
Pharmacy and Medical Director	18,336
Contracted Services	427,533
Special Services	177,034
Increase (Decrease) in Vacation/Sick Leave	(945)
Depreciation	440,592
Total Operating Expenses	<u>14,117,712</u>
Operating Income (Loss)	<u>(2,939,194)</u>
Non-Operating Revenues (Expenses)	
Bad Debt Recovery (Expense)	(16,639)
Gain (Loss) on Disposal of Fixed Assets	-
Interest Revenue	5
Interest Expense	(301,596)
Net Non-Operating Revenues (Expenses)	<u>(318,230)</u>
Income (Loss) Before Contributions and Transfers	<u>(3,257,424)</u>
Contributions and Transfers	
Capital Contributions	-
Transfers In - From Home Capital Reserve	-
- From General Fund	2,747,030
Transfers Out - To General Fund	-
Total Contributions and Transfers	<u>2,747,030</u>
Change in Net Assets	(510,394)
Total Net Assets, Beginning of the Year	2,175,249
Total Net Assets, End of the Year	<u>\$ 1,664,855</u>

The Accompanying Notes Are an Integral Part of This Financial Statement - Page 21 -

COUNTY OF GRAFTON, NEW HAMPSHIRE
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Enterprise (Grafton County Home)
<i>Cash Flows From Operating Activities</i>	
Cash Received For Services	\$ 10,789,542
Cash Paid to Suppliers	(5,692,693)
Cash Paid to Employees	(7,310,522)
Cash Paid for Other Expenses	-
<i>Net Cash Provided (Used) by Operating Activities</i>	<u>(2,213,673)</u>
<i>Cash Flows from Noncapital Financing Activities</i>	
Transfers From (To) Other Funds	2,747,030
<i>Cash Flows from Capital and Related Financing Activities</i>	
Acquisition and Construction of Capital Assets	(144,668)
Proceeds From Disposal of Capital Assets	-
Principal Paid on Debt	(543,750)
Interest Paid on Debt	(300,694)
Proceeds From Advances From Other Funds	3,121,616
Payments of Advances From Other Funds	(2,666,456)
Capital Contributions Received	-
<i>Net Cash Provided by Capital and Related Financing Activities</i>	<u>(633,552)</u>
Increase (Decrease) in Cash and Cash Equivalents	5
Cash and Cash Equivalents, Beginning of Year	<u>1,609</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,614</u>
<i>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</i>	
Operating Income (Loss)	<u>\$ (2,939,194)</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation Expense	440,592
Changes in Assets and Liabilities:	
Accounts Receivable	(237,724)
Due From Other Governments	(151,252)
Inventories	(41,725)
Prepays	4,983
Accounts Payable	27,552
Accrued Expenses	62,032
Due to Other Governments	7,910
Net Other Postemployment Benefits	614,699
Accrued Sick Pay	(946)
Deferred Revenue	-
Total Adjustments	<u>726,121</u>
<i>Net Cash Provided (Used) by Operating Activities</i>	<u>\$ (2,213,673)</u>
<i>Noncash Transactions:</i>	
Fully Depreciated Equipment Written Off	<u>\$ (8,993)</u>

COUNTY OF GRAFTON, NEW HAMPSHIRE
 STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2009

	Agency Funds							Total Agency
	Patient Funds	Register Of Deeds	Sheriff's Department	Jail Canteen Fund	Inmate Fund	Pandemic Account		
ASSETS								
Cash	\$ 89,750	\$ 695,652	\$ 3,305	\$ 17,902	\$ 6,261	\$ 7,911	\$ 820,781	
Temporary Investments	-	-	-	-	-	-	-	
TOTAL ASSETS	<u>\$ 89,750</u>	<u>\$ 695,652</u>	<u>\$ 3,305</u>	<u>\$ 17,902</u>	<u>\$ 6,261</u>	<u>\$ 7,911</u>	<u>\$ 820,781</u>	
LIABILITIES								
Due to Other Governments	\$ -	\$ 592,480	\$ -	\$ -	\$ -	\$ -	\$ 592,480	
Accounts Payable	-	103,163	-	-	-	-	103,163	
Due to Specific Individuals	89,750	9	3,305	17,902	6,261	7,911	125,138	
TOTAL LIABILITIES	<u>\$ 89,750</u>	<u>\$ 695,652</u>	<u>\$ 3,305</u>	<u>\$ 17,902</u>	<u>\$ 6,261</u>	<u>\$ 7,911</u>	<u>\$ 820,781</u>	

The Accompanying Notes Are an Integral Part of This Financial Statement

COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

I | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The County of Grafton is a "body corporate" under the authority of the New Hampshire Revised Statute Annotated (RSA) 23:1. The elected County Commissioners are responsible for the day to day operation of the County. The Commissioners present a recommended budget to the County Convention for approval annually. Either the budget is approved by the Convention or, if the Convention does not approve the budget timely, the Commissioners' original budget as submitted for approval, becomes effective for the year.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. County taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when recognizable and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. County tax assessments are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

County tax assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental fund:

The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Non-Major Governmental Fund Types:

Special Revenue Funds -- accounts for specific revenue sources that are restricted by law or administrative action to expenditure for specific purposes. Non-major special revenue funds include the Victim/Witness Assistance Grant and CDBG Grants.

Capital Projects Funds -- accounts for financial resources segregated for the acquisition or construction of major capital facilities. Non-major capital projects funds include the Dispatch Capital Reserve Fund and the Water Tank Capital Projects Fund.

Permanent Funds -- used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the programs--that is, for the benefit of the County or its citizenry. Permanent funds report trust arrangements in which the County is the beneficiary, including public-purpose funds previously classified as nonexpendable trust funds.

The County reports the following major proprietary fund:

The County Nursing Home Fund - accounts for the activities of the Grafton County Nursing Home. The fund accounts for the operation and maintenance of the Nursing Home, which provides intermediate and skilled nursing care to the elderly residents of the County. The Home is funded through a combination of Medicaid and Medicare funds from the Federal Government, the State and the County as well as from the private resources of the residents of the Home.

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See Report of Independent Auditors

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Additionally, the County reports the following funds:

Fiduciary Funds - accounts for assets held by the County in a trustee capacity or as an agent for individuals, private organizations or other governments. The fiduciary funds of the County are agency funds (Sheriff's Escrow and Fees, Register of Deeds, Nursing Home Residents' Fund, Jail Canteen and Inmate Funds). Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation. Fiduciary funds are NOT included in the government-wide financial statements.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the County Nursing Home function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's Nursing Home are charges to residents for services. Operating expenses for the enterprise fund include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, and then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Assets or Equity

1. DEPOSITS AND INVESTMENTS

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

The County Treasurer is authorized by State statutes and with the approval of the Commissioners to invest excess funds "in obligations of the U.S. Government, in participation units in the public deposit investment pool established pursuant to RSA 383:22, in savings bank deposits of banks incorporated under the laws of the State of New Hampshire or in certificates of deposits and repurchase agreements of banks incorporated under the laws or in the State of New Hampshire or in banks recognized by the State Treasurer".

The County participates in the New Hampshire Public Deposit Investment Pool established in accordance with RSA 383:22-24. There were no funds on deposit with the Pool at year-end. At this time, the Pool's investments are limited to "short-term U.S. Treasury and U.S. Government Agency obligations, State of New Hampshire and New Hampshire municipal obligations, certificates of deposit from A1/P1-rated banks, money market mutual funds (maximum of 20% of portfolio), overnight to 30-day repurchase agreements (no limit, but collateral level at 102% in U.S. Treasury and Government Agency instruments delivered to Custodian) and reverse overnight repurchase agreements with primary dealers or dealer banks".

The Pool is operated under contract with a private investment advisor, approved by the State Bank Commissioner and the advisory committee created under RSA 383:24. The Pool is a 2a7-like pool, which means that it is not registered with the Securities Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Cost and market value of the Pool's investments are the same.

2. RECEIVABLES AND PAYABLES

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

The Department of Revenue Administration, based upon data reported on the assessment of properties by the cities and towns in the County, annually sets the County tax assessment for each community within the County. Based upon the assessments from the Department of Revenue Administration, the County Treasurer issues a warrant to the cities and towns in the County for them to assess, collect and pay to the County, the County tax assessment. The tax is due annually by December 17, with interest at ten percent (10%) chargeable on any unpaid amounts.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

3. INVENTORIES AND PREPAID ITEMS

All inventories are valued at cost using the first-in/ first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and vehicles, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year for governmental activities. For business-type activities (County Nursing Home) the County uses a threshold of \$500. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the County during the current fiscal year was \$424,349.

Property, plant, and equipment of the County is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	50-70
Building Improvements	5-25
Vehicles	3-20
Equipment	3-20

5. COMPENSATED ABSENCES

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Earned Time is for non-bargaining unit employees and includes vacation, personal, and sick benefits. Earned Time is accrued based upon length of employment; up to 300 hours for full-time, 240 hours for 4/5 part-time and 180 hours for 3/5 part-time employees.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Vacation Time is for bargaining unit employees and is accrued based upon length of employment; up to 240 hours for full-time employees under 10 years of service and up to 320 hours for full-time employees with 10 years of service, up to 192 hours for 4/5 part-time employees under 10 years of service and up to 256 hours for 4/5 part-time with 10 years of service and up to 144 hours for 3/5 part-time employees under 10 years of service and up to 192 hours for 3/5 part-time employees with 10 years of service.

Upon termination in good standing, an employee receives a lump sum payment of all unused accrued current Earned Time or Vacation Time. Non-bargaining unit employees are also eligible to receive payment of 1/4 the number of days in the extended sick leave bank, not to exceed 16 days total. Upon retirement, an employee receives a lump sum payment of all unused accrued current Earned Time or Vacation Time. The employee is also eligible to receive payment of 1/3 the number of days in the extended sick leave or sick leave bank, not to exceed 20 days total.

All compensated absences are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6. LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

7. FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

8. NET ASSETS

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets (net of accumulated depreciation) reduced by the outstanding balances of any debt used for the acquisition, construction or improvement of those capital assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provision on enabling legislation or through external restrictions imposed by creditors, grantors or law or regulations of other governments. The County reports the following restricted net asset categories:

Juvenile Incentive – Under New Hampshire RSA (Revised Statutes Annotated) 170-G:4 XVI the State's Division for Children and Youth Services shall distribute funds to cities, towns and counties to "develop and maintain prevention programs, court diversion programs and alternative dispositions for juveniles other than placements outside of the home."

Deeds Surcharge – Under New Hampshire RSA 478:17-j, the Register of Deeds, with approval of the County Convention, may impose a \$2 surcharge which may "only be used for the purchase, rental or repair of equipment" and which "shall be a separate nonlapsing account, and the moneys in the account shall not be available for use as general revenue of the County."

Capital Reserves – Under the New Hampshire RSA 35:1, the County may raise and appropriate funds for the "construction, reconstruction or acquisition of a specific capital improvement, or the acquisition of a specific item or specific items of equipment." Such resources that have been appropriated by the County Convention are reported as restricted net assets at year end.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTBS TO THE FINANCIAL STATEMENTS

II | RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds."

The details of this difference are as follows:

Bonds Payable	\$ (3,510,300)
Add: Accrued Interest Payable on Bonds and Capital Leases at Fiscal Year End	(46,520)
Accrued Payroll	(166,084)
Deferred Revenue- Bond Premium	(27,200)
Net Other Postemployment Benefits Liability	(347,434)
Compensated Absences	<u>(588,278)</u>
Net Adjustments to Reduce Fund Balance --Total Governmental Funds to Arrive at Net Assets --Governmental Activities	<u>\$ (4,685,816)</u>

B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances - total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital Outlay	\$ 2,170,211
Depreciation Expense	<u>(439,240)</u>
Net Adjustment to Increase Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$ 1,730,971</u>

(Continued on next page)

COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities."

The details of this difference are as follows:

Debt Issued or Incurred:

Issuance of General Obligation Bonds	\$ (972,800)
Issuance of Capital Lease	-

Principal Repayments:

General Obligation Debt	181,250
Payment on Capital Lease	<u>14,206</u>

Net Adjustment to Decrease Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$ (777,344)</u>
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Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this difference are as follows:

Accrued Interest	\$ (24,064)
Compensated Absences	(91,620)
Accrued Payroll	<u>(35,894)</u>

Net Adjustment to Decrease Net Changes in Fund Balances - Total Governmental Funds to Arrive at Changes in Net Assets of Governmental Activities	<u>\$ (151,578)</u>
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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

III | STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund.

The County observes the following procedures in establishing the budgetary data reflected in the financial statements:

1. The County Commissioners deliver or mail to each member of the County Convention and to the Chairman of the Board of Selectmen in each Town and the Mayor of each City within the County and to the Secretary of State, prior to June 1 annually, their itemized budget recommendations together with a statement of actual expenditures and income for at least nine months of the preceding fiscal year.
2. Within ten to twenty days after the mailing of the budget, a public hearing is held on the budget estimates as submitted by the Commissioners.
3. Twenty-eight days must elapse after the mailing of the estimated operating budget before the County Convention may vote on the appropriations for the ensuing budget period.
4. The County Convention must adopt its annual budget no later than September 1.
5. The final form of the County Budget is filed with the Secretary of State's office and the Commissioner of Revenue Administration no later than 30 days after the adopting of the budget.
6. The Commissioners must get authorization from the Executive Committee of the Delegation to transfer budgeted amounts between any line items within any fund; any revisions that alter the total expenditures of any fund must be approved by the Executive Committee of the Delegation.
7. Formal budgetary integration is employed as a management control device during the year for the General Fund and Proprietary Fund (County Nursing Home). The County legally adopts only one budget for the funds.
8. Budget appropriations lapse at year-end except for any outstanding encumbrances or approved appropriation carryovers.
9. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the Proprietary Fund are adopted on a basis, which is not consistent with GAAP. The budget for the Proprietary Fund is prepared on the modified accrual basis while GAAP requires the full accrual basis.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

IV | DETAILED NOTES ON ALL FUNDS

A. Custodial Credit Risk and Deposits

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits at year end may not be returned to it. It is the County's policy to require pledged collateral for custodial credit risk. At year end the County's book balance was \$4,059,483. The bank balance of \$4,545,886 was exposed to custodial credit risk as follows:

Collateralized by Governmental Securities Held by the Bank's Trust Department or by State Street Bank and Trust Company, Total Market Value of \$11,292,857	\$ 3,240,518
Uninsured and Uncollateralized:	
Register of Deeds	<u>367,626</u>
Total	<u>\$ 3,608,144</u>

For purposes of the statement of cash flows, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

B. Receivables

Receivables as of year-end for the County's individual major funds, non-major and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General	Other Funds	Total
<i>Receivables:</i>			
County Taxes	\$ -	\$ -	\$ -
Accounts	133,724	-	133,724
Intergovernmental	<u>569,254</u>	<u>1,767</u>	<u>571,021</u>
Gross Receivables	702,978	1,767	704,745
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 702,978</u>	<u>\$ 1,767</u>	<u>\$ 704,745</u>

Revenues of the County Nursing Home are reported net of uncollectible amounts. Total uncollectible amounts related to revenues of the current period are as follows:

Gross Receivables	\$ 1,315,218
Uncollectibles	<u>(175,295)</u>
Net Total Receivables	<u>\$ 1,139,923</u>

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

C. Capital Assets

Capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<i>Governmental Activities:</i>				
Capital Assets, Not Being Depreciated:				
Land	\$ 219,678	\$ -	\$ -	\$ 219,678
Construction in Progress	<u>1,661,210</u>	<u>285,608</u>	<u>(27,025)</u>	<u>1,919,793</u>
Total Capital Assets, Not Being Depreciated	<u>1,880,888</u>	<u>285,608</u>	<u>(27,025)</u>	<u>2,139,471</u>
Capital Assets, Being Depreciated:				
Land Improvements	1,200,629	1,039,571	-	2,240,200
Buildings and Improvements	9,209,705	826,972	-	10,036,677
Equipment and Vehicles	<u>2,198,400</u>	<u>106,181</u>	<u>(61,122)</u>	<u>2,243,459</u>
Total Capital Assets Being Depreciated	<u>12,608,734</u>	<u>1,972,724</u>	<u>(61,122)</u>	<u>14,520,336</u>
Less: Accumulated Depreciation for:				
Land Improvements	(163,601)	(11,877)	-	(175,478)
Buildings and Improvements	(2,882,160)	(215,578)	-	(3,097,738)
Equipment and Vehicles	<u>(1,151,496)</u>	<u>(211,785)</u>	<u>61,122</u>	<u>(1,302,159)</u>
Total Accumulated Depreciation	<u>(4,197,257)</u>	<u>(439,240)</u>	<u>61,122</u>	<u>(4,575,375)</u>
Total Capital Assets Being Depreciated, Net	<u>8,411,477</u>	<u>1,533,484</u>	<u>-</u>	<u>9,944,961</u>
Governmental Activities Capital Assets, Net	<u>\$10,292,365</u>	<u>\$ 1,819,092</u>	<u>\$ (27,025)</u>	<u>\$ 12,084,432</u>

(Continued on next page)

COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

	Beginning Balances	Increases	Decreases	Ending Balances
<i>Business-type Activities:</i>				
Capital Assets, Not Being Depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Construction in Progress	-	-	-	-
Total Capital Assets, Not Being Depreciated	-	-	-	-
Capital Assets, Being Depreciated:				
Land Improvements	508,842	-	-	508,842
Buildings and Improvements	11,738,620	1,774	-	11,740,394
Equipment and Vehicles	1,269,936	53,400	(8,993)	1,314,343
Total Capital Assets, Being Depreciated	13,517,398	55,174	(8,993)	13,563,579
Less Accumulated Depreciation for:				
Land Improvements	(508,842)	-	-	(508,842)
Buildings and Improvements	(1,956,063)	(298,438)	-	(2,254,501)
Equipment and Vehicles	(571,458)	(143,056)	8,993	(705,521)
Total Accumulated Depreciation	(3,036,363)	(441,494)	8,993	(3,468,864)
Total Capital Assets, Being Depreciated, Net	10,481,035	(386,320)	-	10,094,715
Business-Type Activities Capital Assets, Net	\$ 10,481,035	\$ (386,320)	\$ -	\$ 10,094,715

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:

General Government	\$ 203,886
Public Safety (Sheriff, Dispatch and Jail)	165,304
Human Services	-
Farm	70,050
Total Depreciation Expense – Governmental Activities	\$ 439,240

Business-type Activities:

County Nursing Home and Amortization	\$ 440,592
Total Depreciation Expense – Business-type Activities	\$ 440,592

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances at year end is as follows:

Due to/from Other Funds:

Receivable Fund	Payable Fund	Amount
General	County Nursing Home	\$ 923,328
General	Non-major Governmental Funds	1,767
Non-major Governmental Funds	General Fund	<u>28,591</u>
Total		<u>\$ 953,686</u>

Interfund Transfers:

Transfer out:	Transfer In:			Total
	General	Non-major Governmental	County Nursing Home	
General	\$ -	\$ 171,355	\$ 2,747,030	\$ 2,918,385
Non-major Governmental Funds	21,525	-	-	21,525
County Nursing Home	-	-	-	-
Totals	<u>\$ 21,525</u>	<u>\$ 171,355</u>	<u>\$ 2,747,030</u>	<u>\$ 2,939,910</u>

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

E. Leases

Operating Leases

The County does have operating leases for office equipment. The lease requires the County to maintain the equipment in good working order, repair and maintenance. Future minimum annual rental payments are as follows:

<u>Year Ending June 30,</u>	<u>Business-type Activities</u>
2010	\$ 1,956
2011	1,956
2012	1,956
2013	1,956
2014	972
Total	<u>\$ 8,796</u>

Operating lease expenditures totaled \$2,562 for the year and are reported under General Governmental expenditures.

F. Long-Term Debt

General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

General obligation bonds are direct obligations and pledge the full faith and credit of the County. These bonds generally are issued with equal amounts of principal maturing each year. General obligation bonds currently outstanding are as follows:

Purpose	Governmental Activities	Business-type Activities
\$14,500,000 – 2002 Nursing Home Additions and Renovations Bonds, Due in Annual Installments of \$725,000 through September 2023 Interest Varies From 3.00% to 4.30%		
Governmental Activities – Phase III	\$ 2,537,500	\$ -
Business-type Activities – Phase I and Phase II	-	7,612,500
\$972,800 – Fire Sprinkler System Water Tank Bonds, Due in Annual Installments of \$97,800 in January 2010, \$100,000 From 2011 to 2004, \$95,000 From 2015 to January 2019; Interest Varies From 4.50% to 5.00%	<u>972,800</u>	<u>-</u>
Total Outstanding	<u>\$ 3,510,300</u>	<u>\$ 7,612,500</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Government Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2010	\$ 279,050	\$ 143,068	\$ 543,750	\$ 283,430
2011	281,250	129,250	543,750	265,350
2012	281,250	118,588	543,750	246,862
2013	281,250	107,837	543,750	228,103
2014	281,250	96,900	543,750	208,800
2015-2019	1,381,250	314,840	2,718,750	735,044
2020-2023	<u>725,000</u>	<u>62,123</u>	<u>2,175,000</u>	<u>186,370</u>
Total	<u>\$ 3,510,300</u>	<u>\$ 972,606</u>	<u>\$ 7,612,500</u>	<u>\$ 2,153,959</u>

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

Changes in Long-term Liabilities

Long-term liability activity for the year ended was as follows:

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
<i>Governmental Activities:</i>					
General Obligation Bonds	\$ 2,718,750	\$ 972,800	\$ (181,250)	\$ 3,510,300	\$ 279,050
Capital Leases	14,206	-	(14,206)	-	-
Compensated Absences	496,658	91,620	-	588,278	-
Governmental Activity Long-Term Liabilities	<u>\$ 3,229,614</u>	<u>\$ 1,064,420</u>	<u>\$ (195,456)</u>	<u>\$ 4,098,578</u>	<u>\$ 279,050</u>
<i>Business-type Activities:</i>					
General Obligation Bonds	\$ 8,156,250	-	\$ (543,750)	\$ 7,612,500	\$ 543,750
Capital Leases	-	-	-	-	-
Compensated Absences	107,787	-	(946)	106,841	-
Business-Type Activity Long-Term Liabilities	<u>\$ 8,264,037</u>	<u>\$ -</u>	<u>\$ (544,696)</u>	<u>\$ 7,719,341</u>	<u>\$ 543,750</u>

The County issues tax anticipation notes annually in advance of the payment of the County tax assessments in November and December by the various towns and cities in the County. These notes are necessary to meet the cash flow needs during the fiscal year, which include the County's normal operating budget. Short-term debt activity for the year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
County Tax Anticipation Notes Payable	\$ -	\$ 6,400,000	\$ (6,400,000)	\$ -

V | OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County, along with numerous other municipalities in the State, is a member of three public entity risk pools in the State currently operating as a common risk management and insurance program for which all political subdivisions in the State of New Hampshire are eligible to participate. The pools provide coverage for workers' compensation, unemployment and property liability insurance. As a member of the property liability pool, the County shares in contributing to the cost of and receiving benefits from a self-insured pooled risk management program. Contributions paid for the fiscal year totaled \$141,295 for property liability coverage, with no unpaid contributions at year-end. There were no deductible claims for the fiscal year.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

The pool agreement permits the pool to make additional assessments to members should there be deficiency in pool assets to meet its liabilities. At this time, the pool foresees no likelihood of an additional assessment for past years.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. The County participates in a federally assisted contract for services with the Department of Health and Human Services Medicaid (Title XIX) - through the New Hampshire Department of Health and Human Services and also receives CDBG grant funds from the New Hampshire Office of State Planning as well as grant funds from the New Hampshire Office of the Attorney General, and also a Homeland Security grant.

The contract and the grants are subject to program compliance audits by the grantors or their representatives. The audits of the contract and the grants for or including the fiscal year have not yet been reviewed by the grantor. Accordingly, the County's compliance with applicable contract requirements will be established at some future date after the grantor's review. The amount if any, of expenditures which may be disallowed by the contracting agencies cannot be determined at this time although the County expects such amounts if any, to be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the County.

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See Report of Independent Auditors

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

C. Other Postemployment Benefits

The County provides postemployment health care benefits for certain retirees as follows:

1. A Brief Description of the Retiree Medical Plan:

- a. Plan Types:** The County provides medical benefits to its eligible retirees. The benefits are provided through the New Hampshire Local Government Center (LGC- Health Trust).
- b. Eligibility:** Employees are required to reach age 60 with 30 years of service or reach age 62 with 10 to 20 years of service to qualify for OPEB.
- c. Benefit Cost Sharing:** The County pays 100% of the retiree's medical benefits. The County also received a subsidy from the New Hampshire State Retirement System that it uses to offset its OPEB
- d. Spouse Benefit:** The County does not contribute towards the cost of spouses OPEB. Spouses desiring to remain covered under the County plan pay 100%.
- e. Surviving Spouse Benefit:** The spouse is required to pay 100% of the cost of benefits following the death of the retired employee.

f. Annual Medical Premiums for Retirees:	<u>Coverage</u>	<u>Pre 65</u>	<u>Post 65</u>
	Medical – Pre 65	\$6,2069.76	\$4,214.64
g. NHRS Subsidy	<u>Coverage</u>	<u>Pre 65</u>	<u>Post 65</u>
	One Person	\$4,506.72	\$2,842.08

(Continued on next page)

COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

2. GASB 45 Disclosure Requirements-Estimated:

Plan Results for GASB 45

A. Annual OPEB Cost and Net OPEB Obligation	
1. Normal Cost	\$ 660,083
2. Supplemental Cost	527,721
3. Interest	<u>23,523</u>
4. Annual Required Contribution (ARC) (1.+2.+3.)	1,211,327
5. Interest on Net OPEB Obligation	-
6. Adjustment to ARC	-
7. Annual OPEB Cost (Expense)	<u>\$ 1,211,327</u>
8. Contributions Made (assumed med of year)*	\$ 249,193
9. Increase in Net OPEB Obligation	<u>\$ 962,134</u>
10. Net OPEB Obligation- July 1, 2008	\$ -
11. Net OPEB Obligation- June 30, 2009	<u>\$ 962,134</u>

* Contribution was assumed to equal Expected Benefit Payments.

Funded Status and Funding Progress

Grafton County New Hampshire's annual OPEB Cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ending June 30,2009 is as follows:

Annual OPEB Cost	<u>\$ 1,211,327</u>
Percentage of Annual OPEB Cost Contributed	20.6%
Net OPEB Obligation	<u>\$ 962,134</u>

B. Funded Status and Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrual Liability (AAL) (b)	Unfunded AAL (UAAL) (b-n)	Funded Ratio (n/b)	Covered Payroll (c)	UAAL as a Percentage of covered payroll (AAL) ((b-n)/c)
July 1, 2008	\$ -	\$ 9,490,377	\$9,490,377	N/A	N/A	N/A

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

C. Methods and Assumptions

Funding Interest Rate	4%
June 30, 2009 Medical Trend Rate	-20%
Ultimate Trend Rate	5%
Fiscal year that ultimate trend rate is reached	June 30, 2014
Annual Payroll Growth Rate	4%
Remaining Amortization Period at June 30, 2009	29
Actuarial Cost Method	Projected Unit Credit (PUC)

D. Employee Pension Plan

PLAN DESCRIPTION - Substantially all County employees participate in the State of New Hampshire Retirement System (the System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All full time County employees are eligible to participate in the System. The System is divided into two employee groups: Group I, which includes all employees except fire fighters and police officers and Group II, which is for firefighters and police officers (including County Sheriff's Departments). The New Hampshire Retirement System issues annually a publicly available financial report that includes financial statements and required supplemental information for the System. That report may be obtained by writing to the New Hampshire Retirement System, 4 Chenell Drive, Concord, NH, 03301.

GROUP I EMPLOYEES - who retire at or after age 60 but before age 65 are entitled to retirement benefits equal to 1.667% of the average of their three highest paid years of compensation, multiplied by their years of service. At age 65 the benefit is recalculated at 1.50% of AFC multiplied by their years of service credit. Earlier retirement allowances at reduced rates are available after age 50 with 10 years of service. Benefits fully vest upon reaching 10 years of service or attaining age 60.

GROUP II EMPLOYEES - who attain age 45 with 20 years or more of service are entitled to retirement benefits equal to 2.5% of the average of their three highest paid years of service, multiplied by their years of service, not to exceed 40. Benefits vest ratably beginning after 10 years of service.

The System also provides death and disability benefits. Cost-of-living increases have been periodically granted to retirees by the State Legislature.

FUNDING POLICY - The System is funded by contributions from both the employees and employers. Group I employees are required by State statute to contribute 5.0 percent of gross earnings. Group II employees are required to contribute 9.3 percent of their gross earnings. The employer must, under the same statute, contribute monthly at an actuarially determined rate. The current rates are 8.74% for regular teachers, 11.84% for police officers of covered payroll. The contribution requirement for the year was \$1,632,742, which consisted of \$1,007,778 from the County and \$624,964 from employees. The County's contributions to the System for the years ended June 30, 2008 and 2007 were \$935,448 and \$691,940, respectively, which were equal to the amount required under State statute to be contributed for each year.

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COUNTY OF GRAFTON, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS

E. Pending Litigation

In February 2008, the County Delegation had approved a bond issue of \$38,000,000 for the construction and development of a correctional facility and the related costs and expenses. A subsequent appeal regarding the legality of the original vote has resulted in the bonds not having been issued pending a final court decision on the litigation.

REQUIRED SUPPLEMENTAL INFORMATION

COUNTY OF GRAFTON, NEW HAMPSHIRE
 ACTUAL REVENUES AND EXPENDITURES COMPARED TO LEGALLY ADOPTED BUDGET
 GENERAL FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Revenue	Adopted Budget	Prior Year's Encumbrances	Approved Transfers	Revised Budget	Actual	Variance Favorable (Unfavorable)
Total						
County Taxes	\$ 18,891,280	\$ -	\$ -	\$ 18,891,280	\$ 18,891,280	\$ -
Total Taxes	18,891,280	-	-	18,891,280	18,891,280	-
Intergovernmental						
Federal Payment in Lieu of Taxes	50,000	-	-	50,000	135,974	85,974
County Agency	30,000	-	-	30,000	31,649	1,649
Inventive Alternative Program	238,017	-	-	238,017	242,578	4,561
Unclaimed Property Distribution	10,000	-	-	10,000	20,567	10,567
Total Intergovernmental	328,017	-	-	328,017	430,718	102,701
461	171,800	-	-	171,800	168,312	(3,488)
Four						
Sale of Milk	361,000	-	-	361,000	276,222	(84,778)
Sale of Livestock	30,000	-	-	30,000	38,176	8,176
Sale of Wood	10,000	-	-	10,000	4,268	(5,732)
Products to Nursing Home	2,900	-	-	2,900	1,815	(685)
Services to Nursing Home	23,382	-	-	23,382	23,382	-
Miscellaneous	60,000	-	-	60,000	65,509	5,509
Total Four	486,882	\$ -	\$ -	\$ 486,882	\$ 409,372	\$ (77,510)

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE
ACTUAL REVENUES AND EXPENDITURES COMPARED TO LEGALLY ADOPTED BUDGET
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Adopted Budget	Prior Year's Encumbrances	Approved Transfers	Revised Budget	Actual	Variance Favorable (Unfavorable)
Charges for Services						
Register of Deeds, Surcharge	\$ 43,000	\$ -	\$ -	\$ 43,000	\$ 31,378	\$ (11,622)
Register of Deeds	946,000	-	-	946,000	915,011	(30,989)
Sheriff's Department Fees	140,000	-	-	140,000	164,550	24,550
Sheriff's Department Dispatch Service	570,510	-	-	570,510	630,673	60,162
White Mountain Forest Patrols	18,000	-	-	18,000	4,431	(13,569)
Reimbursement, Transports	15,000	-	-	15,000	12,084	(2,916)
Court Bailiffs	97,404	-	-	97,404	111,821	14,417
Special Deputy Assignments	35,000	-	-	35,000	29,100	(5,900)
Sheriff - District Court Fees	450	-	-	450	900	450
Electronic Monitoring	8,000	-	-	8,000	8,000	-
Reimbursement from UNH	80,000	-	-	80,000	95,638	15,638
District Court Prisoner Security	1,953,364	-	-	1,953,364	2,022,767	69,403
Total Charges for Services						
	\$ 3,265	\$ -	\$ -	\$ 3,265	\$ 3,265	\$ -
Rent						
Courthouse	304,800	-	-	304,800	308,065	3,265
Total Rent						
	304,800	-	-	304,800	308,065	3,265
Interest						
Interest	200,000	-	-	200,000	118,487	(81,513)
Interest on County Taxes	300	-	-	300	828	528
Interest on Bond	-	-	-	-	-	-
Total Interest						
	200,300	-	-	200,300	119,315	(80,985)
Miscellaneous						
Sale of Crubbers	5,000	-	-	5,000	6,751	1,751
Insurance Proceeds	-	-	-	-	147,073	147,073
Miscellaneous	3,000	-	-	3,000	3,006	6
Retiree Drug Subsidy	40,000	-	-	40,000	71,400	31,400
Drug Court	1,500	-	-	1,500	4,779	3,279
Total Miscellaneous						
	49,500	-	-	49,500	233,009	183,509
Fund Balance Used for Prior Year's Encumbrances		919,360	-	919,360	-	(919,360)
Appropriated From Beginning Fund Balance						
	1,525,000	-	-	1,525,000	-	(1,525,000)
Fund Balance Used to Reduce the Tax Rate						
	\$ 23,820,943	\$ 919,360	\$ -	\$ 24,740,303	\$ 22,492,536	\$ (2,247,767)
Total Revenues						

COUNTY OF GRAFTON, NEW HAMPSHIRE
ACTUAL REVENUES AND EXPENDITURES COMPARED TO LEGALLY ADOPTED BUDGET
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Expenditures	Adopted Budget	Prior Year's		Approved Transfers	Revised Budget	Actual	Variance Favorable (Unfavorable)
		Encumbrances	Actual				
<i>General Government</i>							
Administration:							
County Commissioners	\$ 380,094	\$ -	\$ (3,400)		\$ 376,694	\$ 372,215	\$ 4,479
Treasurer	11,399	-	-		11,399	9,644	1,755
County Delegation	7,500	-	6,000		13,500	13,454	46
County Attorney and Assistant County Attorney	742,191	6,062	(1,450)		746,803	723,733	23,070
Register of Deeds	606,875	300	(6,900)		606,275	554,045	46,230
Human Resources	54,728	-	2,878		59,636	57,194	2,442
Information Technology	187,994	-	-		187,994	142,685	45,309
Medical Examiner	50,000	-	-		50,000	35,593	14,407
Maintenance	-	88,740	-		88,740	85,311	3,429
Grafton County Regional Economic Development	50,000	-	-		50,000	50,000	-
Extension Service	314,684	15,362	-		332,046	282,524	49,522
Social Services Agencies	888,050	-	-		888,050	578,184	309,866
Conservation District	58,251	-	-		58,251	57,759	492
North County Council	1,350	-	-		1,350	1,350	-
Wage Benefits Adjustment	85,000	-	248,079		248,079	239,268	8,811
Contingency Account	-	-	206,500		206,500	288,069	3,491
Unemployment	-	-	1,543		1,543	-	1,543
Office Maintenance	10,000	-	-		10,000	251,462	(241,462)
Nightwatchman	55,516	-	-		55,516	50,651	4,865
Drug Court Program	168,181	5,000	42,400		215,581	211,120	4,461
Total General Government	\$ 3,375,843	\$ 115,464	\$ 495,650		\$ 3,896,957	\$ 4,004,261	\$ (12,244)
					\$ 389,303		

COUNTY OF GRAFTON, NEW HAMPSHIRE
ACTUAL REVENUES AND EXPENDITURES COMPARED TO LEGALLY ADOPTED BUDGET
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Adopted Budget	Prior Year's Encumbrances	Approved Transfers	Revised Budget	Actual	Variance Favorable (Unfavorable)
Public Safety						
Sheriff's Department	\$ 1,257,249	\$ 4,500	\$ (34,913)	\$ 1,256,749	\$ 1,215,096	\$ 41,653
Dispatch Center	923,680	10,630	(2,244,000)	899,367	860,536	38,831
Jail	3,424,092	13,217	(12,000)	3,212,869	3,137,866	75,003
Community Commissions	385,738	-	-	373,758	357,186	16,572
Governor's Commission Grant	-	-	-	-	76,800	(76,800)
Total Public Safety	5,985,749	28,347	(271,353)	5,742,743	5,648,084	94,659
Human Services	7,005,915	184,290	(76,343)	7,113,862	6,525,271	588,591
Grant	558,095	-	-	538,095	536,909	1,186
Central						
County Commissioners (Administration)	1,000	3,770	-	4,770	88	4,672
County Attorney	3,500	3,312	-	6,812	3,172	3,640
Sheriff's Department and Dispatch	84,200	31,100	-	115,300	101,603	13,697
Maintenance	605,750	486,316	-	1,092,066	946,254	145,812
Information Technology	83,972	-	-	83,972	29,550	54,422
Extension Service	5,997	-	-	5,997	3,393	2,604
Jail	8,080	6,785	-	14,865	4,896	9,969
Jail - Capital Improvements	48,450	1,165	-	49,615	48,435	1,180
Fire Damage Replacement	330,000	-	-	330,000	288,824	41,176
Deeds Equipment - Surcharge	-	20,294	-	20,294	19,599	695
Total Central	1,170,949	555,742	-	1,723,691	1,443,824	277,867
Debt Service						
Principal	181,250	-	-	181,250	181,250	-
Interest:						
Interest on Long-Term Debt	498,227	-	-	498,227	100,231	398,996
Interest - Tax Anticipation Notes	25,480	-	-	25,480	23,494	1,986
Total Interest	518,934	-	-	518,934	123,655	395,279
Total Expenditures	\$ 18,771,478	\$ 885,843	\$ 147,954	\$ 19,800,275	\$ 18,465,194	\$ 1,335,081

COUNTY OF GRAFTON, NEW HAMPSHIRE
ACTUAL REVENUES AND EXPENDITURES COMPARED TO LEGALLY ADOPTED BUDGET
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Adopted Budget	Prior Years Encumbrances	Approved Transfers	Revised Budget	Actual	Variance Favorable (Unfavorable)
Excess (Deficiency) of Revenues Over Expenditures	\$ 5,049,465	\$ 38,517	\$ (147,954)	\$ 4,940,028	\$ 4,027,642	\$ (912,386)
<i>Other Financing Sources (Uses)</i>						
<i>Operating Transfers In</i>						
From Capital Projects:						
Water Tank Capital Projects Fund	-	-	-	-	21,525	(21,525)
From Enterprise Funds:						
Grafton County Nursing Home	-	-	-	-	21,525	(21,525)
Total Operating Transfers In	-	-	-	-	-	-
<i>Operating Transfers Out</i>						
To Special Revenue:						
Victim/Witness Grant	(113,989)	(2,149)	-	(116,138)	(107,965)	8,173
To Capital Projects:						
Dispatch Capital Reserves	-	-	-	-	(63,390)	(63,390)
To Enterprise Funds:						
Grafton County Nursing Home	(4,410,042)	(56,368)	(52,625)	(4,999,035)	(2,747,030)	1,752,005
Total Operating Transfers Out	(4,524,031)	(58,517)	(52,625)	(4,635,173)	(2,918,385)	1,696,788
Total Other Financing Sources (Uses)	(4,524,031)	(58,517)	(52,625)	(4,635,173)	(2,896,860)	1,718,313
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	525,434	-	(200,579)	324,855	1,130,782	805,927
Fund Balances, Beginning of Year	2,451,356	-	-	2,451,356	2,451,356	-
Fund Balances, End of Year	\$ 2,976,790	\$ -	\$ (200,579)	\$ 2,776,211	\$ 3,582,138	\$ 805,927

Beginning Fund Balance Was Budgeted as Follows: \$1,525,000 Used to Reduce the County Tax Rate and \$919,310 of Prior Year's Encumbrances.