

Grafton County

3855 Dartmouth College Highway

No. Haverhill, NH 03774



Supported by the fine citizens of:

*voting
district 1*

- ★ *Enfield*
- ★ *Hanover*
- ★ *City of Lebanon*

- ★ *Bath*
- ★ *Benton*
- ★ *Bethlehem*
- ★ *Easton*
- ★ *Franconia*
- ★ *Haverhill*
- ★ *Landaff*
- ★ *Lincoln*
- ★ *Lisbon*
- ★ *Littleton*

*voting
district 2*

- ★ *Lyman*
- ★ *Lyme*
- ★ *Monroe*
- ★ *Orford*
- ★ *Piermont*
- ★ *Sugar Hill*
- ★ *Warren*
- ★ *Wentworth*
- ★ *Woodstock*

- ★ *Alexandria*
- ★ *Ashland*
- ★ *Bridgewater*
- ★ *Bristol*
- ★ *Campton*
- ★ *Canaan*
- ★ *Dorchester*
- ★ *Ellsworth*
- ★ *Grafton*

- ★ *Groton*
- ★ *Hebron*
- ★ *Holderness*
- ★ *Orange*
- ★ *Plymouth*
- ★ *Rumney*
- ★ *Thornton*
- ★ *Waterville
Valley*

*voting
district 3*

ANNUAL REPORT FISCAL YEAR 2012

July 1, 2011

Through

June 30, 2012

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
DRUG COURT
HUMAN SERVICES
REGISTRY OF DEEDS
INFORMATION TECHNOLOGY
DEPARTMENT OF MAINTENANCE
FARM



FOR THE FISCAL YEAR COVERING
JULY 1, 2011 - JUNE 30, 2012

The Dedication of the Annual Report

Crafton County

Commissioners



Districts 1, 2 & 3 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

C. Everette Koop M.D.
Hanover, NH

Nominated by: Commissioner Michael Cryans Dist. 1

Jan Kinder
North Haverhill, NH

Nominated by: Commissioner Raymond Burton Dist. 2

Scott & Ellen King
Holderness, NH

Nominated by: Commissioner Omer C. Ahern Jr. Dist. 3



Dr. C. Everett Koop first came to Grafton County as a freshman at Dartmouth College in 1933, where he first developed strong connections with this area, although his work has taken him all over the world in the intervening years.

After his graduation from Cornell Medical College in 1937, he moved to Philadelphia for his internship and residency, and became the first surgeon to practice pediatric surgery full time. In 1948 he was appointed surgeon-in-chief of the Children's Hospital in

Philadelphia, where he earned international reputé as a surgeon, and become noted for his work separating conjoined twins, and his efforts in dealing with an epidemic in the Dominican Republic.

He served as Surgeon General of the US Public Health Service from 1981 to 1989, and came to define that position in a unique way. Never one to shrink from the truth about anything, he confronted the AIDS epidemic head-on and raised public awareness of the facts about HIV/AIDS. He was equally known for his efforts in making the public aware of the dangers of cigarette smoking, as well as the need for proper diet and nutrition. He also served as Director of International Health, and his influence became worldwide.

Dr. Koop has been the recipient of many awards including 41 honorary doctorates and the Presidential Medal of Freedom.

He now resides here in Grafton County where his influence continues. He sponsors the C. Everett Koop lecture at Geisel each autumn, heads the C. Everett Koop Institute at Dartmouth College and helped found DCARE (Dartmouth College Addiction Recovery and Education). He supports AVA Gallery in Lebanon, Northern Stage in White River Junction, and has been a major donor to Lebanon College. He is the driving force behind the C. Everett Koop Tobacco Cessation Conference held each year at Fairlee VT, and supports the Senior Citizens' Council in Grafton County.

C. Everett Koop M.D.

Janet Kinder, known to all as Jan Kinder, has lived in North Haverhill for many years since her marriage to Rich Kinder (now deceased) and has involved herself in a wide variety of community activities in this region.



Over the years her community life has included active participation and leadership in 4-H, Youth Church Work, Organizing the Area Lenten Regional Church Services, Haverhill Diversion Program, Kids in Prevention Program, and Homeless Awareness Activities.

For ten years one of her focuses has been with the Grafton County Department of Corrections Thresholds & Decisions Program now called Crossroads & Decisions, as a macro leader.

“I really care for these people. They are wonderful. If they are ready, they will do well and will succeed and lead a life on their own”

Jan says the new County Jail is structured professionally for the program and the staff is very cooperative in bringing participants to the Crossroads sessions.

Those who have worked with Jan and the program can't speak highly enough of her. She is said to be very soft spoken but is more than capable when it comes to handling the groups. She coordinates and teaches all the other volunteer instructors and manages the program in total. She's a woman who will go above and beyond for the inmates in the program and also acts as an advocate. It takes a special person to offer time in such a selfless way and Jan is just such a person.

Jan has three grown sons, a daughter and nine grand-daughters who also help to occupy her time!

Jan Kinder



Scott and Ellen King of Holderness, exemplify, by their public and “behind the scenes” lives, the Rotary International standard of “Service Above Self”. Scott is an accomplished stone mason and evidence of his craft can be found throughout New England, and as far away as California. Ellen serves the people of Holderness as their Town Clerk.

During the holiday season, Scott and Ellen, together, are known to reach out and provide to the elderly in the greater Holderness community. Ellen currently spends much of her time at a not so local “elder care” facility visiting with and addressing the needs of an elderly aunt, who otherwise would have no one else to “be there” for her. Ellen has also served as a “court appointed” advocate for folks, who would otherwise have no one advocating for them. It is said about Ellen, that when it is about service to those in need, the word “NO” does not exist in her vocabulary. Like her husband Scott, she is always willing to listen and to help.

Scott has served as President of the Plymouth Rotary Club, and is a fifteen (15) year member of Rotary International. Scott has been the inspiration for several major Rotary Projects in Plymouth. Most conspicuously Scott oversaw the design, construction and completion of the Rotary Amphitheater on the west side of the Pemigewasett River on Green St. in Plymouth. His involvement with the “Wounded Warriors” program, acknowledges the sacrifices and Patriotism of the men and women who have served our Country in the U.S. Military.

In 1976, in recognition of the Bicentennial of our United States, Scott walked the entire width of the United States from Maine to California, carrying a Proclamation from Governor Longley of the State of Maine to Governor Brown of the State of California.

Scott and Ellen King deserve a long and overdue sincere heartfelt “thank-you” for their “serving best by serving the most.”

Scott & Ellen King

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The Towns of Grafton County



Towns in the Commissioners Districts

- 1.) Enfield, Hanover, and the city of Lebanon
- 2.) Bath, Benton, Bethlehem, Easton, Franconia, Haverhill, Landaff, Lincoln, Lisbon, Littleton, Lyman, Lyme, Monroe, Orford, Piermont, Sugar Hill, Warren, Wentworth, and Woodstock
- 3.) Alexandria, Ashland, Bridgewater, Bristol, Campton, Canaan, Dorchester, Ellsworth, Grafton, Groton, Hebron, Holderness, Orange, Plymouth, Rumney, Thornton, and Waterville Valley

COMMISSIONERS' REPORT
FISCAL YEAR 2012

We are pleased to present the following reports and financial statements for the period of July 01, 2011 – June 30, 2012. We share these reports with you, the people of Grafton County, so that you may have a better understanding of your County Government.

Financially, Grafton County finished fiscal year 2012 in good shape. Total Revenues came in above budget projections by \$900K. The total revenue received for the fiscal year was \$33,801,974. Expenses were below budget estimates by \$1,881,419. The total expended was \$34,274,738 with \$19,409,043 being raised in County taxes.

The budget process for FY 2013 was as challenging as expected. As the fiscal year 2013 budget was being prepared the new Grafton County Correctional Facility was rapidly nearing completion. Several of the increases in the fiscal year 2013 budget were a direct result of the construction of the facility and the opening and operation of the new facility. The single largest increase in this budget was in debt service payments as we incorporated the second bond issue payments into the budget. This is an increase of \$884,763.00. In addition, there were increases in the operating budget for both the Department of Corrections and the Maintenance Department that are attributable to staffing and operating the new facility. There are no new positions budgeted for either of these departments for fiscal year 2013.

The Grafton County Delegation commissioned a \$40,000 performance audit of the management of Grafton County during fiscal year 2012. That report is available on the Grafton County website at www.graftoncountynh.us. A number of the recommendations that were contained in the report called for additional staffing within several departments. As a result of the performance audit report there were 5.6 new full-time equivalent positions requested throughout various departments at a total cost of \$308,194.00. These positions included: a Finance Director for the County; an Assistant County Attorney and a Legal Secretary in the County Attorney's Office; a 24 hour per week Information Technology position; a full-time clerical position in the Sheriff's Department and Dispatch and the last new position is a conversion of part-time hours into a full-time Dispatch position. The budget that the Delegation passed did not include funding for the Finance Director position and the clerical position in the Sheriff's Department.

One area of the budget that saw a significant decrease was the Human Services budget. This budget includes funds that the County is statutorily obligated to pay to the State of NH for long-term care and home and community based care services for the elderly that are eligible in the County. This year the County will budget \$596,140 less for that obligation.

There was a 1.875% cost-of-living adjustment for employees. In addition, in an effort to reduce health insurance expenses, the County changed health insurance providers and was able to reduce health insurance costs for the employees. The fiscal year 2013 budget increased by 7.34% while the amount to be raised by taxes increased 3.99%. It should be noted that these increases were substantially lower than original projections factoring in the operations of the new facility.

The construction of the new Department of Corrections Facility was completed in fiscal year 2012. On May 06, 2012 the official Ribbon Cutting Ceremony was held and inmates were moved into the new facility on June 22, 2012. The project came in substantially under budget and was completed on time. Grafton County wishes to thank SMRT, Inc., H.P Cummings and all of the subcontractors who were involved with this project. The building is a modern facility that Grafton County is proud of. The Commissioners also wish to thank Superintendent Glenn Libby and all of the Correctional staff for their patience and perseverance as the new facility was constructed. We wish them well in the new facility. We also wish to thank Maintenance Superintendent Jim Oakes and the Maintenance Staff for all of their hard work during the construction of this facility.

Grafton County is now moving full steam ahead on another exciting project. A Woodchip Biomass Heating system for the Complex was approved unanimously by the Delegation on May 14, 2012. The County did receive an Energy Efficiency Conservation Block Grant for \$378,500 to be put toward that project. These funds were used in part to do the engineering and design of the project. In October 2011 the County hired Banwell Architects from Lebanon, NH to do the design. It is expected that construction will commence in October 2012. This project is anticipated to replace 90% of the fuel oil used at the County Complex and the Biomass Heating System will be cash positive in the first year. The total project is approximately \$2.6M and will be funded through EECBG funds and the remaining funds will come from monies that were left over from the construction of the new Correctional facility. No additional funds will be

borrowed to build this facility. The plant is expected to be on line for the winter of 2013 – 2014. We are looking forward to reducing the consumption of fuel oil and the savings that will bring to County taxpayers. The Commissioners would like to thank former Commissioner Martha Richards and her volunteer Alternative Energy Committee for their efforts to bring this project forward. This committee has been working on this project since 2008.

The County had two long time employees retire in fiscal year 2012. In July 2011, Captain Paul Leavitt retired from the Sheriff's Department. Captain Leavitt had over fifty (50) years of law enforcement service in NH at the time of his retirement. In December 2011, Eileen Bolander the Grafton County Nursing Home Administrator retired after twelve (12) years of service to the County. Craig Labore was hired as the new Nursing Home Administrator and he began his service on January 30, 2012. We wish Paul and Eileen well in retirement and wish Craig success as he takes over the helm at the Nursing Home.

Grafton County continues to participate in the NACO (National Association of Counties) prescription drug discount program that is sponsored by CareMark. This valuable program is at no cost to the County or to the citizens. This program can reduce the cost of prescription drugs by up to 20%. Since the inception of the prescription drug program in September 2006, Grafton County citizens have saved a total of \$545,006.75. Getting enrolled in the program is simple – just place a call to the Commissioners' Office at (603) 787-6941 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 many participating pharmacies in Grafton County.

The NH Association of Counties Annual Conference was held at the North Conway Grand Hotel on October 24 & 25, 2011. During the conference at the Annual Banquet, County Attorney Lara Saffo was recognized as the County Attorney of the Year, Executive Director Julie Clough was recognized as the County Administrator of the Year, County Attorney Office Administrator Alison Farina was recognized as the County Attorney Employee of the Year, Activities Aide Dee Boutin Farley was recognized as the County Nursing Home Employee of the Year and Eileen Bolander, Nursing Home Administrator received the Edna McKenna Award for Public Service. Congratulations on a job well done, we are very proud of you!

As your County Commissioners, our mission and focus continues to be to provide the best quality services to the residents of Grafton County while maintaining a stable tax rate. This is very challenging considering the status of the economy and the increases in the cost of doing business.

The Commissioners hold regular weekly meetings on Tuesdays 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. We also attend monthly meetings of the Grafton County Executive Committee. All meetings are public. Please call the Commissioners' Office at (603) 787-6941 to confirm date, time and schedule. For further information, minutes of the Commissioners' meetings and links to other departments please visit the Grafton County website at www.graftoncounty.nh.us.

In closing, we continue to be proud of the accomplishments and successes of Grafton County Government. We realize that these accomplishments would not be possible without the dedication and hard work of all of our 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,

GRAFTON COUNTY COMMISSIONERS:

Michael J. Cryans, Chair (District1)

Omer C. Ahern, Jr., Vice-Chair (District 3)

Raymond S. Burton, Clerk (District 2)



GRAFTON COUNTY
ELECTED AND APPOINTED OFFICIALS
July 1, 2011 ~ June 30, 2012

COMMISSIONERS

Michael J. Cryans, District #1 - Hanover
Raymond S. Burton, District #2 - Bath
Omer C. Ahern Jr., District #3 - Plymouth

EXECUTIVE DIRECTOR

Julie L. Clough, North Haverhill

TREASURER

Carol Elliott, Plymouth

COUNTY ATTORNEY

Lara Saffo, Benton

COUNTY SHERIFF

Douglas Dutile, North Haverhill

REGISTER OF DEEDS

Kelley Monahan, Orford

CLERK OF COURT

David P. Carlson

JUDGE OF PROBATE

Gary W. Boyle, Littleton

ADMINISTRATOR, NURSING HOME

Craig Labore, Lebanon

SUPERINTENDENT, CORRECTIONS

Glenn Libby, North Haverhill

MANAGER, COUNTY FARM

Donald Kimball, North Haverhill

SUPERINTENDENT, MAINTENANCE

James Oakes, North Haverhill

HUMAN RESOURCES DIRECTOR

Michael Simspon, North Haverhill

INFORMATION TECHNOLOGY MANAGER

Brent Ruggles, Bethlehem

MEDICAL DIRECTOR

Frederick Kelsey

AUDITORS

Melanson, Heath Nashua, NH

GRAFTON COUNTY DELEGATION

Jan. 1, 2012~ June 30, 2012

District #1

* Lyle Bulis, Littleton
Stephanie Eaton, Littleton

District #2

Kathleen Taylor, Franconia

District #3

*Edmond Gionet, Lincoln
Gregory Sorg, Easton

District #4

Lester Bradley, Thornton

District #5

*Rick Ladd, Haverhill
Paul Ingbretson, Pike

District #6

*James Aguiar, Campton
*Charles Brosseau, Campton

District #7

Suzanne Smith, Hebron
Mary Cooney, Plymouth

District #8

Skip Reilly,
Jeff Shackett, Bristol
Paul Simard, Bristol

District #9

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

District #10

Paul Mirski, Enfield Center
*Charles Sova, Orange
*Chuck Townsend, Canaan

District #11

*Susan Almy, Lebanon
*Andrew White, Lebanon
Franklin Gould, Lebanon
Anna Harding, Lebanon

* Denotes Executive Committee

GRAFTON COUNTY BUDGET

EXPENDITURES: July 1, 2011 to June 30, 2012

Administration & Treasurer	\$408,548.00
County Attorney	\$691,445.00
Victim/Witness Advocate	\$150,725.00
VAWA Grant	\$88,440.00
Mental Health Court	\$116,007.00
Drug Court	\$291,922.00
Medical Referee	\$40,000.00
Delegation Expenses	\$15,000.00
Register of Deeds	\$568,272.00
Human Resources	\$59,166.00
Information Technology	\$201,324.00
Sheriff's Department	\$1,287,077.00
Dispatch	\$986,716.00
Courthouse Maintenance (Allocated to Depts)	\$0.00
Court System Maintenance Allocation	\$243,954.00
Human Services	\$7,297,123.00
GCEDC	\$40,000.00
Extension	\$314,817.00
Social Svc	\$523,750.00
Interest	\$1,368,560.00
Payment on Bonds & Notes	\$1,700,000.00
Capital Outlay	\$353,047.00
Wage/Benefit Adjustment	\$139,708.00
Contingency	\$42,500.00
Unemployment	\$15,000.00
Nursing Home	\$13,424,986.00
Jail	\$4,922,962.00
Farm	\$527,623.00
Conservation Dist	\$65,748.00
North Country	\$1,375.00

TOTAL EXPENSES	\$35,885,795.00
LESS REVENUE	\$13,476,752.00
LESS SURPLUS TO REDUCE TAXES	\$3,000,000.00
AMOUNT TO BE RAISED BY TAXES	\$19,409,043.00

GRAFTON COUNTY BUDGET

July 1, 2011 to June 30, 2012

REVENUE:

County Nursing Home	\$9,961,475.00
County Jail	\$160,045.00
County Farm	\$501,761.00
Building Rental	\$312,334.00
Register of Deeds	\$950,000.00
Human Services	\$55,000.00
Sheriff's Dept Fees	\$454,950.00
Sheriff's Dispatch	\$508,563.00
Extension Svc	\$8,000.00
Misc Revenue	\$202,712.00
Interest Earned	\$150,300.00
Federal in Lieu of Taxes	\$70,000.00
Victim/Witness Advocate	\$26,500.00
Attorney's Fees	\$30,000.00
Abandon Property	\$13,625.00
Capital Revenue	\$71,487.00

TOTAL REVENUE	\$13,476,752.00
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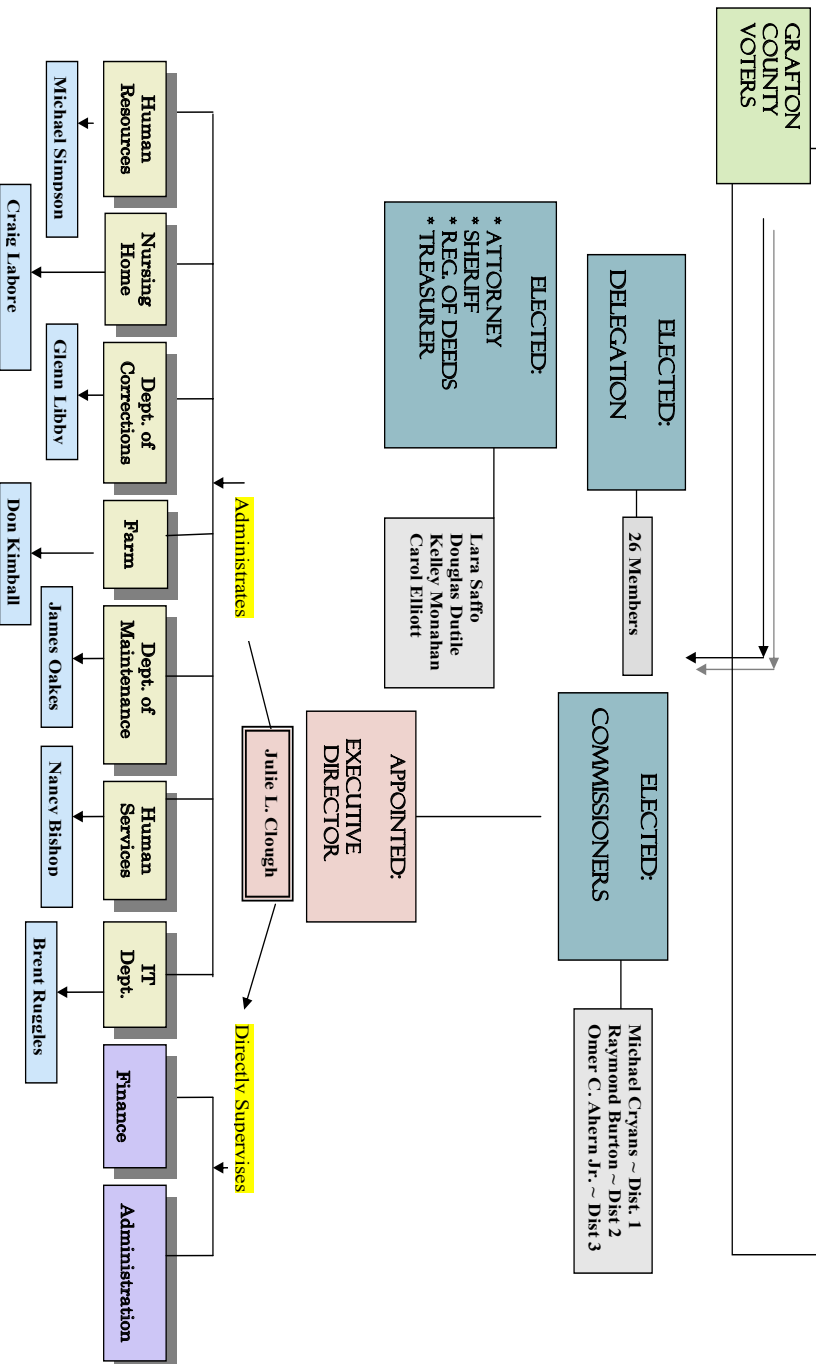
DELEGATION EXPENSES

July 1, 2011 to June 30, 2012

David Pierce	\$25.00
Stephanie Eaton	\$49.42
Beatriz Pastor-Bodmer	\$50.53
Miscellaneous	\$51.72
Paul Ingbretson	\$61.10
Jeff Shackett	\$86.05
Kathleen Taylor	\$103.28
Anna Harding	\$128.84
Sharon Nordgren	\$129.92
Bernard Benn	\$132.14
Greg Sorg	\$150.48
Lester Bradley	\$181.56
Paul Mirski	\$183.20
Franklin Gould	\$186.00
Skip Reilly	\$197.10
Mary Cooney	\$208.20
Paul Simard	\$258.15
Suzanne Smith	\$564.12
Rick Ladd	\$719.78
Charles Brosseau	\$806.16
James Aguiar	\$940.52
Edmond Gionet	\$999.40
Lyle Bulis	\$1,081.06
Susan Almy	\$1,165.42
Andy White	\$1,249.15
Charles Sova	\$1,449.00
Chuck Townsend	\$1,450.64

TOTAL EXPENSES	\$12,607.94

GRAFTON COUNTY ORGANIZATIONAL CHART



REPORTS FROM THE DEPARTMENTS

GRAFTON COUNTY TREASURER

Carol A. Elliott

Annual Report Fiscal Year 2012

County tax collections from all the towns in Grafton County and the City of Lebanon totaled \$19,409,043.00 in Fiscal Year 2012. All taxes were collected in a timely manner. A portion of the tax money was first used to pay off the Tax Anticipation Note owed for expenses the previous year. The balance was invested for future county expenses.

Bids were requested for investment interest rates from all the banks having offices in Grafton County.

The emphasis in this process is on rates of interest and the length of time funds can be invested in order to provide income strategically.

Due to the low rates offered by participating banks this year and the existing economic condition interest income was lower than normal in Fiscal Year 2012. The total received from interest on the county's general fund and jail bond funds combined was \$75,955.48. It should be noted that jail bond funds declined in Fiscal Year 2012 as the jail was being built and construction bills paid, leaving less funds upon which to draw interest.

It has been a pleasure to serve the citizens of Grafton County again this year. As always, I shall continue to explore all possibilities for increasing interest revenue in order to decrease the tax burden on our taxpayers.

Respectfully submitted,

Carol A. Elliott
Grafton County Treasurer

GRAFTON COUNTY ATTORNEY

Lara Joan Saffo

Annual Report Fiscal Year 2012

The Office of the Grafton County Attorney promotes public safety and pursues justice through the courts. County Attorney Lara Saffo continues to employ an experienced group of prosecutors. The Deputy County Attorney is longtime prosecuting attorney Melissa Pierce. Assistant County Attorneys for 2012 are John Bell, Paul Fitzgerald, Mary Bleier and new hire Melissa Fales. Office Administrator Alison Farina, Administrative Assistant Christine Ash, and Legal Assistants Ruth Maffei and Dawn Burleson continue to serve as staff to the office, and recently were joined by Lynne McKeever.

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 744 case files and represented the citizens of Grafton County in 3332 scheduled court appearances. Additionally, 78 cases were reopened for probation violations.

The special services investigator, Wayne Fortier, played an instrumental role in developing cases for prosecution, freshening cold case files, and working with the Grafton and Sullivan County Child Advocacy Center at DHMC.

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 and Lynne McKeever.

As county attorney, I cannot express my appreciation enough for the dedication and hard work of all of the above noted members of the Office of the Grafton County Attorney. Our already busy caseload experienced a significant increase this past fiscal year. All members of the office worked incredibly hard to accommodate this increase in work and caseload.

Grafton County continues to actively participate in the continued success of the Grafton County Drug Court Sentencing Program. The 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. We also participated in developing Mental Health Courts for the circuit courts in Grafton County. Shelly Golden, the Grafton County Coordinator for Mental Health Court leads this effort.

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

- The attainment of federal funds to (1) finance the Office of Victim/Witness Assistance, (2) subsidize the costs of a prosecutor's position to focus on domestic violence and sexual assault cases, (3) fund advanced prosecutorial trainings and (4) improve the access to media in the courtroom and during investigations.
- The receipt of a federal grant to purchase and install case management software. This software will result in increased efficiency in our case management. Other benefits are improved technology in the courtroom and the ability to network with all the other county attorney offices statewide.
- The continued successful operation of the Grafton/Sullivan Child Advocacy Center at Dartmouth Hitchcock Medical Center, which provides services for children throughout Grafton County.
- The continued promotion of the Plymouth Area Sexual Assault Resource Team (PASART), which results in collaborations between the various agencies serving adult victims of sexual assaults. Among other things, PASART offers free training in the areas of domestic violence, sexual assaults, stalking, human trafficking and strangulation. PASAT has also begun to formally evaluate cases after the criminal prosecution is completed, with an eye on improving services in the future.
- Participation in the New Hampshire Partnership for the Protection of Older Adults. Deputy County Attorney Melissa Pierce is a member of the Partnership and conducts trainings for collaboration team members, including law enforcement.

The Grafton County Attorney's Office thanks the County Delegation and

Grafton County Commissioners Michael Cryans, Raymond Burton, and Omer Ahern. 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.

The Grafton County Attorney's Office also wishes to offer recognition to law enforcement in Grafton County for their efforts and dedication to their profession. We wish to extend our heartfelt appreciation for their hard work on behalf of the citizens of Grafton County.

Respectfully submitted,

Lara Joan Saffo
Grafton County Attorney

GRAFTON COUNTY SHERIFF'S DEPARTMENT

Sheriff Douglas R. Dutile

Annual Report Fiscal Year 2012



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 2012. This year marks the end of my 4th term as your Sheriff. I am proud to represent the Citizens of Grafton County and look forward to future terms as your Sheriff. Together, we can meet any challenges that come our way. It has been a year of positive change and new endeavors.

The Grafton County Department of Corrections opened the doors to their new facility this year. The Department of Corrections is now connected to the Sheriff's Department and Superior Court through a "J" connector. This has created a safer environment for both staff and inmates. This means that the inmate does not have to leave the confines of the jail to attend Grafton County Superior Court, Haverhill Circuit Division or Probate Court. We welcome our new neighbors and look forward to a safe and professional working relationship.

The Superior Court implemented an electronic warrant system this year. This means that when a warrant is issued, it is entered into the system electronically and is immediately available to the Deputies in the field upon request. This eliminates any delay in apprehension or possible confusion when trying to confirm a warrant in a "paper system". They are referred to as SCAW's or Superior Court Arrest Warrants.

Our mobile communications/command trailer continues to be deployed to events, lost persons and pre-planning exercises to name a few. It provides back-up dispatch and field support operations for first responders. This enables us to provide valuable assistance to to area

departments throughout the county. We are very proud of this state of the art piece of equipment and the professional communications personnel who operate it.

The Sheriff's Department work-load continues to increase each year. We noted an increase in most areas to include Prisoner Transportation, Civil Activity and the over-all calls for service. Members of the Sheriff's Department have a high sense of personal responsibility for the quality of their work and are doing a fantastic job by keeping up with the increased demand. All Sheriff's Department Deputies, Court Officers, Communication's Personnel, and Office Staff are very dedicated and committed in providing the highest quality of service to our Citizens of Grafton County. We emphasize the concept of "TEAM EFFORT". I would like to express my sincere appreciation to the entire staff for their loyalty, support and dedication.

I would like to thank Executive Director Julie L. Clough, her conscientious staff, the 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, "Serving the People and Protecting Property".

Respectfully submitted

Douglas R. Dutile, Grafton County Sheriff

GRAFTON COUNTY SHERIFF'S DEPARTMENT
Activities Report ~ July 1, 2011 ~ June 30, 2012

	<u>FY2011</u>	<u>FY2012</u>
<u>Civil Activity</u>		
Civil Process Served & Attempts:	6293	7,865
Civil Service Fee Revenue:	\$201,225	\$ 214,290

Prisoner Transports

Adult and Juvenile Prisoners Transported to Courts and Treatment Facilities:	4,953	5,448
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Extraditions

Fugitives returned to Grafton County:	21	15
They were returned from: New York, Vermont, Massachusetts, Rhode Island, Maine, Pennsylvania, Florida and Ohio		

Criminal Investigations

General investigations conducted:	128	174
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Warrant Status – Criminal & Civil

Criminal warrant arrest:	37	42
Criminal warrant recalled:	28	30
Criminal warrants open:	393	158
Civil warrant arrest:	30	24
Civil warrants recalled:	73	81
Civil warrants open:	80	227

U.S. Forest Service Patrol Enforcement

Arrests made while patrolling:	110	107
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	FY2011	FY2012
<u>Citations Issued</u>		
Warnings:	62	33
Summonses	8	11
 <u>Grafton County Communications Center</u>		
Calls for service received at the center:	57,137	66,540
<u>Agencies Dispatched for:</u>		
21 Police Departments		
26 Fire Departments		
14 Emergency Medical Squads		
 Persons entering the Court House:	49,959	47,581
 Persons held in temporary detention at the Sheriff's Department:	819	963
 Assists rendered to Police Departments:	339	373

GRAFTON COUNTY HUMAN SERVICES

Nancy Bishop

Annual Report Fiscal Year 2012

To the Honorable Commissioners of Grafton County:

In FY 12, Grafton County Human Services continued to monitor the county's liability for Long Term Care Medicaid expenses, provide input on legislative issues, coordinate the Social Services Grants and network with community agencies and services.

We ended the fiscal year under budget this year for a variety of reasons which include, a statutory cap reduction for the Long Term Care services.

This year the average number of recipients per month receiving Nursing Care Services was 253 at a total cost to the county of \$5,062,864.23.

The average number of recipients per month receiving Home & Community Care Services was 177 at a total cost to the county of \$1,650,620.60.

Please refer to the chart on the next page for a breakdown of expenses by town. The totals include adjustments for Estate Recovery credits of \$109,139.40.

In the Fall of 2011, Grafton County teamed up with Goodwill Industries of Northern New England, Inc. to open a site for their Workforce Solutions Program. The program offers a computer lab (3 laptop computers set-up in the basement of the Administration Building) which enables anyone seeking employment internet access to job search sites, resume writing programs and access to e-mail. Goodwill offers workshops, upon request, which are designed to assist with job searching techniques and computer literacy. The site is open to the public on Tuesday, Wednesday and Thursdays from 8am - 1pm.

In closing, I would like to thank the Board of Commissioners, the County Delegation and the Executive Director for your continued support.

Respectfully submitted,

Nancy J. Bishop, Administrator

CATAGORICAL EXPENSES BY TOWN FY 2012

TOWN	cases	INC	cases	HCBC	TOTALS
ALEXANDRIA	8	\$87,858.55	3	\$7,579.97	\$95,438.52
ASHLAND	11	\$102,243.64	7	\$16,066.37	\$118,310.01
BATH	11	\$177,921.91	1	\$4,137.84	\$182,059.75
BENTON	0	\$0.00	0	\$0.00	\$0.00
BETHLEHEM	10	\$121,947.57	10	\$68,477.77	\$190,425.34
BRIDGEWATER	2	\$15,533.32	2	\$10,464.81	\$25,998.13
BRISTOL	14	\$161,654.22	6	\$39,278.28	\$200,932.50
CAMPTON	16	\$132,538.04	17	\$135,709.01	\$268,247.05
CANAAN	11	\$134,171.44	10	\$71,353.06	\$205,524.50
DORCHESTER	1	\$6,177.44	2	\$13,660.58	\$19,838.02
EASTON	2	\$21,766.36	0	\$0.00	\$21,766.36
ELLSWORTH	0	\$0.00	0	\$0.00	\$0.00
ENFIELD	11	\$162,860.06	6	\$34,107.71	\$196,967.77
FRANCONIA	10	\$114,848.15	3	\$19,151.26	\$133,999.41
GRAFTON	4	\$25,421.39	8	\$85,478.04	\$110,899.43
GROTON	0	\$0.00	0	\$0.00	\$0.00
HANOVER	16	\$172,496.47	1	\$9,380.61	\$181,877.08
HAVERHILL	53	\$750,916.22	31	\$213,846.28	\$964,762.50
HEBRON	0	\$0.00	0	\$0.00	\$0.00
HOLDERNESS	6	\$114,992.42	0	\$0.00	\$114,992.42
LANDAFF	6	\$84,807.57	1	\$9,141.97	\$93,949.54
LEBANON	66	\$839,418.07	37	\$260,951.17	\$1,100,369.24
LINCOLN	13	\$143,592.97	3	\$26,749.30	\$170,342.27
LISBON	13	\$250,572.94	10	\$74,990.07	\$325,563.01
LITTLETON	48	\$710,706.75	31	\$221,512.17	\$932,218.92
LIVERMORE	0	\$0.00	0	0	\$0.00
LYMAN	0	\$0.00	1	\$8,918.68	\$8,918.68
LYME	4	\$76,915.62	0	\$0.00	\$76,915.62
MONROE	5	\$77,358.42	3	\$14,764.25	\$92,122.67
ORANGE	3	\$39,928.27	0	\$0.00	\$39,928.27
ORFORD	6	\$97,576.93	2	\$14,001.69	\$111,578.62
PIERMONT	7	\$125,364.15	3	\$29,815.91	\$155,180.06
PLYMOUTH	15	\$163,288.08	17	\$109,382.56	\$272,670.64
RUMNEY	13	\$203,817.61	4	\$43,556.89	\$247,374.50
SUGAR HILL	2	\$18,760.04	1	\$999.15	\$19,759.19
THORNTON	9	\$142,952.13	4	\$12,134.93	\$155,087.06
WARREN	9	\$129,990.90	6	\$35,917.55	\$165,908.45
WATERVILLE	0	\$0.00	1	\$5,442.60	\$5,442.60
WENTWORTH	3	\$38,572.17	1	\$1,334.70	\$39,906.87
WOODSTOCK	4	\$52,873.41	5	\$52,315.42	\$105,188.83
XXX	1	-\$436,979.00	0	\$0.00	-\$436,979.00
TOTAL	413	\$5,062,864.23	237	\$1,650,620.60	\$6,713,484.83

**

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

** The amount represented in this column includes estate recoveries of \$63,853.43.

KEY:

INC - Nursing Facility Services – Medicaid Rate Payments

HCBC - Home and Community Based Care – Medicaid Services Payments

GRAFTON COUNTY HUMAN RESOURCES DEPARTMENT

Michael Simpson

Annual Report Fiscal Year 2012

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

It is my privilege to present the following report for Fiscal Year 2012 on behalf of the Grafton County Human Resources Department.

The Human Resources Department works collaboratively with all departments at Grafton County in the areas of recruitment, retention, labor relations, benefits administration, compensation, employee relations, employment policies, maintaining personnel files, safety, wellness, training, orientation, and legal compliance with federal and state regulations.

As one of the area's largest employers, with approximately 440 employees countywide, recruiting new employees and retaining existing staff is essential as our employees at Grafton County are the most valuable resource we have.

During FY12, Eileen Bolander retired as Grafton County's Nursing Home Administrator. The Human Resources Department worked diligently and collaboratively with Julie Clough, Executive Director, Board of Commissioners, and the Nursing Home to successfully recruit Craig Labore as our new Nursing Home Administrator.

Health insurance was a challenge Grafton County faced in FY12 -- not only for rising cost in health insurance premiums, but we were forced to make a carrier change as Primex, our previous health insurance carrier, made the decision to get out of the health insurance market effective on July 1, 2012. To address this change, a Benefits and Compensation Committee was created at Grafton County. This committee was made up of employees, managers, and union representatives. Combined, the committee made several recommendations to the Board of Commissioners that helped reduce costs. The most significant recommendation was switching to Local Government Center's Healthtrust program that, effective on July 1, 2012, **lowered** our health insurance premiums by over 2 % to Grafton County taxpayers and Grafton County employees, while

keeping a competitive health insurance plan to recruit and retain employees.

The Human Resources Department plays an important role with our Wellness Committee. The Wellness Committee is made up of representatives from several departments and is tasked on developing programs and initiatives to provide tools for our employees to help them become healthier. Grafton County's Wellness Committee organized and hosted our first Wellness Fair in March of 2012 which was a very interactive and successful event where several vendors gave out wellness related information to our employees. The Wellness Committee also organized and promoted a stress management workshop and two wellness challenges that focused on fitness and other healthy behaviors.

We continue to generate revenue through participation in the Medicare Part D (prescription drug) subsidy program. We currently have 10 applications approved and we have received payments totaling \$77,999.44 from the period of July 1, 2011 to June 30, 2012.

In addition to our day-to-day operations, other projects mentioned above, the Human Resources Department worked on during FY12 includes the following:

- Employee Handbook was updated in January of 2012.
- Revised and implemented an extensive salary survey consisting of over 60 positions at Grafton County and administered the survey to all 10 Counties in New Hampshire.
- Served on the Grafton County Negotiating Committee to agree on various annual re-openers of our collective bargaining agreement with UE Local 278.
- Wanda Hubbard, HR Clerk, was instrumental in implementing an applicant tracking system (ATS). Now applicants can apply for Grafton County employment opportunities from their home computer at anytime. ATS could help reduce advertising costs and assist filling Grafton County employment vacancies quicker.
- Karen Clough, HR Generalist, organized a successful Benefits Fair in June of 2012.
- Starting July 1, 2012, Grafton County will be administering our Health Reimbursement Account internally rather than outsourcing to a 3rd party.
- Dental insurance premiums decreased by 3 %. Employees are

responsible for 100% of the premiums.

- Great West was added as a second deferred compensation plan for our employees. All employees are eligible to participate and Grafton County now has Nationwide and Great West as options.

In closing, I would like to recognize the Human Resources team of Karen Clough, Human Resources Generalist and Wanda Hubbard, Human Resources Clerk for their continued work to run the day-to-day operations, while providing excellent service to our employees. We are very fortunate at Grafton County to have many dedicated, long serving employees to successfully deliver all the diverse services provided by Grafton County. Thank you to the Board of Commissioners, Delegation, and the taxpayers of Grafton County for their continued support.

Respectfully submitted,

Mike Simpson, M.S., PHR
Director of Human Resources

GRAFTON COUNTY HUMAN RESOURCES DEPARTMENT

Statistical Report: July 1, 2011 thru June 30, 2012

Turnover Rate (Calendar year)

	FY11	FY12
All employees (including full-time, part-time, and per diems)	19.21%	27.57%
All 3/5, 4/5, and full-time employees (excluding per diems)	11.33%	14.69%

Employee Headcount (as of June 30)

Total # of all employees	435	442
Total # of full-time employees	283	275
Total # of part-time and per diem employees	152	167

Family Medical Leave of Absence (FMLA)

Total number of approve FMLA applications processed in FY	79	74
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Workers Compensation

Total number of first report of injuries processed in FY	53	83
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Recruiting

Total number of new employees hired in FY	109	129
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Separations

Total number of employee separations processed in FY	100	123
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GRAFTON COUNTY REGISTRY OF DEEDS

Kelley Jean Monahan, Register

Annual Report Fiscal Year 2012

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

The Office of the Registry of Deeds represents a major cornerstone of our economy. Accurate and reliable recorded ownership and interest in property can open further financial opportunities. In America, one of the most, if not the most important sources of funds for the creation of new business is the mortgage on the owner's house. We are the keepers of the official record. This has been the function of the Grafton County Registry of Deeds for 274 years.

Progress/ Efficiency

The 10 county registries are also agents of the New Hampshire Department of Revenue Administration. As I took office in January of 2010, a cooperative effort was being proposed to coordinate a data sharing relationship with NH DRA integrated with UNH GIS. I was uncomfortable with this project, as proposed, and worked diligently with NH Register of Deeds Association and DRA to negotiating this agreement bringing clarity, security and fairness to the project. I am pleased to report that as of April 1, 2012 Grafton County began sharing tax stamp data/selling price with that index line data, buyer/grantee and seller/grantor name, electronically with NH DRA. This cooperation will offset expenses of the NH DRA, as they had been purchasing data from a third party vendor. This cooperation will also accelerate the delivery of data and will most significantly, assist this agency in establishing an instate equalization project that will insure that all property owners are paying their fair share of taxes. This cooperative effort is critical to a department that has been hobbled by recent staff reductions. Many municipalities have costly contractual relationships with private vendors. It is my belief that this is a project best handled by our own state and county governments and efficiencies should be sought by cooperating as much as possible.

Progress/Financial Reporting Transparency

I am also pleased to report that I was successful in my efforts, working internally with Deputy Register Beth Wyman, Executive Director Julie Clough, the performance audit team and financial audit team to recognize the benefit of a complete accounting break down of revenue sources.

Postage is balanced as an income and expense. This change to our accounting will report the actual revenue figure and source and will allow us to achieve a base line for future analysis.

Protecting our Greatest Asset

Eight Sources of Deeds Revenue	FY12 Requested Projection	Actual Revenue	Difference
Recording fees	\$525,000.00	\$518,662.07	(\$6,337.93)
Transfer tax – 4%	\$225,000.00	\$228,674.75	\$3,825.25
LCHIP fee -4%	\$12,500.00	\$12,523.00	\$23.00
Copy & fax fees	\$85,000.00	\$93,745.41	\$8,735.41
On line account access for printing	\$25,000.00	\$21,600.00	(\$3,400.00)
Surcharge account	\$37,500.00	\$34,861.18	(\$2,638.82)
Interest	-	\$2,009.20	\$2,009.20
Postage			
Total Revenue	\$910,000.00	\$912,075.61	\$2,075.61

One of the few measureable benefits from the lack of internet infrastructure in the North Country has been the luxury of letting the rest of the Country's county registries be the pioneers in entering the internet age. This has afforded us the opportunity to benefit from their mistakes. Short term gain from bulk sales of data bases to large title companies, contract obligations with the unscrupulous software companies, fraudulent and extra legal operations competing for revenue dollars have been just some of the pitfalls for those leading the way. Extra legal is the term for private companies overcharging for public documents without the sanction of government. All this is proof of the value of the data base and operations that are securely contained here at Grafton County.

Progress Operational

For 25 years Grafton County Registry of Deeds office had maintained a trusted partnership with land records software company Conner & Conner of Exeter NH. In late 2009, Conner & Conner sold their company after much thought and research, to Fidar Technologies of Rock Island IL. Having studied the history involved, the national climate regarding land records, the major competitors and the start-ups, I determined the preferred route at the expiration of our contract June 30, 2011 was to move ahead with Fidar. I will take a moment to mention that after I had presented my proposal to the Grafton County Board of Commissioners,

the vote to move forward with Fidler was a unanimous 3-0. The result of many months of contract negotiation, development, training, installation and two months of activation has left us in a very secure and beneficial position. Our expenses will see a decrease, our security is increased, and our confidence is in place for the future. The FBI reports that Property and Mortgage Fraud is the fastest growing white collar crime. Our software partner, Fidler Technologies has in place, at no cost to the consumer, a notification service called Property Fraud Alert. Details at www.propertyfraudalert or 1-800-728-3858

In closing, this has been a very significant two years for the operations of the Grafton County Registry of Deeds. I have given this position the attention that it required and deserved. One of the most important values that I have lived by has been to always leave a place better than I have found it. I am honored to have been entrusted with these decisions, and I hope to continue to serve Grafton County in this very vital office.

Respectfully submitted,

Kelley J. Monahan Grafton County Register of Deeds

GRAFTON COUNTY INFORMATION TECHNOLOGY

Brent Ruggles

Annual Report Fiscal Year 2012

The Grafton County Department of Information Technology team had a busy year with 2 large projects that were underway at the same time at county campus. The new Department of Corrections facility needed a new state of the art network and phone system. The IT Department was scheduled to start on it's planned network consolidation and upgrades to the existing Grafton County campus network infrastructure. Due to the timing, scope and size of the two projects it was necessary to hire additional outside expertise and manpower to augment the GC DoIT team to complete both projects. The 2 outside vendors selected were - Carousel Industries and Interstate Electric.

Carousel Industries provided network expertise for the new consolidated domain and the new campus Layer 3 network switches and routers as well as installation and configuration of a new VOIP phone system for the new correctional facility.

Interstate Electric provided installation and dmark of the new fiber optic to multiple network switch closets and various locations across the campus as well as throughout the new Department of Corrections Facility. The Grafton County Department of Information Technology team oversaw and assisted in all facets of both projects as well as interfaced tightly with the HP Cummings Superintendent, the Grafton County Maintenance Superintendent Jim Oakes and the Department of Corrections Superintendent Glenn Libby as well as many other technical contractors.

The Grafton County Department of Information Technology Manager would like to give special thanks to the following staff for either assisting in or providing back end support for these projects:

Grafton County Executive Director for assisting me with financial management support and the Grafton County Commissioners for providing support thruout the year.

Grafton County Department of Corrections Superintendent, Glenn Libby for providing additional man power when it was greatly needed.

Grafton County Department of Corrections Sergeant, Jim Marshall for assistance with configuration and deployment of 40 new PC's and several Servers.

Grafton County Technical Support Specialist, Barry Page for his dedication and involvement with all facets of both projects, as well as taking care of our regular day to day IT operations.

List of projects completed this year by the Grafton County IT Department Team include.

- ⤴ Start of Campus Network Consolidation Project
 - ⤴ Installation of new 52,000 feet of new Fiber cable for the new Consolidated Campus Network and New Department of Corrections Facility.
 - ⤴ Installation of new 15 Layer 3 Power Over Ethernet Switches.
 - ⤴ Installation of 2 new Redundant Core Network Routers.
 - ⤴ Installation of 12 new relay racks, battery backup units, patch panels and patch cords to connect to new Consolidated Campus Network
 - ⤴ Removal and Decommission of 3 Servers due to consolidation, more to be removed in 2012-13.
 - ⤴ Successful migration of 3 out of 5 networks, remaining 2 to be completed by December 2012.
- ⤴ Setup of new Correctional Facility Network
 - ⤴ Oversee and coordinate with Data\Telco and Cable vendors for the new jail.
 - ⤴ Setup, Configure and Installation of 40 new Computers and for the new Facility
 - ⤴ Installation of new Fiber Optic Network thruout the New Facility.
 - ⤴ Installation of new VOIP phone system and approximately 70 phones for the new Correctional facility.
 - ⤴ Setup of new network accounts for new staff, Due to request by the Superintendant, the DOC network accounts increased from 25 to 70.
 - ⤴ Installation of 4 overhead Projectors.

- ✧ Work with Superintendent and DoC staff on many technical projects, assist as technical contact for deployment and setup of new Inmate Management System software.

Respectfully submitted,

Brent Ruggles
IT Manager

GRAFTON COUNTY MAINTENANCE

James C. Oakes

Annual Report 2012

With each passing year the Maintenance Department's workload continues to grow and to meet these demands the department has grown also. In fiscal year 2012 we focused on day-to-day operation and maintenance requirements, capital improvement projects and enhancing our skills and certifications through continuing education, recertifications and hiring new staff that bring previously unheld certifications to the department.

Day-To-Day Operation and Maintenance Requirements

Over the last 10-years the county's facilities and grounds have expanded in size and complexity, adding to the day-to-day workload. In June of this year we took over the new 98,000 square foot correctional facility and several acres of lawns, parking lots and miscellaneous utilities. To ease our transition from project oversight to ownership, my staff and I attended a variety of training sessions geared specifically toward the operation and maintenance of this new facility. Although the list of training is too comprehensive to list in this report, some of the more interesting sessions covered pertained to the geothermal heating and cooling systems, state of the art electronic security devices and complex fire suppression and smoke control systems, just to name a few.

My staff has done a fantastic job taking care of the day-to-day needs to keep this complex running smoothly and looking good. I'm often amused when people outside the department tell me, "you guys are doing a great job; the grounds look so nice!" Although we appreciate the compliment, the reality is that the grounds work represents 10% of what we do. The bulk of our work takes place behind the scenes and often goes unrecognized. I gage the success of the department based on the number of complaints I receive related to temperatures, odors, noises and safety issues, things often unseen but that are sensed. The number of complaints is a much more reliable indicator of how we are really doing. In FY12 I received very few complaints, which says volumes about the work ethic and dedication of those in the department.

Capital Improvement Projects

This year's capital improvement projects encompassed the ongoing construction of the new jail, an automated water valve project and a

biomass district heating plant project.

The jail project took up much of our time. At the beginning of the year a lot of our time was still devoted to construction oversight, working directly with contractors and the construction manager identifying deficiencies and following the fixes to completion. This required a lot of hands on work and coordination. We also spent a great deal of time focusing on life-safety systems, ensuring the fire alarm, sprinklers and smoke control systems were properly installed, programmed and operated as designed. We also helped coordinate numerous inspections by the State Fire Marshall's Office to secure the Certificate of Occupancy. In the spring our responsibilities became more encompassing. We ordered our furniture, fixtures and equipment and began setting up a new maintenance shop within the new jail dedicated to the operation and maintenance of this facility. We also shifted into the training phase and spent weeks training to operate and maintain the new building and its equipment. Additionally, we became heavily involved in the commissioning process, helping our commissioning agent wring out and test each system to ensure everything worked as designed. At the beginning of June we took over the maintenance.

Another project, although small in size but important in scope, was the construction of an automated water valve system to address the unresolved issue of poor water turnover in the county's water storage tank, which has the potential for the growth of bacteria and elevated disinfection byproducts. Essentially, this project involved installing an automated butterfly valve and vault in Woodsville Water & Light Department's water main before the tank to automatically force water turnover within the county's water storage tank. Early in the year we hired Pathway's Consulting to design this system. Once designed, we put the project out to bid and selected Morrill construction to build it. By the end of June the project was well under way with an anticipated completion date some time around November 1, 2012.

Last but not least is the biomass district heating plant project. Over the past few years the department, working hand-in-hand with the county's energy conservation committee, has striven to lower operational cost through various energy saving initiatives. One such initiative sought to

reduce heating oil consumption by 90% through the means of heating all the complex buildings via a central woodchip boiler plant. When consecutive feasibility studies for this initiative validated the estimated energy savings, the county delegation and commissioners gave the department authority to hire an architect and engineers to design a central biomass district heating system for Grafton County. Through a competitive bidding process the county hired Banwell Architects from Lebanon, NH to complete the design. Throughout the winter the department cooperatively worked with the design team to arrive at an acceptable design that would meet the future energy saving needs of the complex. Once the design was complete and a firm cost projection for the project was in hand, the department sought and received the Commissioner's and Delegation's approval to move forward with construction. By late June we again used a competitive bidding process and awarded a contract to Messersmith to provide the boiler and chip feed systems for the new plant.

Enhanced Skills and Certifications

Over the last few years certain individuals within the department have become trained and certified to do specific tasks. To remain current most had to attend some sort of continuing education training to become recertified. In the spring all department staff were recertified to operate the department's boom lift. A few of the guys attended various blueprint-training classes to hone their skills in reading blueprints. Of the two staff certified to test backflow devices was recertified by New England Water Works for a consecutive 3-year period. The other is due recertification next year. Of the department's two Class A Underground Storage Tank Operators, one of was recertified for a consecutive 2-year period through the Department of Environmental Services. The other is due recertification next year.

In May I hired the second of two new people authorized for the new jail. He is a licensed gas fitter and has a residential heating, ventilating and air conditioning certification. Since joining the maintenance department, he has renewed his gas fitter's license for another 2-year period. The skills and certifications that he brings to the department will be instrumental in helping shed certain contract maintenance and lowering the county's operational cost in these areas.

In closing, I thank those assigned to the maintenance department for their diligence in meeting the day-to-day needs of the complex and keeping it running smoothly. I also thank the Executive Director, Commissioners

and Delegation for their trust and support of the department.

Respectfully submitted

James C. Oakes
Maintenance Superintendent

Annual Report 2012

University of New Hampshire Cooperative Extension's mission is 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.

Four full-time Extension Field Specialists are based out of our North Haverhill office. Deborah Maes, Food Safety and Community Economic Development, , Kathleen Jablonski, Youth and Family, Heather Bryant, Food & Agriculture, Dave Falkenham, Natural Resources and State Dairy Specialist, Michal Lunak. Lisa Ford, Nutrition Connections, is located at the Whole Village Family Resource Center in Plymouth. Our staff is supported in the office by Kristina Vaughan and Teresa Locke.

Volunteers serve on the Grafton County Extension Advisory Council and provide local support for our programs. Membership for 2011-2012 included Martha McLeod, Franconia; Frank Hagan, Bethlehem; Cheryl Taber, Littleton; Luther Kinney, Sugar Hill; Mary Ames, Bath; Pauline Corzilius, Pike; Joan Pushee of Plymouth, Jon Martin of Bristol; Emilie Shipman, Enfield; Joan Osgood, Piermont; and Catherine Flynn of North Haverhill. They are joined by State Representative Kathleen Taylor and County Commissioners, Ray Burton, Michael Cryans and Omer Ahern, Jr.

During the 2012 year, UNH Cooperative Extension reorganized to work more effectively to meet the needs of NH Citizens. This new approach looks at regional programming and focuses on individual staff expertise. Our Grafton County staff remained located in North Haverhill. Most notably for staff changes, Deb Maes who had been a Family & Consumer Resources educator will now focus on Food Safety and Community & Economic Development. Donna Lee, our 4H Administrative Assistant will assume the role of 4H and Master Gardener Program Coordinator starting in early September. This was a part-time position formerly held by Becky Colpitts.

Here are some of our noteworthy accomplishments during the past year.

Maes and Bryant worked with UVM Extension and USDA Rural Development of NH/ VT to provide training in the Stronger Economies Together curriculum to “Keep Growing” a four county initiative. The goal is to strengthen the local economy through support of local agriculture.

Maes also worked with a volunteer panel in Franconia to explore the town’s need for police coverage, staffing and office space.

Falkenham conducted a National Resources Inventory for the town of Easton and also completed site visits on 10,000 acres of forestland to help landowners manage their private woodlots.

Bryant is collaborating with the Grafton County Farm to conduct a variety trial testing 8 varieties of sweet potatoes for yield and quality.

Grafton County Master Gardeners continue to work on the Memorial Gardens at the complex, adding new plants and beginning work on updating the interpretive signs.

Jablonski worked with Lakeway Elementary School to teach a healthy living and nutrition curriculum as part of a grant funded by the WalMart Foundation.

Jablonski and Colpitts continued to work with local after school organizations to use inquiry science and technologies curriculums.

Ford is part of the Ego Learning Garden located at Whole Village where youth and parents were involved in the planning, harvesting and cooking the garden yields.

Three participants in a nutrition/cooking class taught by Ford volunteered to assist with the next series.

Lunak helped coordinate a state wide workshop on Understanding Animal Handling featuring noted expert Temple Grandin that attracted over 200 participants.

Be sure to look for us on Facebook and Twitter

Respectfully submitted: Deborah B Maes,
Extension Field Specialist & County Office Administrator

GRAFTON COUNTY NURSING HOME

Craig Labore, Administrator

Annual Report Fiscal Year 2012

Fiscal year 2012 was another successful year for Grafton County Nursing Home. During the year, our home had an average census of 133, which is the highest average we have seen in recent years. We at Grafton County Nursing Home, believe this fact speaks to our dedicated and caring staff, and our commitment to providing the highest quality of care and support on a daily basis to our residents and their families. The results of this commitment were proven during our annual state of New Hampshire Department of Health and Human Services inspection. I am pleased to report that Grafton County Nursing Home received zero deficiencies- an achievement that many health care facilities do not attain, especially in today's challenging regulatory environment.

In December, 2011, after 12 years of dedicated service, Eileen Bolander retired as administrator of Grafton County Nursing Home. Because of Eileen's wisdom, vision and leadership, Grafton County Nursing Home is well-positioned for the upcoming changes with health care reform. I took over for Eileen in February, 2012 and I consider myself very fortunate to have been offered the opportunity to work for Grafton County and be a part of this exemplary team.

We continue to emphasize the importance of family and community involvement for our residents. In May, we held our annual Family Day Ice Cream Social. In addition to visiting with their loved one, this event provides families with an opportunity to get to know other residents and their family members, and Grafton County Nursing Home staff that they may not get to see during a normal visit. Family Day also serves as the kick off to National Nursing Home Week, which is a week-long celebration of nursing homes, our residents, and the staff which provide compassionate care on a daily basis. Each year our residents vote on a theme for Nursing Home Week. This past year's theme was "The Roaring Twenties." Our residents have also had the chance to participate in many activities throughout the year which have helped them stay involved and in touch with the community. One such event is our annual Trick-or-Treat Street which this year, saw between 400-500 children and parents come to the nursing home for trick-or-treating. Residents on each of our four units have the opportunity to see the children dressed up in their costumes and give them candy as they pass by. Another example of community

involvement was resident participation in the North Haverhill Fair. This year, several residents won ribbons for arts and crafts they have been working on.

Another way our residents are able to stay in touch with the community is through our Volunteer Program. Grafton County Nursing Home is fortunate to have many community, and resident volunteers. Our volunteers provide support and assistance to our residents in many ways; through entertainment, one-on-one assistance with shopping at our Country Store, or just being there as a support for someone to talk with. During Fiscal Year 2011, our volunteers donated approximately 2100 hours of their time to the nursing home. Several studies have shown that if volunteers were paid, they would receive an hourly rate of \$21.79. To put these two numbers in perspective, that means our volunteers contributed \$45,748 worth of their time to Grafton County Nursing Home. We thank them and value your dedication to our residents!

Finally, Diane Serer was recognized as the Licensed Nursing Assistant of The Year by Grafton County Nursing Home. Diane has worked for Grafton County for over 5 years and routinely demonstrates dedication and a caring nature with the residents she cares for.

In closing, it has been an exciting year at Grafton County Nursing Home. I, along with the rest of the team consider it a privilege to care for the residents, and we value the interactions and relationships we form with our residents on a daily basis. We are thankful for the continued support of so many throughout Grafton County, including the County Commissioners, community members, and local and civic organizations to name just a few. It is our goal to continue to meet the same high standards of care we have set here at Grafton County Nursing Home, standards that have made our home known as one of the best nursing homes in the state of New Hampshire.

Respectfully submitted:

Craig J. Labore

GRAFTON COUNTY DEPARTMENT OF CORRECTIONS

Glenn P. Libby

Annual Report for Fiscal Year 2012

To the Grafton County Board of Commissioners and the Citizens of Grafton County.

I present the following report for Fiscal Year 2012 on behalf of the Grafton County Department of Corrections and Community Corrections.



The facility averaged 97.5 inmates per day for a total of 35,747 inmate days. The daily average increased slightly from last year. The average per day cost to house an inmate was \$107.48.

Inmate Programs continue to excel – our GED program under the direction of Kenn Stransky had 75 students participate. A total of 46 GED tests were administered with 36 individuals earning their GED. Of the 75 participants 32 had recorded individual education plans (IEP's) from their last school of record. We are very proud to be the only correctional facility in the Northeast that are members of the National Adult Basic Education Honor Society – of the 36 GED's earned 24 graduates did so with honors. We *thank* Sister Carmen and Linda Clark for their tireless work and support.

Our Crossroads and Decisions program was again very successful, the program was previously partnered with the Grafton County Retired Seniors Volunteer Program (RSVP) but due to State budget cuts in the area of senior citizen program funding the program had to be reorganized by a private entity led by Jan Kinder and her group of awesome volunteers.

Community Corrections

Community Corrections personnel supervised an average of 18 participants in the Grafton County Drug Court program totaling 7004 supervision days, supervision personnel utilized 3988 supervision hours, collecting 931 urine samples, and traveling 24,178 miles. During FY12 Drug Court clients spent 771 days in jail as the result of a Drug Court ordered sanction. The average cost per client - per year from a supervision perspective is \$7,400 or \$20.27 per day.

The Electronic Monitoring Program averaged 7 inmates per day in

community supervision resulting in 2597 inmate days spent in the community and not in confinement. Community Corrections supervision personnel had 1712 hours of supervision checks, collected 328 urine samples and traveled 11,670 miles in support of this program.

Our Operation Impact Program led by Sergeant Chris Larson delivered a total of 235 presentations – almost tripling what was provided in FY11. Twice as many students or youth at risk (3,413) participated in the program.

Our Community Work Project program provided 1685 inmate work hours throughout the County to a variety of projects. The program allows inmates to give something back to the community while building self esteem and discipline. Assistance was provided to 50 different sites – there has been a significant reduction in this program due to staffing cuts and reassignment of priorities.

New Facility

I am very pleased to state that this will be my last report which reflects data from the outdated and over used old facility. At 0430hrs on June 22, 2012 we successfully transferred all inmates, personnel and operations to the new facility. I would also like to commend my entire staff for their unparalleled professionalism and integrity – the last few years have been extremely difficult dealing with a very politicized process.

I would especially like to *thank* the Board of Commissioners and those members, past and present of the County Delegation who have continued their support of this process through some of the toughest economic and political times any of us have ever experienced.

To Executive Director Julie Clough and Maintenance Superintendent James Oakes – *thank you* for your commitment, dedication and expertise – your participation in the construction process was extremely demanding and far above those duties and responsibilities for which you are compensated for.

Respectfully submitted,

Glenn P. Libby, Superintendent

GRAFTON COUNTY DRUG COURT

Robert Gasser

Annual Report Fiscal Year 2012

The Grafton County Drug Court celebrated its Fifth Anniversary this year. The program is a diversionary sentencing program for non-violent offenders in the Superior Court. The program is 18 to 24 months in length and offers the defendants intense treatment and strict supervision. Seventy defendants have entered the program since its inception and 27 have graduated with three more to be honored on November 19, 2012.

There are approximately 2,500 drug courts in the United States. Currently there are four adult drug courts in the State of New Hampshire.

The highlight of this year was the enactment of legislation by both Houses of the New Hampshire Legislature which encourages the establishment of drug courts in all the counties of New Hampshire and provides for the expungement of the felony record of the crimes pled to for those who successfully complete the program. Two of our graduates testified as to the worth of the program as did Lebanon Police Chief James Alexander.



L to R: Rick St. Hilaire, Jim Alexander, Laurie Harding, Gov. John Lynch, Jennifer Stone, Bob Gasser, Ed Rajsteter and Morgan H.

GRAFTON COUNTY CONSERVATION DISTRICT

Gary Peters, Chair

Annual Report Fiscal Year 2012



Grafton County Conservation District (GCCD) has been helping landowners make informed natural resource decisions in Grafton County since 1946. Conservation districts work in partnership with federal, state and local agencies providing technical and financial assistance, and education to local landowners. District Supervisors are volunteers appointed by the State Conservation Committee. 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. Grafton County Conservation District holds Local Work Group meetings to identify locally important natural resource needs and makes recommendations to the State Technical Committee and USDA NRCS State Conservationist on such items as resource priorities, conservation practices, and policies.

GCCD is grateful to have the support of the County Commissioners and County Delegates for funding for the Office Administrator and office space for the District at the Grafton County Complex. GCCD meets the third Wednesday of the month at the Grafton County Complex.

2012 GCCD Highlights include:

- **Conservation Plant Sale, Growing Blueberries, Planting and Pruning Workshops:** Annual fundraising program offering plants for landscaping, conservation buffers, wildlife food source. Windy Ridge Orchard donates space and dedicated volunteers assist with sorting orders. Growing Blueberries Workshop presented with assistance from UNH CE Agriculture Resources, Heather Bryant. Planting and Pruning discussion by Dick Fabrizio, Associate Supervisor and Windy Ridge Orchard owner, and UNH CE Forest Resources Educator, Dave Falkenham.
- **GCCD Annual Meeting:** Rebecca Brown, Executive Director of the Ammonoosuc Conservation Trust (ACT) spoke about land conservation at the Annual Meeting held at Chef Joe's Bistro at the Village House Restaurant in Franconia on Wednesday, April 11, 2012. The 2011 Cooperator of the Year award was presented to Justin Smith and Family, owners of Green Bough Farm in

North Haverhill. The 2011 Forest Steward of the Year award was presented to Clifton Taylor, Orford.

- **Annual Fall Tour of Conservation Practices:** Visited Trescott Company in Hanover with foresters John O'Brien and Jeff Smith to discuss glossy and common buckthorn invasive plant problem, and efforts to slow the spread of these unwanted plants using mechanical control methods. Next we visited Acorn Hill Farm in Lyme Center, operated by Janine Weins. Janine installed a season extension high tunnel. High tunnels can extend the local fresh produce market season, improve soil and plant health, reduce use of pesticides to control leaf diseases and increase yields. We also visited the Mascoma Headwaters Project with Joe Homer, NRCS Assistant State Soil Scientist. Local air and soil data is collected and analyzed to better understand wetland characteristics.
- **Cover Crop and Crimper/Roller Demonstration:** A cover crop of winter rye was planted last fall at the Collins Farm in Bath. This spring the rye was rolled and crimped, and planted with corn and squash to see if the cover crop mat is beneficial for weed suppression and plant growth.
- **Portable Skidder Bridge:** Demonstration workshop to build a portable skidder bridge for stream crossing use during a timber harvest, to reduce sedimentation and bank erosion.
- Two Grafton County students were awarded a \$300 Jim Page Conservation Scholarship to attend summer camp.

Respectfully submitted by Gary Peters, Chair

GRAFTON COUNTY FARM

Donald Kimball

Annual Report Fiscal Year 2012

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

I present the following report for Fiscal Year 2012 on behalf of the Grafton County Farm.

Fiscal Year 2012 was another year of challenges for the Farm. Milk prices continue to rise and fall but costs continue to rise. Milk prices fell to \$17.00 per hundredweight at one time. We continue to have outstanding milk quality.

My Herdsman, Russell Keniston, retired May 15, 2012. He had eleven years of service at Grafton and we wish him well.

The vegetable crops were adequate with ten acres of potatoes doing very well. We are sending vegetables to the House of Corrections as well as the Nursing Home and continue to donate to various causes in our county and beyond. We did lose our remaining beehive to unknown causes.

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

In submitting this report, I would like to thank my Herdsman Russell Keniston for his hard work, the Farm Advisory Committee, Executive Director Julie Clough and the Board of Commissioners for their support.

Respectfully submitted,

Donald Kimball
Farm Manager



Grafton County



A Year of Important
Events in Pictures

People Recognized



*Captain Paul Leavitt
retires from the
Sheriff's Dept . after
20 faithful years with
the County.*



*Recipients of last year's annual report
Glenda Toomey, Ann James, and Bill & Diana Ash*

NEW HAMPSHIRE ASSOCIATION OF COUNTIES AWARD WINNERS



Executive Director Julie Clough wins Administrator of the year

NEW HAMPSHIRE ASSOCIATION OF COUNTIES AWARD WINNERS CONTINUED



*County Attorney Lara Saffo
and Office Manager Alison Farina
each win an award.*



*Dee Boutin Farley was awarded
Nursing Home Employee of the year*



*Nursing Home Administrator Eileen
Bolander received the Edna J. McKenna
award and also completed her term as
NHACo President*

Then

*After 12 years of
dedicated service
as Nursing Home
Administrator,
Eileen Bolander retired
from Grafton County in
December to pursue other
goals.*



ON MAY 6, 2012, THE RIBBON WAS CUT
OFFICIALLY OPENING THE NEW
GRAFTON COUNTY
HOUSE OF CORRECTIONS.



L to R:) Arthur Thompson (SMRT), David Manes (SMRT), Ben Harrington (HP Cummings), Dan Smith (HP Cummings), Michael Cryans (GC Commissioner-Chairman), Captain Roland Lafond, Ray Burton (GC Commissioner-Clerk), Sergeant Aaron Vannamee, Lyle Bulis (GC Representative - Chairman) and Omer Ahern Jr. (GC Commissioner - Vice Chairman)



Superintendent Libby offers some opening remarks on the long awaited project





Dedicated Officers are at the ready to begin their new assignments.



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. A card will be sent to you that day.

Spend less
on your prescriptions

Introducing the **FREE**
Grafton County
Prescription
Discount Card



It's FREE, no enrollment fees for residents

Average savings of 24%!

- No limits
- No age requirements
- No income requirements
- Family coverage
- Use it any time your prescription is not covered by insurance

Printing an ID card is easy and convenient!

To print an ID card from the Internet, go to www.caremark.com/naco and select 'Print a Card Now!'

This program is offered in a joint effort of **Grafton County** and the National Association of Counties (NACo).



For more information, call **1-877-321-2652** or visit caremark.com/naco

Operated by CVS Caremark.
This is NOT insurance. Discounts are only available at participating pharmacies.

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09/10/11

MEETINGS OF THE GRAFTON COUNTY EXECUTIVE COMMITTEE & FULL DELEGATION

REGULAR EXECUTIVE COMMITTEE MEETINGS - Pages 52-98

- July 18, 2011
- September 19, 2011
- October 17, 2011
- November 21, 2011
- January 23, 2012
- February 24, 2012
- March 19, 2012
- June 25, 2012

EXECUTIVE COMMITTEE BUDGET MEETINGS - Pages 99-124

- May 7, 2012
- May 21, 2012
- June 4, 2012
- June 11, 2012
- June 18, 2012

FULL DELEGATION MEETINGS - Pages 125-138

- December 12, 2011 PERFORMANCE AUDIT REVIEW
- May 14, 2012 APPROVAL OF FUNDS FOR BIOMASS
- June 25, 2012 VOTE ON FISCAL YEAR 13 BUDGET

EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday July 18, 2011

PRESENT: Representatives Bulis, Sova, Gionet, Almy, Brosseau, White, Townsend and Ladd, Commissioner Ahern, Executive Director Clough and Secretary Martino.

EXCUSED: Representatives Aguiar

Rep. Bulis called the meeting to order at 9:05 AM. Commissioner Ahern led the Pledge of Allegiance.

Rep. Bulis informed the committee that he and Rep. Gionet had come to a Commissioners meeting along with John Sullivan from Melanson & Heath. Mr. Sullivan was present at the meeting today along with Ed Boyd, who would be working with him on the performance audit. They will be looking at all parts of the County including the new Jail.

Rep. Bulis asked Mr. Sullivan about a timeframe and he said he expected to be looking at about 45 days of actual fieldwork.

Rep. Townsend asked if there was any way that the committee could help facilitate the audit and Mr. Sullivan said that if there is anything in particular that they had questions about, they should go through Chairman Bulis.

Mr. Sullivan and Mr. Boyd left to continue on with their work.

Rep. Ladd said he would like to have a discussion at the end of the meeting about the particulars of the audit.

Rep. Bulis asked if everyone had a chance to read the minutes. There was a short discussion and then Rep. Bulis said that he would like a chance to review the minutes further and that was agreed upon by all members.

Rep. Gionet moved to postpone the adoption of the minutes from May 16th and June 20th until the next meeting which was seconded by Rep. Sova. All were in favor.

TREASURER'S REPORT

Treasurer Elliott was not available and Director Clough said there really was not a whole lot to report. She said that there is a little under \$6M in cash, which

should be enough to get the County through until September when they will need to borrow. Authorization to borrow up to \$5M was voted on at the Delegation meeting in June, in anticipation of taxes. Director Clough said that more money than expected was received in ProShare money.

Rep. Almy moved to accept the Treasurer's Report which was seconded by Rep. Sovia. All were in favor.

COMMISSIONERS' REPORT

Commissioner Ahern gave the Commissioners report in the absence of Commissioner Cryans. He began by saying that the Board approved the encumbrances that were presented by the Executive Director.

- The Commissioners unanimously voted to have the automatic valve put in to the water tank line
- The Commissioners agreed to allow Supt. Oakes to put out an RFP/RFQ for engineering and design on a biomass plant. The hope is to be able to find grant money to build the plant. The County has been approved for a grant in the amount of \$378,500 for engineering and design.
- Employee and Senior Citizen discounts at the Farm were reduced from 20% to 10%.
- The Commissioners accepted a timber cut bid in the amount of \$49,910 from Randy Cassidy.
- Negotiations with the Union have been ratified and their benefits mirror those of the Employee Council.
- Census at the Jail is over 150 though they are not all in house. 108 inmates are in-house, 45 are out of the facility which includes Drug Court and those out on electronic monitoring and there are 12 weekenders.
- Coos County has gone back to sending females to Grafton County at a cost of \$40 per day with medical bills being paid by Coos.

Rep. Ladd asked if the \$40 a day cost is the same as it would cost for a Grafton County inmate without medical fees and Director Clough said probably not, but it doesn't cost the County any more to house them.

Rep. Bulis asked about the cost for the automatic valve and Director Clough said it was going to be around \$90K, of which \$70K of that has been encumbered and another \$20K or so will come from a different encumbrance.

Rep. Ladd asked if there was a recommendation brought in to do this or if this is a decision by the Commissioners. Commissioner Ahern said that in light of having to pay WW&L to open and close the valve, and after much discussion by the Board, coupled with the prospect of pursuing the biomass plant, it was decided

that the valve would be the least expensive option.

Rep. Gionet asked if Supt. Oakes had recommended that the test wells be drilled and Commissioner Ahern said he had. Rep. Gionet said he felt that the water system should be pursued prior to giving priority to the biomass, (though he said he did favor it).

Rep. Brosseau asked if there was going to be any consideration of litigation and going after the engineer who designed the tank. Commissioner Ahern said that it would be his preference not to discuss that in public session.

Rep. Ladd asked if the Commissioners had taken all facts into consideration when making their decision, such as the option of selling water to the neighbor and Commissioner Ahern said yes.

There was further discussion about the decision by the Board of Commissioners. Some were opposed to the idea while others were in favor. Rep. White said that he thought it would be premature to think that selling water to the neighbor would be a done deal when there was no kind of agreement. He said he doesn't want to take on any more debt and believes the valve is the better choice for right now. He didn't have any objections about looking toward a water system in the future but thought that it should be put to rest at this point. He also suggested that if there are changes that might be coming down the pike at DES regarding water, that as legislators, they have the opportunity to try to influence that.

Rep. Bulis said that according to a particular RSA, the Commissioners need to come to the delegation for any new construction which is over \$5000. Director Clough said that in the past, projects have been dealt with through the budget process so approval of the budget means approval of the projects.

Rep. Gionet said that Supt. Oakes is paid a fair sum to make recommendations to the Board of Commissioners and if the Board discounts them, it becomes counterproductive.

Rep. Ladd agreed and suggested that the decisions should be made with all the facts presented.

Commissioner Ahern said it was looked at as a problem which is current and to do anything else would lead to more time and money. He said there is also a lot which is already on the plate of Supt. Oakes and the Board didn't feel that more should be added. He said they have discussed this a number of times and this is what they felt was the best thing to do.

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

EXECUTIVE DIRECTOR'S FINANCIAL REPORT

Director Clough reviewed the Variance Report per department for the year and said that she felt they finished out quite well

Director Clough then reviewed the Prorated Report which ended up with \$32,230,375 for the year in revenue and \$30,845,136 in expenses.

There is an unaudited undesignated fund total of \$4.M, of which \$3M will be used to reduce taxes.

Rep. White asked why the Farm isn't budgeted to come out closer than it does and Director Clough said that the main reason is the fluctuating milk prices which are hard to pin down. She said that quite often, when milk prices rise, so do feed, grain and fuel.

There was a discussion about encumbrances which is something the Commissioners approve so the committee did not have a list of them. Director Clough said the largest amount encumbered was through the IT Department for the campus networking and consolidation.

The appropriation transfer report was reviewed. Director Clough said that there is \$636,302 in transfers, of which \$337K is from the Nursing Home. She told the committee that she spoke with both NHA Bolander and the Nursing Home Finance Manager who said that this was due to excessive FMLA, sick time, mandatory in-service requirements, retiree payouts and contract nursing. She said that the Commissioners have asked the Nursing Home to do a more in depth analysis to try to get these costs under control.

Rep. White asked who authorizes the Dept. Heads to spend more money than they have and Director Clough said that there has never been a process as long as they keep within their bottom line budget. Rep. White asked if she thought there should be and she replied yes.

Rep. Gionet was excused.

Rep. Ladd said that he feels that according to the new bylaws the departments should have to have approval from the Executive Committee via the Commissioners and Director Clough said that could happen going forward.

Rep. White said he feels that since the budget is reviewed by the Executive Committee according to line items, then the departments should operate within those line items. He suggested that to do anything else would be like giving them a lump sum of money to spend as they like. He said they need to be more responsible with their line items.

Director Clough said she would be providing the committee a monthly report

which will show all the line items that are expended during the month.

Rep. Sova moved to approve the line items transfers, which was seconded by Rep. Townsend. All were in favor.

The appropriation control report was briefly reviewed.

Rep. Almy moved to accept the report of the Executive Director which was seconded by Rep. Brosseau. All were in favor.

OLD BUSINESS

Rep. Bulis requested that the Committee approve mileage for both he and Rep. Gionet when they came to a Commissioners meeting with John Sullivan from Melanson & Heath.

Rep. White moved to approve the payment of mileage which was seconded by Rep. Townsend. All were in favor.

Rep. Bulis asked that the committee to look at the Jail staffing, be put on hold until after the performance audit.

Rep. Almy said it would be useful to be able to get all the prior Jail information to members on the committee so they can read up on everything. Director Clough said no committee has been established at this point.

Rep. Bulis said he would like to put this off. Rep. White said that the results of the committee wouldn't have any bearing until the next budget season anyway.

Rep. Ladd said he would rather not delay this.

There was a discussion about how many people and who should be on the committee and what the goal should be. Rep. Bulis said he had a list of those who stated their interest.

Rep. Bulis moved to authorize the creation of a subcommittee to do the task appointed (Correctional Facility staffing analysis), as per a motion at the Delegation meeting on June 27, 2011, which is open to members of the Executive Committee and the Delegation at large, which was seconded by Rep. Sova. All were in favor.

Members of the Executive Committee who volunteered to be on the subcommittee were Reps. Sova, Ladd, Almy and White. Rep. Bulis will put this information out to the Delegation.

Rep. Almy suggested appointing a temporary chair and Rep. Ladd suggesting Rep. Almy as the Chair. Rep. Almy suggested Rep. Ladd as Vice Chair. All present agreed. Director Clough said that they needed to make sure that the

meetings were posted and they needed to keep minutes of the meetings.

NEW BUSINESS

There was a discussion about particular items for the performance audit. Director Clough went over the sequence in which the auditors would proceed. There would be a tour of the complex first and then the plan is to look at the Jail and the Nursing Home first and get the two largest areas out of the way.

Rep. White said that in light of what was discussed regarding appropriation transfers, department management should be looked at, including turnover and over expending.

Rep. Almy said she would be interested to hear what they might suggest would be the best financial information that could be given to the Executive Committee before it became micro managing.

Rep. Ladd said he would like to see IT looked at in terms of being the main point for computer and software purchases. Director Clough said that Melanson & Heath said they would be looking into those things. Commissioner Ahern said that IT Manager Ruggles is addressing those things and commented that the County was very fortunate to have the Department Heads that they do.

Rep. Townsend said he would like to see labor and services properly accounted for, particularly in the way of Farm items.

Rep. Ladd said he would like to see all the Maintenance issues regarding all the buildings come through the Maintenance Superintendent.

Rep. Bulis made a list of EC member concerns and will pass it along to Mr. Sullivan.

There will be no Executive Committee meeting in August. The next meeting will be held on September 19, 2011.

Rep. Ladd said that he would like to see each member of the committee have a copy of Roberts Rules and showed everyone the handbook he had. He said he will look into it.

11:17 AM With no further business the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday Sept. 19, 2011

PRESENT: Representatives Bulis, Sova, Gionet, Almy, White, Townsend and Ladd, Commissioners Cryans and Ahern, Executive Director Clough and Secretary Martino.

EXCUSED: Representatives Aguiar and Brosseau

Rep. Bulis called the meeting to order at 9:05 AM. Commissioner Cryans led the Pledge of Allegiance.

Register of Deeds Kelley Monahan was on the agenda to speak with the Committee and began by saying that she wanted to clear up the information regarding the request for a fire suppression system in the records area which she had requested in the latest budget, saying that there was a plan all along and that she continues to be committed to acquiring a fire suppression system.

RD Monahan also wanted to let the Committee know that she plans on informing the press about what she considers to be a serious issue, which is the ongoing bypassing of publicly recorded assignments of mortgages due to an entity called the Mortgage Electronic Registration System (MERS), and the use of robo-signing. She explained to the Committee how this was being done and at what cost to the County.

There was further discussion on this.

Rep. Bulis said that they needed to approve three sets of minutes today as well as the minutes on the Delegation vote and asked for a motion on the first three sets of minutes

Rep. Almy moved to approve the minutes from May 16th, June 20th and July 18th meetings which was seconded by Rep. Townsend. All were in favor.

It was noted that the meeting from the final Delegation vote on the budget would need to be approved so that Director Clough could send a signed copy to the Dept. of Revenue in order to set the town tax rates. According to the bylaws that were passed at the Delegation meeting, the minutes of Delegation meetings would be held and voted on at the next Delegation meeting. That would not work in this case so Rep. Bulis polled the Delegation to see if they would endorse the Executive's Committee approval of the minutes. The response was positive

Rep. Gionet moved to approve the minutes from the Delegation's vote on the FY12 budget dated June 27, 2011 which was seconded by Rep. Sova. All were in favor.

Director Clough suggested that the bylaws needed to be revised since DRA needs to have these particular minutes signed.

There was a discussion about how the agenda should be worded as well and the additional items that should be included on it, which is included in the bylaws.

TREASURER'S REPORT

Treasurer Elliott informed the Committee that she had presented the Commissioners with information regarding the borrowing of the Tax Anticipation Notes which was voted on at their meeting. There will be a line of credit extended at Woodsville Guaranty Savings Bank with an interest rate of .8%. She said that hopefully they would not need to borrow until some time in October.

Rep. Gionet moved to accept the Treasurer's Report which was seconded by Rep. Almy. All were in favor.

COMMISSIONERS' REPORT

Commissioner Cryans presented the report from the Commissioners beginning with the State survey that was held at the Nursing Home last week. Reports from Nursing Home Administrator Bolander showed that the survey had gone well with very few discrepancies.

- The Commissioners unanimously voted to have the automatic valve put in to the water tank line
- The RFP/RFQ for engineering and design on a biomass plant will be opened at the Commissioners meeting tomorrow.
- The financial audit is near completion.
- The County has met and complied with all requests for the performance audit and Melanson & Heath has complimented the County Dept. Heads on their cooperation with the audit.
- The NHACo Conference will be held in North Conway this year on October 24th and 25th.
- There will be a Drug Court graduation on the 24th of October.
- There will be a public meeting to discuss what to do with the existing Jail building once Corrections moves out. Commissioner Ahern has suggested that each member receive information on the cost to bring it up to date and that members take a tour of the building. The meeting will be scheduled for November 1, 2011 with Commissioner Burton chairing it.

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

EXECUTIVE DIRECTOR'S FINANCIAL REPORT

Director Clough began by passing out and reviewing the most recent report on the Jail project which was put together by Maintenance Superintendent Oakes. She said the project is on budget and on schedule for a move in date of May 2012. Rep. Bulis asked Director Clough if she would send a copy of this report out to all the members of the Delegation.

Rep. Ladd asked about staffing hires to date. Director Clough replied that the Jail has lost a number of staff due to the budget cuts, which required a new schedule for the employees at the jail and that they have just hired 12 new part time people and are still advertising for part time. No part time staff has been promoted to full time at this point. She said there will be a Corrections Academy held at Grafton County in the month of October.

Rep. Almy asked how many staff were lost and Director Clough replied at least five and they were experienced officers.

Census in the Nursing Home is 133 and in the Jail the census is 100 with 2 females from Coos, 21 in Drug Court and 8 out on electronic monitoring.

Director Clough reviewed the Variance Report and said they were behind in revenue in most departments. She said this will start to correct itself and that the Bed Tax and the Pro Share will affect the revenue in the Nursing Home. Dispatch billing just went out and the quarterly grants will be realized in the next report. Most all of the departments expenses are running in although IT is over because the department has paid for all the software contracts up front.

The pro rated report was reviewed.

There is a total of \$47K in over expended line items and \$34K of that is contract nursing services.

Rep. Ladd asked if the Sheriff's budget is going up because of the number of trips to Lebanon. Director Clough said she hasn't seen that yet but that may change. Rep. Almy said that transports may slow down because there won't be as many people coming into West. Lebanon due to the flood damage. There was a discussion about video arraignment and how those may save money.

Rep. White moved to accept the report of the Executive Director which was seconded by Rep. Gionet. All were in favor.

OLD/NEW BUSINESS

Rep. Bulis asked Rep. Almy to give an update of the Jail Staffing Committee that she is chairing. She said that committee members are Reps. Smith, Sova, Ladd, White and herself and that they have been slow to get started. Their first plan is to go visit the new Jail in Keene at Cheshire County and to speak to them about staffing which should happen on the 28th.

Rep. Bulis said that the Delegation has expressed an interest in exploring privatization and subcontracting services and Rep. Almy said she is trying to find more information on both.

Rep. Bulis said that he, and Reps. Sova and Aguiar were part of a Personnel Committee that reviewed an employee suspension. He said that he had not heard of any other County doing this before and that is was a very interesting process.

Rep. Bulis said the interview and collection of paperwork portion of the performance audit had been completed and Melanson & Heath is in the process of coming to a conclusion. He said the County has been billed \$29K so far.

A handout from Grafton County Senior Citizen Council was given to the Committee members with a request from them for a supplemental appropriation of \$100K so they could continue their Adult In-Home Care services without having to charge a co-pay to the recipients. Rep. Bulis spoke with their Executive Director and told her that any request for this needed to come through the Commissioners. Rep. Almy said that she too was contacted and explained that it would be impossible for the County budget to support this kind of request and added that this is occurring because the State is pulling out of this funding and that the County can not be expected to replace the State in these matters and if this was done for one agency it would be likely that others would expect the same.

Rep. Bulis asked the Committee if they wanted to start having discussions regarding Social Service funding for next year's budget, now. The Committee thought it was important to make some decisions in advance. Rep. Almy said she would also like to review personnel costs as well. It was decided those two things should be discussed at different meetings.

There was a discussion as to whether or not Cindy Swart should be invited to attend to bring more light to the table. Commissioner Ahern said that if she were to come she would likely be billing for her time and that did not come cheaply. It was decided that they would apprise her of the meeting and allow her to make her own decision as to whether she wanted to come or not.

Rep. Ladd said he would like to have a better understanding of how the money is spent in these agencies and how many people are served. Director Clough said it would be helpful to read the report that C. Swart provided for this past budget.

The next Executive Committee meeting would be held on October 17th at 9:00 AM

Rep. Bulis recognized Harold Brown and asked if he had any public comment. Mr. Brown stated the following:

- Video arraignment is unconstitutional
- Privatization is wrong and will lead to more laws
- Assets of the elderly should be looked at when asking them to pay for services

Rep. Bulis referred back to the fire suppression system and said that he recalled Supt. Oakes saying that flooding from the floor above was a concern. Rep. White said the proposed system doesn't present a water problem. Rep. Bulis said this can be looked at again in the future.

Rep. Ladd said he would like to see all future capital projects presented by the Maintenance Superintendent.

10:35 AM Rep. White moved to adjourn which was seconded by Rep. Gionet. With no further business and all in favor, the meeting was adjourned.

After adjournment the Personnel Committee (Reps. Bulis, Sova and Aguiar (absent)) met to approve the minutes of August 31, 2011.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday October 17, 2011

PRESENT: Representatives Bulis, Sova, Gionet, Almy, Ladd, Townsend, Aguiar (late) and Brosseau, Commissioners Cryans Ahern and Burton, Executive Director Clough and Secretary Martino.

EXCUSED: Representative White

OTHERS: County Attorney Lara Saffo, Human Services Administrator Nancy Bishop, Human Service Consultant Cindy Swart and Harold Brown (briefly)

Rep. Bulis called the meeting to order at 9:10 AM with the Pledge of Allegiance being led by County Attorney Lara Saffo.

Rep. Bulis began by saying that the performance audit draft would be ready by the first of November and will come to the Executive Committee, the Commissioners and the Department Heads to review and perhaps make amendments to and then it will be given to the Commissioners and Department Heads to address the bulleted items. He said that the goal from that point would be for the Executive Committee to put together an action plan for things that need to be done.

Attorney Saffo had asked to meet with the Committee to request a per diem rate be set for a contract Assistant County Attorney that she has in her office under RSA 733b. She said that she lost an Attorney who retired in September and has hired an Attorney who won't be on board until January leaving a three month period in between. Atty. Saffo said she has some money in her budget to be able to do this and would like to have this person for ten days at \$175 per day. She stated that there has been an increase in crime and the number of cases has increased from 450 to 653. This person would be handling new cases.

Rep. Sova moved to approve the hiring of a contracted attorney for the amount of \$1750. for the period covering October through December which was seconded by Rep. Brosseau.

DISCUSSION:

Rep. Almy asked what kinds of cases are causing concern and Atty. Saffo said that there have been increases in both sexual assaults and burglaries.

Rep. Ladd said he feels that the County should be paying the proper rate for the appropriate work, suggesting that the amount of recommend pay was not enough. Rep. Sova suggested that if it wasn't enough, Atty. Saffo could always come back

and ask for more.

Rep. Gionet asked if this would be a permanent position and Atty. Saffo reiterated that it would be a contract position for ten days.

There was further discussion about the reason for the increase in crime and what element might be behind it. Atty. Saffo stated that it was 20 something year olds who are generally local and out of work “couch surfers”. She said she would be glad to speak to the Delegation about crime at some point if that’s what they would like.

Rep. Ladd moved to amend the motion to say that the contracted person should be paid in accordance with the first step on the pay scale which was seconded by Rep. Brosseau.

Rep. Almy said that perhaps Atty. Saffo could move something out of another line item to make sure she gets the full ten days she requested.

Rep. Bulis asked if there is money elsewhere to cover the work load that the office is experiencing and Commissioner Cryans said they haven’t had that discussion at this point.

Rep. Ladd said that he was concerned that there are attorney’s working extra hours who are not being compensated. Director Clough said that there are a number of people at the County who work extra hours they are not compensated for and didn’t think that Rep. Ladd would want to go down that road.

Rep. Ladd said the he feels they should be supporting the Attorney’s office particularly if the crime rate continues.

There was further discussion about how the rate for the contract attorney was set and what was stated in the RSA, which is a per diem rate.

Rep. Sova Withdrew his motion and Rep. Brosseau withdrew his second.

Rep. Sova moved to set the contract rate for the employee at \$198.88 per diem per RSA 733B as per the request of the County Attorney, which was seconded by Rep. Brosseau.
All were in favor.

Rep. Aguiar arrived.

Rep. Brosseau moved to approve the minutes from September 19, 2011 which was seconded by Rep. Almy. All were in favor.

TREASURER'S REPORT

Treasurer Elliott informed the Committee that the tax money will be here in about two months and the paperwork is ready for borrowing when needed. Right now the County is expecting a Bed Tax payment of \$225K which will help until that time. There will be a line of credit extended at Woodsville Guaranty Savings Bank with an interest rate of .8%.

Rep. Townsend moved to accept the Treasurer's Report which was seconded by Rep. Sova. All were in favor.

COMMISSIONERS' REPORT

Commissioner Cryans presented the report from the Commissioners.

- Nursing Home Administrator Eileen Bolander will be retiring the 16th of December after 12 years with the County. Her term as NHACo President will end next week.
- Commissioner Burton will chair a committee brought together to study what to do with the old Jail and three students from the Rockefeller Center at Dartmouth will be doing research for the study. The meeting will be scheduled for November 1, 2011 at 12:00 PM
- The RFP/RFQ bid for engineering and design on a biomass plant was awarded to Banwell Company.
- There will be a Drug Court graduation on the 24th of October at 1:30.
- Commissioners Cryans and Ahern attended a GED graduation last week.
- Most of the exterior work has been completed on the new Jail and the project is on time and on budget.

Rep. Almy asked who will be taking over at the Nursing Home and Director Clough said that has not been determined yet and that a candidate search will take place.

Rep. Gionet asked if the Commissioners had made any decision about Dispatch and read a letter from the Town of Lincoln that was sent to Commissioner Burton which stated the Town's opposition to the changing of Dispatch fees.

Commissioner Cryans said there was a survey sent out but there haven't been any decisions made.

Commissioner Burton said he's not interested in changing what's already in play and would like to see the issue resolved. He said that he will make sure the letter from Lincoln is on the agenda for the Commissioners meeting tomorrow morning. Commissioner Ahern said he was aware of the letter but it had not come before the Board of Commissioners. Commissioner Cryans stated that Hanover had sent a letter with a similar tone and that he had been asked to speak with their Selectboard

regarding this issue.

Rep. Ladd said he would like to see a copy of the survey.

Rep. Bulis changed the topic and referenced the minutes from the Commissioners' meeting on the 20th of September which discussed removing perfect attendance from the employee benefits and unfreezing longevity. He asked where the cost for perfect attendance showed up in the budget. Director Clough replied that it was included in salary lines.

There was a discussion about perfect attendance and how it works. Director Clough said that if an employee qualifies for perfect attendance they receive 24 hours of either earned time or a payout. Rep. Bulis said that perfect attendance was never mentioned during the budget and Director Clough said there are a number of items that are included in the calculation of salary line items and not every item was discussed at that time.

There was further discussion about this.

Rep. Brosseau said he was totally opposed to this benefit and Rep. Bulis said he hasn't seen any documentation on this and has a problem with the fact that it is not shown anywhere in the budget.

Rep. Ladd said it was clearly something that been negotiated and didn't feel it should be touched. Rep. Aguiar said he has heard of perfect attendance awards though many of the other committee members had not.

Rep. Bulis said that in doing away with this, the Board of Commissioners is considering reinstating longevity for this year and he would hope the Commissioners do not violate the Delegations' desire to freeze longevity.

Director Clough said that according to the Delegation's own by-laws the Commissioners have the right and the authority to pay longevity if the money is there, which it is. Director Clough had a chart which showed that the cost to unfreeze and pay out the proper amount of longevity as is a benefit to the employees of Grafton County was actually lower than what is included in the fiscal year 2012 budget for longevity payments. Director Clough said she does not see that the Delegation has any authority to say that longevity can not be paid out if the money, which they voted on, was available. She added that she thought that the Delegation's decision to not pay non-bargaining unit employees longevity while paying Union employees at a higher rate, was penalizing those employees while at the same time, strengthening the Union. She said that this was creating a morale problem as well.

Rep. Brosseau said he was curious to know what kind of morale problem there would be suggesting that Grafton County employees already make enough money and that maybe if employees are unhappy they should look for another job in the private sector.

Rep. Sova said he thought this is a new argument and feels it is in the hands of the Commissioners as to whether or not they want to go against the wishes of the Delegation.

Rep. Ladd said if there is money available then the authority lies with the

Commissioners and is an Administrative function. He said the Delegation only sets the budget amount.

Rep. Aguiar said he understood that longevity has been concluded and Director Clough said it had been for all new employees as of September, 2010.

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

EXECUTIVE DIRECTOR'S FINANCIAL REPORT

Census in the Nursing Home is 132 and in the Jail the census is 99 with 21 in Drug Court and 9 out on electronic monitoring.

Director Clough reviewed the Variance Report saying they were a quarter of the way into the year.

The pro rated report was reviewed and there is a slight increase in revenue. The Farm is in the black due to steady milk prices, the Farmstand and the recent timber cut.

There is a total of approximately \$50K in over expended line items with \$47K of that in contract nursing services.

There was a discussion about the transferring of money between departments and whether or not the sub-departments in the Nursing Home were all considered for that purpose to be Nursing Home. Director Clough requested clarification on the by-laws regarding transfers. It was agreed that the Commissioners have the authority to transfer funds between line items within individual department budgets and up-to \$5K from other departments. Any department requiring a transfer to cover an overage of greater than \$5K would require written permission from the Executive Committee. Further clarification was that if individual departments in the Nursing Home were over expended in excess of \$5,000 then the County would have to ask permission from the Executive Committee to transfer money per the by-laws.

Rep. Brosseau moved to accept the report of the Executive Director which was seconded by Rep. Almy. All were in favor.

OLD/NEW BUSINESS

Nothing to report

COMMITTEE REPORTS

Rep. Almy reported on her visit to the Cheshire County Jail along with Reps. Ladd and Smith.*(see attached report). All three delegates as well as Reps. White and Sova will be meeting with Supt. Libby on Friday to discuss what Grafton

County is doing compared to Cheshire.

COMMENTS FROM THE DELEGATES

Rep. Ladd said he thought the Delegation should do something for NHA Bolander and Commissioner Burton said that it was very clear from the conference in Washington DC this year that NHA Bolander is well respected amongst the NH Delegates and their staff and she will be missed, particularly in Senator Shaheen and Senator Ayotte's office.

11:11 AM Recess

11:20 AM Meeting was called back to order by Chairman Bulis

Upon return, Human Service Administrator Nancy Bishop and HS Consultant Cindy Swart were seated at the table to answer questions about the components of social services in the budget. Rep. Bulis said that the Committee didn't know what agencies were proper for the County to fund and wanted the Commissioners to know what items the Delegation was interested in.

Commissioner Cryans said the County has relied on C. Swart to bring the information about the agencies to the Board over the years.

Rep. Bulis asked if the Commissioners give any guidelines or criteria about funding and Commissioner Cryans said that in the last few years the decision was that there would be no new agency applications and that the agencies should not expect more than level funding.

Rep. Bulis asked why then did some agencies ask for more money even though they were instructed not to. C. Swart said that she tells the agencies to ask for the money they need anyway.

Rep. Bulis asked C. Swart what her qualifications were and she said she has been doing this for 30 years and has her Masters in Social Work Administration. She spoke about various other things she has been involved with which has gained her further experience.

Questions were asked about how agencies were vetted and Rep. Ladd said he was interested in line item costs. C. Swart said she does dig into the reports of agencies but depending upon their size, their reports can vary greatly.

Rep. Townsend said he would be interested in exploring the "no new agency rule" in that there may be some newer agencies of value that could be added.

More questions and discussions were had which covered the vetting process.

Rep. Townsend asked if the County was being put at risk by supporting the religious efforts of an agency. C. Swart said she knew which agency Rep. Townsend was referring to and said that she had recommended no funding for this agency, but does not have the final say of who gets funded.

There were questions about how C. Swart gets to the needs of both the people and the agency that serves them. Rep. Bulis said that at budget time the Committee wrestled with question of what agencies are appropriate for the County to support. C. Swart said that early childhood programs have an affect on people as they grow and the child programs are the ones that are being severely cut in the State.

Rep. Sova asked if there was any empirical data as to the effectiveness of certain programs and C. Swart said that they generally rely on outside studies for this information and not information from the actual agencies.

There was a discussion as to whether or not there should be an open application for new agencies and the decision was that the first step should come from the Commissioners and then to the Delegation. C. Swart said the Commissioners have always been very thorough and thoughtful when assessing agencies to determine funding. Rep. Aguiar said it was probably too late to make any changes for next year since the deadline for sending out applications was coming up soon.

The next Executive Committee meeting will be on the 21st of November at 9:00 AM

Rep. Almy said she would like to see the starting wage for each grade for fiscal year 2001 and fiscal year 2010 for that meeting.

There was some discussion about the Committee coming up with some draft resolutions for the next budget and it was decided that they would wait to see what the performance audit report said before making any decisions.

12:20 PM Rep. Gionet moved to adjourn which was seconded by Rep. Sova. With no further business and all in favor, the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday November 21, 2011

PRESENT: Representatives Bulis, Sova, Gionet, Almy, Ladd, Townsend, Aguiar, White and Brosseau, Commissioners Cryans Ahern and Burton, Executive Director Clough, Treasurer Elliott and Secretary Martino.

OTHERS: Harold Brown

Rep. Bulis called the meeting to order at 9:02 AM with the Pledge of Allegiance being led by County Treasurer Carol Elliott.

Rep. Sova moved to approve the minutes from October 17, 2011 which was seconded by Rep. Aguiar. Rep. White abstained from the vote and all others were in favor.

TREASURER'S REPORT

Treasurer Elliott said that the tax bills have been mailed out and payments in the amount of \$622K have already come in. She said that \$1.6M has been borrowed so far and that there is a Jail bond payment due on the 30th of November and the State bill is due on the 5th of December, so the County may have to borrow roughly another \$1.8M.

Treasurer Elliott will be sending out bids for investments on the 1st of December.

There was a discussion about who pays the tax bill from Livermore, which Treasurer Elliott said came from Woodstock through Coos County Administration. Rep. Almy suggested that there may be “mega mansions” in Livermore which have been built and have avoided taxes.

Rep. Brosseau moved to accept the Treasurer's Report which was seconded by Rep. Sova. All were in favor.

COMMISSIONERS' REPORT

Commissioner Cryans presented the report from the Commissioners.

- The financial audit has been completed and is quite positive.
- There will be a retirement party for Nursing Home Administrator Eileen Bolander on the 14th of December beginning at 6:00 PM at Lake Morey in Fairlee, VT.
- The Commissioners met with Woodville Water & Light Commissioners

on the 8th in an attempt to keep the lines of communication open. There were no major issues and the proposed biomass project was discussed.

- The 85th Corrections Academy graduation was held on the 11th of November and the 87th Corrections Academy is currently ongoing at the County.
- The County is currently in the middle of recruitment for a new Nursing Home Administrator. There may be a period when the County will have an interim Administrator.
- Grafton County had some winners at the NHACo Conference. Dee Boutin Farley was awarded Nursing Home Employee of the Year, Alison Farina was awarded County Attorney Employee of the Year, Lara Saffo received County Attorney of the Year, Eileen Bolander received the Edna McKenna award for public service and Julie Clough received the Administrator of the Year award.
- Commissioner Burton met with a committee to study what to do with the old Jail and three students from the Rockefeller Center at Dartmouth did a presentation. There were no conclusions and there will be another meeting scheduled on January 24th at 1:00 PM.
- The Commissioners voted 2 to 1 to unfreeze longevity for FY12 and to leave the perfect attendance as is until negotiations next budget time.

There was a discussion about an interim Nursing Home Administrator and Director Clough explained that there needed to be a person who was licensed who would provide oversight and anyone can actually act as interim.

Rep. Sova said that the recommended budget did not provide for a payout in longevity and said he must assume that there was money found somewhere to pay it. Rep. Aguiar said he would like to know where that came from. Director Clough said money was available from those who had retired or left.

Rep. Bulis said that he felt Perfect Attendance was something they had not previously been aware of and that the Delegation directed that there be no longevity this year. He said it was the express intent of the Delegation to freeze longevity and that to him, this shows a lack of cooperation on the part of the Board of Commissioners. He said that if they had felt this strongly about the payout to longevity then it should have been discussed at the time. Commissioner Cryans said they were only talking about \$7K and if that's what it took to settle the morale issues, then he thought it was worth it.

Rep. Aguiar said there should have been some give and take but there were no additional funds needed for longevity. He said it was hard to say what the intent of the Delegation was in that it may just have been a bottom line figure.

There was further discussion as to where the money was coming from to pay the longevity.

Rep. Gionet said he felt that the Executive Committee really didn't have any clout and maybe it's time that the Executive Committee set the policies for the County and negotiates with the Employees themselves.

Rep. Bulis restated that he felt that the Delegation represented its intent, which was to freeze longevity.

Director Clough said the budgeted amount of money has not changed. She said that by law, the Commissioners are the ones who set the policy and that she felt that what the Executive Committee had done to a segregated portion of employees was wrong. She supported the decision made by the Commissioners.

Rep. Ladd said that he felt that the authority for this lies with the Commissioners and he feels that the Delegation sets the bottom line budget. He did not feel that the Administration was acting contrary to their responsibilities.

There was a brief discussion about the old Jail and what had been discussed at the meeting that was held. There was no further information provided via Commissioner Burton, who could not attend the meeting today.

Rep. Almy said there needs to be some thoughts about the costs of whatever proposals may come up. She also suggested that if there was money from the Jail bond that could be used, that it be used for future capital projects like was done with the Nursing Home.

Commissioner Ahern said that it was suggested to him that a true cost analysis could not be done until the building was vacated and that Commissioner Burton had suggested that any proposals that come in should be accompanied by the costs for that project as well.

Rep. White said a decision should be made prior to next years heating season.

Rep. Gionet asked if any suggestions included revenue from salvage. Commissioner Cryans said that had not been discussed.

Rep. Ladd said that if they plan to make suggestions prior to the budget, there is some urgency.

Rep. Sova said another consideration would be to mothball it for future consideration. Commissioner Cryans said some of those ideas were not discussed and that if anyone has some ideas, they should forward them on to Commissioner Burton.

Rep. Gionet asked why Commissioner Burton rarely attends the Executive Committee meetings and Commissioner Cryans said that he wears two hats and has other obligations. He said are a lot of benefits to what Commissioner Burton can bring to the table

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

EXECUTIVE DIRECTOR'S FINANCIAL REPORT

Census in the Nursing Home is 131 and in the Jail the census is 95 with 19 in Drug Court and 9 out on electronic monitoring.

Director Clough reviewed the Variance Report beginning with the Revenue. She said there are a lot of Departments below revenue. In the Nursing Home, the ProShare and the Bed Tax payments have not been received yet, which will help bring that number up.

Expenses were running mostly under.

The pro rated report was reviewed and there is an un-assigned fund balance of about \$2M

There is a total of approximately \$80K in over expended line items with \$76K of that in contract nursing services which is running higher than other lines. Rep. White suggested that there should be a reduction in salary lines which helps this to even out. Director Clough said that over the years that has been the case but lately it's not been working out that way. She said it is on her watch list to see what exactly is happening there.

A chart was given of the Jail investments funds. Director Clough said the project is running on budget with a good possibility of a surplus. The Jail is about 70% complete.

The Committee said they would like a tour before the Jail opens and Director Clough thought January would be a good time.

Director Clough gave an overview of the financial audit saying it was a good experience with a new audit firm. She said there were a number of recommendations and she is working through them. She said one recommendation is that all bank accounts should run through one financial Department under the general ledger. She said she is working with both the Sheriff and the Registry of Deeds with this matter. She said another thing she will be working on will be written internal controls and policy/procedures.

Rep. Almy said she would like to see a follow up on what has been done with the recommendations that were made, at some point in the future.

Rep. Ladd said he would like to have the information on the number of cases that the County Attorney's Office is working on so he can track what is happening. Director Clough said that Attorney Saffo has given the Commissioners a breakdown on the cases and that can be found in her report to the Commissioners added to the minutes online.

Rep. White moved to accept the report of the Executive Director which was seconded by Rep. Almy. All were in favor.

OLD BUSINESS

Nothing to report

COMMITTEE REPORTS

Rep. Almy said the Jail staff sub-committee has not met since the last time they met at the County and had decided to wait until they received the performance audit to continue.

NEW BUSINESS

The Performance Audit has been completed and Rep. Bulis suggested that it be put online for people to access. He said it covers all areas of the County and though it doesn't enter into the domain of responsibilities of the Delegation, it is offered as a tool for the Commissioners. A meeting with the full Delegation will be scheduled and Mr. Sullivan from Melanson & Heath will come and discuss the document.

Rep. White said that it appeared that there was very little new information in this document and that he's a little disappointed with it. He said that the layout of the suggestions will make it difficult to implement in that they're not all in one place. He sees this more of a fact finding document.

Rep. Ladd said he found some areas where the County could become more efficient and there was further discussion about what was in the document. Rep. Bulis felt it was important for everyone to read it through prior to the meeting.

Both Reps. Ladd and Bulis were very reassured in the information they read about the triad made up Director Clough, Supt. Libby and Supt. Oakes and the way they have handled the Clerk of the Work job. They both stated that they're concerns have been quelled.

Director Clough said she feels this is a positive document and that Mr. Sullivan stated how cooperative the Departments were to work with. She said that in her opinion, she feels the County is very well run.

Rep. Bulis complemented the staff and Administration and said that the process of the audit went very well.

There will be a full Delegation meeting on the 12th of December beginning at 10:00 AM. Department Heads are invited for the review of the Performance Audit. There will no regular Executive Committee meeting in December.

The towns in Grafton County will be notified that they can access the Performance Audit from the County website and told that it is a lengthy document for print.

COMMENTS FROM THE AUDIENCE

H. Brown said that he thought it was odd that on the day they had the meeting to talk about the old Jail, there was a surveyor who was working outside the building. He said he advocates for the destruction of the building and that there will be added storage space in this building when the inmates who live below, move out. Mr. Brown added that over the years in making a case for the new Jail, the public was told that the current building is unlivable given its age and ventilation. If the thought is to now put people back into it, he would feel as though he had been lied to all along.

Mr. Brown also thought that there would be a reduction in crime if drugs were legalized.

Commissioner Cryan said that he didn't want a coincidence to become a conspiracy and informed Mr. Brown that the surveyor was on the property for the biomass project and nothing more.

Rep. Ladd suggested that towns could save money by looking at traveling libraries and that it is a service that should be considered.

11:05 AM Rep. Almy moved to adjourn which was seconded by Rep. White. With no further business and all in favor, the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday January 23, 2012

PRESENT: Representatives Bulis, Sova, Gionet, Ladd, Townsend, Aguiar, White and Brosseau, Commissioners Ahern and Burton, Executive Director Clough, Treasurer Elliott and Secretary Martino.

EXCUSED: Rep. Almy

Rep. Bulis called the meeting to order at 9:00 AM with the Pledge of Allegiance being led by UNHCE Office Administrator Deb Maes.

D. Maes had come in to bring copies of the reorganization plan from UNH and passed out copies of that plan to the committee.

Rep. Ladd asked how UNHCE is preparing for jobs other than in agriculture, saying that things seem to be turning away from that. D. Maes explained some of the new things that UNHCE will be looking at in the future.

D. Maes was thanked for coming and bringing in the materials.

Rep. Sova moved approval of the Executive Committee minutes from November 21, 2011 which was seconded by Rep. Gionet. All were in favor.

Rep. Gionet moved approval of the Delegation minutes from December 12, 2011 which was seconded by Rep. Aguiar. All were in favor.

TREASURER'S REPORT

Treasurer Elliott said that she sent out bid requests for interest rates for investment of tax payments received by the County. She said that she sent out 13 requests and received only 7 responses with disappointing results. At this point, Woodsville Guaranty Savings Bank is offering 0.50% on balances in the general account that are over \$1M. She said this was the best option. She informed the committee that she has made it clear to the other banks that the funds are liquid and can still be invested if a good offer becomes available.

Rep. Brosseau moved to accept the Treasurer's Report which was seconded by Rep. Sova. All were in favor.

COMMISSIONERS' REPORT

Commissioner Ahern gave the Commissioners report to the committee

- ◆ Nursing Home Administrator
 - Eileen's Retirement – Effective 12/16/11
 - Renee Shields – DoN was appointed Acting Administrator
 - Eileen has remained on as our licensed Administrator – being at the facility 8 hours/week and available to the Acting Administrator as needed.
 - Craig Labore will start as the Nursing Home Administrator on January 30, 2012.

- ◆ New Jail
 - Building is approximately 85% - 90% complete
 - Outside is 95% complete
 - The project will likely come in under budget
 - Corrections and Maintenance very busy preparing to occupy facility
 - Ribbon Cutting Ceremony/Public Tours – Sunday, May 6th 1PM – 5PM

- ◆ Budget
 - Commissioners have set the budget schedule for meeting with departments.
 - Budget preparation information has been sent out to Departments
 - Estimate that the Executive Committee will receive the Commissioners' proposed budget late April/Early May
 - Benefits Committee is meeting to discuss Health Insurance Options
 - Incorporation of Performance Audit recommendations will be considered in terms of financial impact and determination of need.
 - There will be no Maintenance Allocations to Departments this year other than for the Nursing Home due to Cost Reimbursement requirements. The information will still be tracked and available but individual budgets will not carry those expenses. They will all be contained within a Maintenance budget.

- ◆ Biomass Plant
 - On January 3rd the Commissioners received a report from Banwell Architects recommending that the County move forward with a heat only system with connectivity to the Admin Building, Nursing Home, Courthouse and New Jail.
 - The projected cost is \$3M
 - The proposed plant has a cash positive result in the 1st year of

\$20K and over \$3.8M over a 25-year time period.

- Commissioner Ahern has set-up a meeting with Freedom Energy Logistics to provide additional information tomorrow and then the Commissioners will be voting on moving the project forward.
- Anticipate request for approval from Delegation prior to June 30th.

◆ General

- Nursing Home Reimbursement Rate decreased \$1.03 to \$151.00/day effective January 01, 2012. This will result in a \$9,500 loss in projected revenue for the Nursing for the balance of FY 12
- RFP's for the Engineering Design of the Automated Isolation Valve and Vault for the Water Tank were opened last week and awarded to Pathways Engineering out of Lebanon.
- Old Jail Committee Meeting – 1/24/12 @ 1PM – Extension Conference Room.

Rep. Aguiar asked what the cost was on the design for the automated valve tank and Director Clough said that it was \$14,667.50

Rep. White asked if that was the engineering costs only and the reply was yes.

Rep. Bulis asked if Woodsville Water & Light was on board with this valve and Commissioner Ahern said he believed so.

There was a brief discussion about the possibility of adding an electrical component to the biomass project.

Commissioner Burton noted that there will be another forum on what to do with the old Jail tomorrow afternoon and he will ask for suggestions along with the associated costs and considerations as to whether or not they could get the votes for approval. Rep. White said he would urge Commissioner Burton to be sure to consider the costs of keeping the old Jail open and heated for next winter and what that might do to the budget. Commissioner Burton said that no specific costs have been identified and if the building were to come down it would be after RFP's were solicited.

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

EXECUTIVE DIRECTOR'S FINANCIAL REPORT

Census in the Nursing Home is 134 and in the Jail the census is 90

Director Clough reviewed the Variance Report and then reviewed the pro rated report which she said is slightly over revenue with \$1.6M under expenses. There is a \$1.8M unassigned fund balance.

Director Clough reviewed the over expended line item report and said that contract nursing is the largest over expended amount but it's possible that there may be enough funds to cover this from surplus funds from retirement rates. Director Clough will make transfers within the departments that are under \$5K and reports will be given to the Commissioners once completed. Rep. Bulis asked that the Committee receive those reports also.

Director Clough then reviewed the grants that the County has for FY12 and said that any grants that were done in January will be reported the next time.

Rep. Ladd asked Director Clough about the County Attorney's caseload and Director Clough said that it appears that the cases continue to grow. She said that the County Atty. has created a report and plans to get that report out to the committee.

A decision was made to tour the new Correctional Facility at the April meeting beginning at 9:00 AM.

Rep. White moved to accept the report of the Executive Director which was seconded by Rep. Brosseau. All were in favor. (Rep. Ladd was not present at the time of the vote)

OLD BUSINESS

Nothing to report

NEW BUSINESS

Nothing to report

COMMITTEE REPORTS

The Jail staff sub-committee has not met since the last time they met at the County.

COMMENTS OF THE DELEGATES

In discussing the Performance Audit, Rep. Bulis said that it appeared that there was no easy savings but the report did offer some suggestions and that the document was meant to be used as a tool. He said that there was a recommendation of a restructure but ultimately the Commissioners have the say in this.

Rep. Bulis thought that perhaps there could be a sub-committee to study the Farm but the Legislative body is so busy this year that time is a concern. He questioned whether or not the Executive Committee should discuss it.

Rep. Aguiar said that he was pleased to see from the Audit that the County runs very well and that the committee should find out what the Commissioners feel about the Farm and should be in agreement with them about its future.

Rep. Gionet said that because of the busy Legislative schedule he feels there is just no time right now to get into the Farm operation and it would be better to wait until a later date. Rep. White agreed but said he would like to see more opportunities for the Farm and more in-house resources such as having milk supplied to the Jail and Nursing Home along with vegetables. Rep. Brosseau agreed.

Rep. Townsend said he thought there should be some response from the Commissioners regarding the audit and what their thoughts are after reviewing it. Rep. Sova agreed and that he would ask that the Commissioners inform the committee as to where they stand in regard to the performance audit.

The consensus of the Committee was to put the discussion about the Farm on hold for now.

Rep. Ladd spoke about wanting to see all capital projects for the County prioritized and there was discussion about this.

Rep. Gionet noted that Rep. Chandler from Carroll County is putting up an argument to get rid of County government.

There was further discussion as to the request that the Commissioners respond somehow to the suggestions of the performance audit and that perhaps there should be some kind of report that state why they would or wouldn't consider going forward with recommendations that were made. Commissioner Ahern said the Board of Commissioners is mindful of the audit and are keeping it in mind as they go forward

Rep. Bulis said he would like Director Clough to present a full explanation of the retirement fund in layman's terms so that the committee had a full understanding of what that meant, for the next meeting.

Commissioner Ahern mentioned that Supt. Libby had given the Farm Manager a list of produce that he would like to have for the new facility and that according to H. Bryant of UNHCE, this amount may require another 10 acres of land to grow, which would mean reducing the milk herd and using that feed land for crops.

There was a discussion about whether or not the committee should give the Commissioners some kind of direction on the upcoming budget. Rep. Bulis asked what the debt service would be and Director Clough said there would be a \$775K increase in debt service and then each sequential year that would be reduced. Rep.

Gionet said he would like to see the budget cut considerably and that he wanted to be heard by the Commissioners with that request.

Rep. Sova discussed a new law which would require State Dept. heads to bring their budgets in at a 10% decrease, noting that it wouldn't necessarily be reduced by that much, but it was a way to structure their budget.

Rep. White suggested the committee should craft a structure of "tolerance" for what should be looked at. Rep. Ladd said they may want to consider a priority system and believed that the committee should give some direction.

Rep. Bulis said that one thing that needed to be considered was that there was one department, Corrections, that would be expanding considerably and that Corrections and the Nursing Home are huge drivers of the budget. He opined that this budget would be difficult.

Rep. Gionet stated that privatization of the Jail should be considered.

Director Clough said that it was important to understand what these cuts the committee is talking about actually mean, which is people. She said there are still 135 residents at the Nursing Home and 100 inmates that need to be considered and there will be increases in order to go forward and to operate these facilities.

Rep. Brosseau agreed that there should be some kind of prioritization.

The discussion continued.

Rep. Bulis stated that statutorily the Commissioners develop the budget and then present it to the Executive Committee. He said he would like to hear from the Commissioners in February as to what they want to do.

The next meeting was set for Friday, February 24, 2012 at 10:00 AM

Rep. Aguiar read a note from Nursing Home Administrator Eileen Bolander, thanking the members of the Delegation who had chipped in for a gift card for her retirement.

12:00 PM Rep. Gionet moved to adjourn which was seconded by Rep. Brosseau. With no further business and all in favor, the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Friday February 24, 2012

PRESENT: Representatives Bulis, Sova, Gionet, Ladd, Townsend, Aguiar, Almy and Brosseau, Commissioners Cryans, Ahern and Burton, Executive Director Clough, and Secretary Martino.

EXCUSED: Rep. White

OTHERS: H. Brown and later Rep. Suzanne Smith

Rep. Bulis called the meeting to order at 10: 04 AM with the Pledge of Allegiance being led by Harold Brown.

Rep. Bulis asked if anyone had any changes or edit for the minutes dated January 23rd. None were noted

Rep. Sova moved to approve the minutes from January 23, 2012 which was seconded by Rep. Gionet. All were in favor.

TREASURER'S REPORT

Treasurer Elliott was not available for this meeting but sent a brief report that stated that there was a healthy balance in the account with funds coming in as expected.

Rep. Gionet moved to accept the Treasurer's Report which was seconded by Rep. Brosseau. All were in favor.

COMMISSIONERS' REPORT

Commissioner Cryans gave the Commissioners report to the committee

- The new Correctional Facility is 95% complete and the ribbon cutting ceremony will be held on the 6th of May beginning at 1:00 PM.
- There was a review of the Correctional Facilities project budget and Commissioner Cryans said there was a good possibility of having a surplus of at least \$750K to \$1M. (Rep. Aguiar suggested that should be termed a balance and not a surplus.)
- An outline of the suggestions from the performance audit was handed out to the committee and Commissioner Cryans said that the items listed will be looked at as they go forth with the budget. Director Clough

stated that the information listed was a compilation of items from the audit.

Rep. Almy said she would like to hear the responses from the Departments.

Some members of the committee thought they needed to look this list over before any discussion and Rep. Ladd said he thought the recommendation that the Executive Director should have more authority should be discussed further. Rep. Bulis said Director Clough reports to the Commissioners and this should be a decision for them to make.

Rep. Sova thought the outline could be discussed now by the Board of Commissioners without the committee having to read it over.

Rep. Ladd said he would rather see the Executive Director and the Board work together to bring forth information to the Executive Committee and noted that he's not in favor of having Department Heads pleading their cases to them directly.

Rep. Gionet said he would like to reserve the option of having a Dept. Head come in if required.

- Commissioner Burton will be having another meeting regarding what should be done with the old Jail, which will be held on April 10th at 2:00 in the UNH Extension Conference room. Commissioner Burton said that the Board had decided not to apply for a grant from the NH Preservation Alliance but that Director Clough will be researching a CDBG feasibility grant. He said that sooner or later the Board will have to come to some decision as to what should be done with that building.

Rep. Gionet asked Commissioner Burton what he would like to see done and he replied that he just wanted to be sure that there was public opinion as to what should be done.

Rep. Bulis said he attended the last meeting of the old Jail disposition and discussed other historical buildings in the area. He noted that there was a previous vote of the Board of Commissioners to tear down the old part of the Jail and asked Commissioner Cryans what became of that vote and did it just fade away. Commissioner Cryans replied that he didn't know about the vote but it has always been his opinion that the whole building should come down. He said there are numerous issues with that building which he believes could cost in the millions to update or repair.

Rep. Bulis asked if there was a target date for a decision and Commissioner Cryans said that he would like to see the excess money from the new Correctional Facility used to tear down the old one.

Director Clough said that Supt. Oakes is preparing his budget with the assumption of keeping the utilities in the old Jail operational; however, there is hope that the County can get a waiver from the Fire Marshall to take the fire systems off line.

Director Clough said there would have to be a vote of the full Delegation in order to appropriate excess funds from the new Correctional Facility if that was the decision that was made.

Commissioner Ahern said he didn't think they could really make an informed

decision until the building was vacated and someone could go through it properly. He said he planned to see that due diligence was done in this matter.

Rep. Bulis said that he would like approval from the Committee for mileage to be paid to him for attending the old Jail committee meeting on the 24th of January.

Rep. Townsend moved to approve that mileage be paid which was seconded by Rep. Aguiar. All were in favor.

Commissioner Cryans continue on with the Commissioners Report saying that there should be a budget available to the Executive Committee by the first of May for review.

Director Clough asked the committee what process they would like to follow in their review of the budget and said that in her opinion, she feels it works better when a member meets with the Dept. Head so that they have individual knowledge of that Department. Rep. Bulis said he really hadn't discussed it with everyone yet but he will and then get back to Director Clough.

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

Commissioner Cryans was excused.

Rep. Bulis had two informational papers for the committee and passed them out. One was regarding an article in the Caledonian Record on the biomass project and the other was regarding a priority scale for projects.

EXECUTIVE DIRECTOR'S FINANCIAL REPORT

Census in the Nursing Home is 132 and in the Jail the census is 90 with 21 being supervised in the Drug Court program. There are no inmates out on electronic monitoring.

Director Clough reviewed the Variance Report which she said was on target. She said the Registry of Deeds may come in under revenue and Interest would also be below expectation. She then passed out a new pro rated report (different from the one they received in the mail) and explained that there is a new accounting of the accrued payroll and explained how that was going to work. She said it will show as a credit but will not be there by the end of the year.

Director Clough passed out an under expenditure analysis and reviewed the reason for this in the Nursing Home, Jail, Human Services and Capital Departments. She said she will be monitoring this going forward. She also notified the committee that the County Attorney's office would likely be over expended at the end of the year.

Rep. Almy said she appreciated the thoroughness of the reports.

The committee said they would like to meet new Nursing Home Administrator at the next meeting.

Rep. Sova moved to accept the report of the Executive Director which was seconded by Rep. Brosseau. All were in favor.

OLD BUSINESS

Rep. Bulis said there was talk about reducing the cow herd, which was brought up by FM Kimball at the old Jail meeting and he asked if there was any more information about that. Commissioner Ahern said that it is being considered by FM Kimball in an effort to operate the Farm more efficiently and that the Board will have a better idea about that when FM Kimball brings forth his budget.

Rep. Bulis said that the Delegation will need to meet to set the salaries of the elected officials and hoped they could do that at the end of April.

NEW BUSINESS

Maintenance Superintendent Oakes was invited in to talk to the committee about the biomass project. An accompanying report was passed out to the members.
*(see attached)

There was a question and answer period which included whether or not the County should consider an electrical option. Supt. Oakes said the plan was to send the bid out with an electrical option package and then see what kind of figures came before making any concrete decisions.

Rep. Aguiar was excused.

There was a discussion as to whether or not the Executive Committee should invite Woodsville Water & Light Commissioners to a meeting so connecting to their system could be discussed. Supt. Oakes said until the County has explored all the possible scenarios it probably didn't make sense to invite WW&L to the table.

Director Clough said that right now Banwell Engineers are designing a heat only plant with an electrical option because that is what the Board of Commissioners voted on. She said she would like to see this moving forward and ready to present at budget time.

Rep. Gionet asked Supt. Oakes about the water tank and the latest update. Supt. Oakes said that an engineering company is designing the valve and that should be ready for presentation to the Commissioners within the next couple of weeks.

Rep. Bulis asked Director Clough to defer the conversation about the Post Retiree Employee Benefits until the next meeting due to a lack of time.

COMMITTEE REPORTS

A copy of the Jail Staffing Sub-Committee meeting minutes were passed out and Rep. Almy went over them briefly. Another meeting will be held today once this meeting adjourns.

COMMENTS OF THE DELEGATES

None

The next meeting date will be March 19, 2012 and will begin at 9:00 AM

COMMENTS FROM THE AUDIENCE:

Mr. Brown stated that he had two bills which Rep. Gionet filed for him which he hoped the Legislators would support. He said the first bill was no longer viable and he didn't know about the second, which had to do with search and seizure.

12:45 PM Rep. Brosseau moved to adjourn which was seconded by Rep. Townsend.

With no further business and all in favor, the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday March 19, 2012

PRESENT: Representatives Bulis, Sova, Gionet, Ladd, Townsend, Aguiar, Almy and White, Commissioners Cryans and Ahern, Executive Director Clough, and Secretary Martino.

EXCUSED: Rep. Brosseau

OTHERS: Joe Maccini and Bob Fagnant of Woodsville Water & Light, Maintenance Supt. Jim Oakes, Gil Richardson, Gary Petteplace, David VanHouten and Martha Richards (all members of the Alternative Energy Committee), Tara G. (Littleton Courier) Robert Blechl (Caledonian Record) and Rep. Suzanne Smith

Rep. Bulis called the meeting to order at 9:05 AM with the Pledge of Allegiance.

Rep. Bulis asked that everyone in the room introduce themselves and then asked Commissioner Cryans to give a brief outline on how the biomass project got started. Commissioner Cryans said that he had dragged his feet a little bit because he felt that the Jail project took precedence and he wanted to get that underway first. He recognized Martha Richards who along with other members of the Alternative Energy Committee began the quest for this project and their passion never waned. He said that the current Board of Commissioners has since voted to move this project forward.

Bill Root, President of GWR Engineering and Jules Chatot from Banwell Architects were the guest speakers, along with Maintenance Superintendent Jim Oakes. The presentation was on the proposed biomass project and was given via PowerPoint. There was accompanying paperwork which included the feasibility study and figures on savings to the County which would define the benefits of burning woodchips over burning oil.

Mr. Root explained how the biomass plant would work and which buildings would be tied into it.

Mr. Chatot said that although the oil market can fluctuate greatly, the wood market seems to be pretty stable and fairly strong. In a letter sent from the Department of Resources and Economic Development (DRED), to the County, Brad Simpkins offered support of the project and said that it would be beneficial to the local economy and conservation by helping to maintain working forests. Mr. Simpkins did not see any problem with securing wood for the project in the future.

There was a question and answer period which included actual savings, cost of chips, whether or not more labor would be needed to support the facility, and the

option of adding an electrical component to the building.

Rep. Sova asked about running the plant 24/7 and creating electricity that could be fed back to the grid. Mr. Root said there would have to be a way to disperse the heat when you don't have a load. He said it would be like running a mini power plant which would actually cost more money. Supt. Oakes said that when BERC, (who did the original feasibility study) looked at this option they found it to be a waste of money.

Joe Maccini and Bob Fagnant from Woodsville Water & Light were present and Rep. Bulis asked them to speak about how the biomass plant would impact their company. B. Fagnant said that if the County were to choose just the heat option then it would have no impact on WW&L at all. He said that in order to accept power back, they would have to renegotiate with their electrical contractor with whom they have a contract with from November of 2012 to February of 2015. He also stated that a big problem with the County creating electricity would be the relays and the up and down of the draw.

Rep. Bulis asked what Banwell is recommending and J. Chatot said that they recommend heat only option. Rep. Bulis said that he is not sold on the option of adding the electrical component. Supt. Oakes said that when they put the project out to bid there will be a base bid for just heat and then an add-on for the electrical option for future.

Martha Richards was introduced as the Chairman of the Alternative Energy Committee who began looking at this project in 2008. She introduced Gary Phetteplace, Gil Richardson and David VanHouten who have all been very committed to this project. She said that she feels that the biomass project will offer stability for the County as well as offering jobs in the community. She said there is also the benefit of getting off of oil and to see some savings for the County.

G. Phetteplace stated that all the studies he has been involved with have come to the same conclusion that the electronic component should not be considered because of the actual low production of electricity. G. Richardson echoed the sentiments of DRED by saying that there is a good supply of chips available in the area.

Rep. White questioned why the biomass wasn't considered during the time of the building of the Jail. Supt. Oakes replied that geothermal was considered a more viable option because of the fact that it both heated and cooled. D. VanHouten said the Jail was already underway when the Energy Committee was formed. He added that the engineering plan was paid for by a grant from the Dept. of Energy. There was discussion about the possibility that there may be some money left over from the Jail project to put toward the biomass project. He said that a grant to do the project was unlikely and it would probably have to be funded, however there are still some very good interest rates and he felt this would be a fiscally

conservative decision.

Director Clough said that she has had some preliminary conversation with the banks and once there is approval from the Delegation she can get a better understanding of what the funding would look like.

Rep. Smith arrived.

Director Clough gave a timeline of what they would like to see as far as moving the project along and suggested that perhaps the Delegation could vote on the project approval when they vote on the Elected Official's salaries.

Rep. Bulis called a brief recess.

Rep. Bulis called the meeting back to order.

Rep. Sova was excused.

Rep. Bulis asked if anyone had any thoughts on the electrical stub option and Rep. Almy said that if the County would only receive 10% electricity, it wouldn't make any sense to add the stub. Rep. White said he would like to see the real market data on the cost of chips first though he feels he can support this project, but not the electrical stub.

Rep. Ladd agreed that the electrical was not a great idea and Rep. Townsend said he didn't see any reason to even spend money on the electrical stub for the project. Rep. Gionet concurred.

Rep. White recommended that the "T's" for the white building and the maintenance building be included for possible future connections in the construction and that local people be involved in the building of the project.

Rep. Bulis surmised that the Committee is in favor of the biomass project but for heat only option.

Director Clough will get this information out to the rest of the Delegation so they can go over it before the meeting.

TREASURER'S REPORT

Treasurer Elliott said that there is a healthy balance in the general fund and that she has still not found a better interest rate in which to invest money.

Rep. White moved to accept the report of the Treasurer which was seconded by Rep. Almy. All were in favor.

COMMISSIONERS' REPORT

Commissioner Cryans gave the Commissioners report to the committee saying that the ribbon cutting ceremony for the new Jail will be on May 6th from 1:00 PM to 5:00 PM.

The budget is current being presented by the Department Heads and the Commissioners budget should be ready by the 1st of May.

Commissioner Cryans suggested that the Commissioners' public hearing on the budget be held on the 17th of May at 6:00 PM. There was some discussion as to whether or not this would work for the Delegates and it was determined it would. That date is confirmed.

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

EXECUTIVE DIRECTOR'S FINANCIAL REPORT

Census in the Nursing Home is 133 and in the Jail the census is 102 with 10 inmates out on electronic monitoring, 22 are being supervised in the Drug Court program with 8 of those in custody.

Director Clough reviewed the Variance Report which she said was on target. She said the Registry of Deeds may come in under revenue and Interest would also be below expectation. The County Attorney will likely be over expended.

Director Clough reviewed the Pro Rated report saying the County was slightly under revenue but that should come into alignment.

Rep. Aguiar moved to accept the report of the Executive Director which was seconded by Rep. Almy. All were in favor.

OLD BUSINESS

Nothing to report.

NEW BUSINESS

Nothing to report

COMMITTEE REPORTS

Rep. Almy informed the Committee that they expect to finalize the Jail staffing report today.

COMMENTS OF THE DELEGATES

Rep. Ladd asked Director Clough if she could find out what the other Counties are paying their Elected Officials so they have that information when they go to vote on the salaries.

Rep. Bulis said that he appreciated the report from Director Clough on the Post Employee Benefits and asked if there were a lot of accrued liabilities for employees. Director Clough said yes, there was earned time and sick leave.

The next meeting date will be April 16, 2012. The committee will meet at 9:00 AM at the Jail for a tour prior to the start of the meeting.

COMMENTS FROM THE AUDIENCE:

None

11:57 AM Rep. White moved to adjourn which was seconded by Rep. Almy.

With no further business and all in favor, the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday June 25, 2012

PRESENT: Representatives Bulis, Sova, Gionet, Ladd, Townsend, Aguiar Brosseau, Almy and White, Commissioners Cryans and Ahern, Executive Director Clough, and Secretary Martino.

Rep. Bulis called the meeting to order at 11:35 AM after the Delegation meeting.

Rep. Bulis asked for a motion to approve the budget minutes from June 18th. Rep. Almy made a couple of edits via email prior.

Rep. Sova moved to approve the minutes from March 19, 2012 as amended which was seconded by Rep. Townsend. All were in favor.

A request was presented to the Committee from the Commissioners requesting written authority to transfer money into the accounts of the Farm and Dietary, per direction of the Delegation By-laws, which are both projected to be over-expended by an amount greater than \$5,000 at the end of fiscal year 2012. At present it is projected that the Farm will be over expended by \$35K and Dietary approximately \$8K. Director Clough said there is money in other areas to be able to cover these amounts.

Rep. Townsend moved to approve the transfer of funds to the Farm and to Dietary to cover the over expenditures which was seconded by Rep. White.

DISCUSSION

Rep. Sova asked if the By-laws meant that the transfers should be done in this manner or at the time that the line item became over-expended. Rep. Almy thought it should be done when it happened but this was never discussed at the time. Director Clough said that for much of the year she wouldn't know if a line would become over expended and reports are given to the Committee during the year keeping them up to date on all the Departments.

Rep. White said in his opinion the request meets the intent of the By-laws and other than hearing why the lines are over-expended then he feel's the request is in compliance.

There was a discussion about where the money would be coming from and Rep. Ladd asked about record keeping which would show that the line that the money came from had not experienced the loss at it's own expense. Director Clough said

she keeps records which show that information. Director Clough said all the transfers would be included in a report to the Committee.

When the vote was taken all were in favor. The affirmed motion will act as written authority in these minutes.

There was a discussion as to whether or not the Committee will meet again before September. Director Clough said until just recent years, the Committee never met in the summer months.

Rep. White moved that the Executive Committee would take the months of July and August off and meet again on September 17, 2012 which was seconded by Rep. Aguiar. All were in favor.

Rep. Gionet thanked Chairman Bulis for the budget and said the way the Committee was handled was exemplary.

11:50 AM. With no further business and all in favor, the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE BUDGET REVIEW

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday May 7, 2012

PRESENT: Representatives Bulis, Aguiar, Sova, Gionet, Almy, White, Brosseau, Townsend and Ladd, Commissioners Cryans, Burton and Ahern, Executive Director Clough and Secretary Martino.

Rep. Bulis called the meeting to order at 9:25 AM after visiting the Registry of Deeds to look at the area where the old records are kept. The committee recited the Pledge of Allegiance.

Rep. Bulis said that the ribbon cutting ceremony was held at the new Correctional Facility yesterday and that it went very well. He said that congratulations were in order for a job well done. He asked if there would be a time that other representatives could tour the facility and Director Clough said it is now officially an operational Jail which would be closed to the public.

Rep. Sova moved to approve the minutes from the April 16, 2012 meeting which was seconded by Rep. Almy. All were in favor.

Rep. White asked if minutes could be sent electronically as opposed to sent by print suggesting it would save money and that he didn't need a written copy once read. There was discussion about this as some Reps. wanted a written copy and others were fine with electronic. Sec. Martino said that she would electronically send those who wanted the minutes by email and a written draft to those Reps those who wanted a hard copy.

Rep. White moved to have the minutes sent electronically unless a Rep. requested a hard copy which was seconded by Rep. Sova. All were in favor.

COMMISSIONERS BUDGET REPORT

Commissioner Cryans began by thanking the Reps who attended the Jail opening ceremony Sunday for coming to the event.

Commissioner Cryans stated that in the decision of the FY13 budget, there was a unanimous vote on Corrections, Bonded Debt, Delegation Expenses and a couple other small budget items and that other than that the votes were divided 2 to 1.

There is a 2-3% decrease in health insurance

A 1.875% Cost of Living Adjustment was negotiated with the Employee Council

There is an 8.75% increase in the amount to be raised by taxes with an overall budget increase of 4.76%.

Commissioner Cryans broke down the figures for both increases and decreases. There are 5.6 new budget positions.

Rep. Bulis asked if the Board of Commissioners set any budget goals for department heads. Commissioner Cryans said “no”.

Rep. Gionet asked if the operating costs for the new Jail have increased from what was expected and Director Clough said they had actually decreased.

Rep. White said there were some rumors going around regarding bonuses that were being paid to some employee and Commissioner Cryans said there were no bonuses in the budget.

Rep. Ladd asked how the cost of living was calculated and Commissioner Cryans said that it was negotiated with the Employees and the Board was willing to offer 1.875 on a 2 to 1 vote. Commissioner Burton said that the Employee Council asked for 3.6% which was the increase in Social Security but the Board voted on what they could live with in this budget.

Employees who are eligible will receive their step increase and the cost of living and those who are maxed out on the wage scale will only receive the cost of living. Director Clough said that 86 employees out of approximately 389 who are on the wage/step scale, are maxed out.

Rep. White said that it is important to understand that the wage scale step system is set up for proper compensation in the growth to a proficient employee.

Rep. Bulis asked if anyone wanted to make a motion to accept the proposed budget and no one did.

Register of Deeds – Kelley Monahan

Revenue was discussed and RD Monahan said that she would hope that revenue would increase after adding some new software but couldn't count on that at this point. Revenue remains flat.

Expenses: 3 out of 5 Deeds staff are maxed out on the wage scale so there will be no step increases for those employees.

\$15K will be coming from the surcharge account to cover the software contract.

Rep. Ladd asked if each department negotiates their contracts separately and Director Clough replied that they do.

Director Clough noted that maintenance is no longer allocated to departments other than the Nursing Home.

Rep. Ladd felt that the County should consider central purchasing in order to get the best price on items. Director Clough said that there was discussion about this with the Board but she felt that she needed time in order to do a proper analysis of the position and there just hasn't been time to do that between the time the audit came out and now. She said the idea hasn't been dismissed, just postponed until it can be given proper thought.

Rep. White said that unless the committee is ready to simply add this position and put a person in place, it will have to wait and be considered in the future.

Director Clough said that the Deeds surcharge account and the Dispatch and Nursing Home capital reserve accounts are going to be separate accounts from the budget and not part of the operating budget, as recommended by Melanson & Heath auditors. Monies coming out of those accounts need the approval of the Delegation.

Rep. Almy thought they should at least show in the budget for transparency.

Deeds Surcharge

There is a total request of \$76,499 from the surcharge account for the fire suppression system, computer replacement, software contract and misc.

Rep. White asked RD Monahan what the real concern is regarding the storage of records and RD Monahan said it was primarily water damage. Rep. White asked what the threat was and RD Monahan replied that it would be water from either the ceiling or the floor.

Rep. White stated that sprinklers don't just go off without having a ceiling temperature of at least 180 degrees. He said that he didn't think that adding the fire suppression system was solving the problem as there are other water pipes located in that area.

There was further discussion about this issue. The committee decided to postpone the discussion about the fire suppression until Maintenance Superintendent Oakes could be spoken to, which would be during the Maintenance budget.

10:55 AM A recess was called

11:00 AM Rep. Bulis called the meeting back to order

Sheriff Department – Sheriff Doug Dutile

Expenses: There has been an increase in cruiser repair because the Dept. had been asked to try to get by with just one new car per year, which ended up leaving the others with more mileage and more maintenance. They began ordering three cars per year again last fiscal year.

There was a discussion about the Grafton County Sheriff's Department staff operating under 42.5 hours as opposed to 40 hours. Sheriff Dutile explained this and said that they do not get overtime unless they exceed the 42.5 hours.

Rep. Gionet asked if maintenance on the vehicles is bid out and Sheriff Dutile replied that it used to be but they have to go to a Ford dealer for their warranties so they just use the local Ford dealer for maintenance.

Capital Outlay was reviewed.

Dispatch – Communications Director Tom Andross

Revenues: this will be the first full year of revenues under the fiscal year operation.

Expenses: request includes a person that will be shared 50% with the Sheriff Dept. for clerical purposes. Each department will pay 50% of salary and benefits.

Dispatch will also use part time hours to create a full time position with benefits, stating is becoming too difficult to fill shifts with part time help. One staff member will be coming off of health insurance onto wages in lieu of health insurance and this new position will be added to health insurance.

DRED is now charging the County for two radio tower sites at \$1000 each.

Capital Reserve items were discussed.

Director Andross said that on behalf of himself and his Dispatchers he would like to publically thank Rep. Sova for his work on HB1133.

County Attorney's Office – County Attorney Lara Saffo

The CA Office is looking for one full time clerical position and one full time attorney. Atty. Saffo discussed the need for additional help in her office due to an increase in cases.

Rep. Ladd asked if the two people she was requesting was going to satisfy the needs in the office and suggested that perhaps there should be another position added.

Atty. Saffo informed the committee that she had asked for a double step increase for one of her attorneys and the deputy attorney.

There was some discussion about the renovation of the conference room that is next to the Attorney's Office which will create some much needed room for staff.

Attorney Saffo was asked to come back on another date to go over the rest of the budgets as time had run short and other items needed to be dealt with prior to the Delegation meeting on Monday.

There was a discussion to determine the Elected Official's salaries which would go into affect on January 1, 2013 and continue until December 31, 2015.

Rep. White moved to recommended the Elected Officials salaries as noted below which was seconded by Rep. Sova

Commissioner Chair	\$11,128
Commissioner	\$10,774
Treasurer	\$ 5,000
Sheriff	\$60,693
Register of Deeds	\$57,300
County Attorney	\$80,000

Rep. White said that he reached these figures by analyzing the data that was given them from the NHACo on all ten counties.

DISCUSSION:

Rep. Almy said the information from NHACo doesn't take into account any new increases that these positions may be receiving.

There was a lot of discussion and Rep. White said that he thought the Elected Officials should be in the salary mid-range of all counties.

There was a discussion which included whether or not the full time Elected Officials should receive a 2% COLA. Rep. Brosseau said he didn't think anyone should be receiving a raise.

Rep. Aguiar motioned to make an amendment to support a 2% increase for the Sheriff, County Attorney and Register of Deeds and all other Elected Officials would stay at their current rate, which was seconded by Rep. White.

Reps. White, Townsend, Almy, Ladd, Aguiar and Bulis were in favor and Reps. Sova, Brosseau and Gionet were opposed. Amendment passes.

Vote was taken on original motion and Reps. White, Townsend, Almy, Ladd, Aguiar and Bulis were in favor and Reps. Sova, Brosseau and Gionet were opposed. Motion passes.

1:05 PM With no further business the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE BUDGET REVIEW

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday May 21, 2012

PRESENT: Representatives Bulis, Aguiar, Sova, Gionet, Almy, White, Brosseau, Townsend and Ladd, Commissioners Cryans, Burton and Ahern, Executive Director Clough and Secretary Martino.

OTHERS: Robert Blechl of the Caledonian Record

Rep. Bulis called the meeting to order at 9:03 AM and the committee recited the Pledge of Allegiance led by R. Blechl.

Rep. Sova moved to approve the minutes from the April 16, 2012 meeting as amended which was seconded by Rep. Almy. All were in favor.

Rep. Bulis said he would like to try to stay on schedule in order to be more productive. He asked if there were any comments about the Commissioners public hearing from those who attended. Rep. Gionet said he was disappointed there weren't any selectman, (other than Rep. Ladd) from the towns in Grafton County.

Rep. Almy said there seemed to be a lot fewer complaints about the tax burden but a lot of input from people who wanted to see the bus service from Lancaster funded.

Rep. Townsend said there were people there who either wanted to see a total cut or were there in support of individual items.

Rep. Bulis said he would like to see an alternative budget.

Rep. Ladd arrived

Rep. Bulis continued by saying he wanted to see some reductions in spending and to not have any kind of increase.

Rep. Almy said the majority of increases come from the bonded debt and the staff for the new Jail.

Rep. Bulis said the Jail and the Nursing Home are the drivers of the budget and they couldn't afford to have those increases. He said he would like to see some items out of the budget that are not within the domain of the County.

Commissioner Ahern arrived.

Rep. Almy said they all knew that once the Jail came on line that they would be

looking at increases.

Rep. Sova said there could be a different budget that the Administration puts in place doing the best they can do.

Rep. White said this suggestion is not timely and would have been a better idea if the committee wasn't already into the budget and in the process of seeing department heads. He said if there is something that the Chair would like to see out of the budget then a motion was in order. He said he didn't feel it was responsible to ask the Administration to go back and alter the budget they already presented.

Rep. Gionet said that level funding is the least he would consider and he didn't care how they got there.

Rep. Bulis said he feels the Executive Director could give an alternative foundation on which to build on.

Rep. White asked then if a motion to adjourn would be in order because anything that was done today would be a waste of time.

Rep. Bulis said he would just like something else to look at.

Rep. Almy said she feels the Administration has cut as much as they could and that this is a conversation that they should have been having last November.

Rep. Bulis said that the employee compensation package is substantial and said he feels people have an objection to what is being given out here.

Rep. Brosseau said the town of Campton has only had one raise in four years.

Commissioner Cryans said that he feels the Commissioners have presented a very good budget which came in under what had been forecasted, particularly because they had expected it to be more with the new Jail coming on line. He said there are different ways of looking at things and says he will stand by this budget.

COUNTY ATTORNEY – Attorney Lara Saffo

County Attorney Lara Saffo arrived and reviewed her budget. She discussed her request for a full time clerical position that would be split between CA office and Victim Witness. She stressed the importance of having more help.

Rep. Ladd said he will be looking at priority needs, protection and public safety.

Rep. Sova asked if CA hours are related to law enforcement hours and asked Atty. Saffo if she had any figures on that. Atty. Saffo said she could get those numbers. She said there was a correlation between officers and solving of crimes but didn't have any statistics.

Atty. Saffo said that she is only asking for \$40K for Mental Health Court as the remainder of money will come from left over grant money.

Rep. White moved to recommend expenditures in the amount of

\$1,186,763 for the County Attorney's budget including all budgets under her supervision (not Drug Court). (This also included money to fund a part time file clerk position which was not approved by the Commissioners.)

Rep. Bulis interjected that a motion was not in order as they would not be making motions today. Rep. White stated that he objected to that ruling as the agenda that was sent to the committee states that motions are in order and should be in line with the events of the day. Rep. Bulis said that voting on that motion could hobble any flexibility on the budget in the future.

There was some discussion and Rep. White was allowed to make the motion.

Rep. Almy seconded the motion.

DISCUSSION:

Rep. Gionet said he thought the budget could be fine tuned and if they vote on it now their hands are tied.

Rep. Ladd said the process is not what he would like to see but the content of the CA's budget is.

Rep. Townsend said he didn't know when he would be better prepared to vote on these budgets.

There was further discussion about the best way to go forward with the budget.

Rep. Almy said that unless there is discussion about the salaries then she didn't feel there would be any more to look at with this budget.

Rep. Bulis said they should be looking at total numbers and not line items. He said it is not their responsibility to micro manage.

Rep. Ladd said they needed to have some ground rules as to how this should be handled.

Rep. Aguiar said he wanted to see some consistency in how the individual budgets are viewed.

Rep. White said he wanted to make sure that the County Attorney gets the money she needs to operate her department and that zeroing out the budget will not allow that funding. He said there could be zeroing out or support for the budget.

Rep. Gionet said he hasn't done a budget this way in the last ten years and he won't do it now.

Rep. Aguiar didn't see it as it only being zeroed out or supported. He said there had to be something in between.

When the vote was taken, Reps. Almy, White and Townsend were in favor and Reps. Aguiar, Sova, Ladd, Bulis, Brosseau and Gionet were opposed. Motion fails.

CORRECTIONS – Corrections Supt. Glenn Libby

Revenue was discussed first which had increased and was attributed to the new

inmate phone system due to the fact that there will be an increase in the number of phones in the new facility. It was noted that this is one of the budgets that the Commissioners voted unanimously in favor of.

Supt. Libby urged the Committee to respect the negotiations with the County employees regarding their pay saying that they deserve it.

There was a discussion about the cost of meals and Rep. Almy said that they have increased 26% if you include the cost for cooks. Supt. Libby said they will do their best to keep the costs down but the cost is comparable to Cheshire County.

Community Corrections was discussed and they supervise Drug Court participants, electronic monitoring, daily work programs, and inmates. They also run Operation Impact.

Governors Commission Grant was discussed and Commissioner Cryans said that for disclosure, Headrest does the substance abuse counseling for a sum of \$23K. Supt. Libby said they received the same grant amount money as last year.

Night Watchmen were discussed and Rep. Aguiar asked if electronic equipment was ever considered over the manned positions and Supt. Libby said that there is no substitute for eyes, nose and ears in a situation. He said that they also help the Farm when they need it at night with the animals.

Residential Substance Abuse Treatment (RSAT) grant is also in Corrections and is specifically for the substance abuse treatment of females. Supt. Libby said that this money has dwindled and this may be the last year they receive this money.

Rep. Sova asked Director Clough if she could come up with the costs for departments to show that there will be money in the undesignated fund. Director Clough said that there is \$3M in a separate account set aside for the reduction of taxes.

Rep. White moved to expend \$5,003,267 (pages 25 ED – 30 ED) on the Corrections budget which was seconded by Rep. Townsend.

DISCUSSION:

Rep. White said he realizes that no one is really thrilled about these motions but he is not thrilled about what is going on either. He said they have been presented with a responsible budget that everyone can live with, with the exception of about \$100K and if the committee feels that way, then it should be voted on.

Rep. Ladd said he wasn't ready to vote on what is being presented here.

There was a discussion about the transfer of money in the mental health portion of services.

When the vote was taken, Reps. White and Townsend were in favor and Reps. Aguiar, Sova, Ladd, Bulis, Brosseau, Gionet and Almy were opposed. Motion fails.

The Committee took a brief recess.

The Committee resumed their meeting.

HUMAN RESOURCES - Director Mike Simpson

This is a three person department that works with managers and employees. Some general questions were asked about turnover.

Delegation Expenses, Tax Anticipation and Bonded Debt were reviewed. **Medical Referee** was briefly discussed with the County Attorney's Office budget.

11:25 AM The Committee recessed for lunch

12:15 PM The committee resumed the meeting.

MAINTENANCE – Superintendent Jim Oakes

A new person was hired in April who will be in place for the upcoming fiscal year and will be associated with the Jail maintenance. Supt. Oakes talked about how his staff would be used in the Jail. He said he is hiring people with certifications to save on having to hire out many of the technical jobs.

Rep. Bulis asked what it would cost to keep the old Jail running once it is vacated and Supt. Oakes said it would be about \$52K, which would include fuel, lights, water and inspections.

Rep. Bulis asked Supt. Oakes to speak about the allocations for maintenance and he replied that the Maintenance budget will now carry all the costs of maintenance, except in the Nursing Home, which was done at the recommendation of the performance audit.

Rep. Ladd said he feels it is getting to the time that there needs to be something done about the old Jail and is personally in favor of demolition.

Supt. Oakes went over some of the things that would need to be repaired if they decide to keep the old Jail building. The discussion about demolition included the fact that there is asbestos in the building that would have to be properly abated. Supt. Oakes said there is a lot involved in the demolition including the removal of all the steel in the building.

Rep. White encouraged the Board to look at all the alternatives and said that he didn't see any issues with turning everything off and didn't see the worry of the risk of fire since there is no ignition source.

Rep. Ladd said he would like to see money in the budget to deal with the old Jail and there was further discussion.

Commissioner Ahern said there is a committee which has been established to help decided what to do with the old Jail and the next meeting is on the 19th of July at 2:00. He said he feels they need to do their due diligence.

Rep. Ladd said he would like to see a study of what would need to be done to the building no matter what choice was made.

Rep. Gionet suggested getting a hold of a salvage company to see if there is anything of value in the building so it could be subtracted from the cost of the demolition.

Rep. Almy said she would like to see a study done to find out the cost of demolition.

Maintenance Capital budget was discussed and Supt. Oakes talked about re-pointing the Administration building and addressing water issues with the building.

INFORMATION TECHNOLOGY – IT Manager Brent Ruggles

IT had requested another full time position as there are only two people in this department and there have been 22 new users added and an additional 36 PC's. The Commissioners only approved 24 additional hours to be used by hiring either a part time person or contract help. There was further discussion about what was being requested and what was actually needed.

Capital outlay was discussed and ITM Ruggles said he wanted to run a loop for the fiber optics which would follow the path that was being put in for the biomass and would therefore not cost extra money for the digging of the trenches.

REGIONAL PLANNING was discussed and the Commissioner Cryans said they are strong believers in regional planning.

A short recess was taken
The meeting was resumed.

HUMAN SERVICES – Administrator Nancy Bishop

HSA Bishop began with revenue which comes in the form of recoveries. The expenses in the HS budget, aside from personnel, are mandated from the state. These expenses have gone down for FY13. There was a discussion about billing.

EXECUTIVE COMMITTEE MEMBER COMMENTS

Rep. White asked to talk about the budget in regard to what Rep. Bulis had asked about bringing it in at 0%. He said he didn't believe it was responsible to ask the

Commissioners and Director Clough to do this since it was a lot of work and they have already spent a lot of time preparing what is in front of them. He said if there is a specific area that someone wants to deal with they should have the fortitude to bring that up on its own.

Rep. Sova said an alternative budget will give them something to look at.

Rep. Ladd said he would like to review the Social Service budget and see if towns are also contributing to these agencies, suggesting that they (the agencies) are receiving double funding from the tax payer money.

Commissioner Cryans asked what the parameters were that Rep. Bulis was asking for in a 0% budget.

There was a discussion about the performance audit and Rep. Bulis said that the committee had asked the Board of Commissioners to meet with the committee to discuss the audit and that didn't happen. Commissioner Cryans replied that there hadn't been any resistance to do that.

Rep. White said there seemed to be an overall disconnect of communication and a dialog is in order but right in the middle of the budget discussion is not the right time. He said that what is being asked of the Executive Director and the Commissioners is outside of the authority of the Executive Committee.

Rep. Ladd said that he had brought forth a priority sheet which outlined how they could look at items and nothing was done with that. He also said that they never adopted any kind of resolution regarding the budget which they had talked about and which is in their by-laws to do.

Rep. Bulis said that the Commissioners had made decisions to fund things that had been cut last year and questioned why the Commissioners were giving money to Economic Development, and why they decided to fund daycares when they were eliminated last year. He questioned why the farm was planning to raise chickens again. He suggested that the Commissioners had "cherry picked" positions out of the recommendations of the performance audit.

Rep. White said that was all minutiae and diving way to deep into areas. Rep. Bulis said he was just looking at where the money goes.

The next budget meeting will be held on the 4th of June at 9:00 AM

2:45 PM With no further business the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE BUDGET REVIEW

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday June 4, 2012

PRESENT: Representatives Bulis, Aguiar, Sova, White, Brosseau, Ladd, Townsend and Almy, Commissioners Cryans, Burton and Ahern, Executive Director Clough and Secretary Martino.

EXCUSED: Rep. Gionet

OTHERS: Sarah Brubeck from the Valley News

Rep. Bulis called the meeting to order at 9:06 AM and the committee recited the Pledge of Allegiance.

Two grammatical errors were noted via email by Rep. Almy (who had not arrived yet), on the minutes from May 21, 2012

Rep. Sova moved to approve the minutes from the May 21, 2012 meeting as amended which was seconded by Rep. White.

There was a discussion on whether to hold off on approval of the minutes because it was thought that Rep. Almy had another edit and she had not arrived yet. There was some discussion and then Rep. Almy arrived. She noted that something she had said at the last meeting had not been entered into the minutes and she thought it should be. She had said at the last meeting that there should have been a discussion about this budget in regard to employee benefits, last November, which didn't happen.

There was also a discussion about something Rep. Ladd had said that was in the minutes but Rep. Almy thought was misinterpreted. He did not object to what was written. It was decided that the addition of Rep. Almy's statement in these minutes would suffice.

When the vote was taken, all were in favor. (Reps. Townsend and Brosseau had not arrived yet).

Rep. Sova moved to approve the minutes of the May 14, 2012 Public Hearing which was seconded by Rep. Ladd. Reps. Almy, White, Bulis, Sova and Ladd were in favor. Rep. Aguiar abstained and Reps. Townsend and Brosseau had not arrived yet.

Rep. White moved to approve the minutes of the May 14, 2012 Delegation meeting which was seconded by Rep. Sova. All those present were in favor.

COMMISSIONERS' OFFICE: Director Clough

Director Clough said that the largest increase in this budget was the new Financial Director position. Education and Conference had increased because of training that would be required on new software.

Rep. Brosseau arrived.

Audit services have increased due to the need for an annual audit actuarial in regards to other post employment benefits (OPEB) which is due in FY13.

Rep. Almy asked about the Financial Director position and Director Clough talked about the justification for it. She said that right now she does the overall finances for the County and there is a person at the Nursing Home who handles the finances for the Nursing Home. She said that in FY09 the County included a financial position but it was cut out. She said that the Financial Director will need to have a specific set of skills and knowledge which is beyond the current department. She said it is not as easy as just shuffling positions around to get what is needed. She stated that the performance audit recommended the position and the audit letter referred to the need as well. Director Clough noted that there are continually new rules and laws that come up that need to be adhered to. She ran through the steps that would be taken in order to put a person in place which included a revision of her current position, to County Administrator. She said that she feels it is time for the County to address the needs for a Financial Director and that if this is not done, things will simply remain as they are.

Rep. Ladd said he is not so sure that this is move that needs to be addressed right now, particularly with the needs in the County Attorney's office, the biomass and IT.

Commissioner Cryans said it would be nice to have but if it didn't happen then he felt that Director Clough would pick up the ball and do it.

Rep. Ladd asked Commissioner Cryans how he would place this in terms of priority along with the Attorney's office, the biomass and IT. Commissioner Cryans said he would take the biomass out of the equation because that is something completely different. Then he said that he didn't feel that he would be the best one to prioritize but feels that out of all the jobs, Director Clough's would be the one that would get done without the help.

Rep. White said that he had absolute faith in Director Clough but this is not about one employee as much as it is about governing the County. He said right now there is a position that requires so much that it can potentially put the County at risk. He said he didn't feel that one person should hold both the role of Financial Director and County Administrator and said you just don't see that being done.

He said that without getting Director Clough the help she needs that there will come a time that something will fall through the crack because priorities must be weighed. He said that the auditors made it very clear that they recommend this position and the Delegation ought to spend the money. He said they should approve the position and move on and that money spent today will end up being a savings in the long run.

Rep. Ladd said he had a problem with how the County is looking at the performance audit and asked if they should be cherry picking or looking at things for the future instead.

Rep. Bulis said that the points that Rep. White made were well taken. He said the performance audit also went on to say that the current Executive Director position should be revised. Rep. White said that had been taken into consideration as Director Clough had said a new job description had been crafted. He said that their jobs as elected officials were to set up a government that will work should one person be gone for some reason and that this is important to do.

Rep. Sovia asked how the Dept. Heads would be viewed and how easy would it be for Director Clough to give up the financial part of her job. She said it wouldn't be easy at all because that's the part she truly enjoys. Rep. Sovia then asked Commissioner Cryans if the Board would be willing to give up the Dept. Heads reporting directly to them and Commissioner Cryans was reluctant to agree with that.

Rep. Bulis said that if the positions were reorganized as per the job descriptions then the Commissioners would enter into a policy setting role at that point.

Rep. Almy said she was torn about this and if the County moved toward this position then she feels they will be able to discuss and determine other items in the audit.

Director Clough moved on to the other items covered under the Commissioners purview.

CONTINGENCY: This is for outside council and has been reduced in the hopes that there will be no litigation not covered by insurance.

UNALLOTTED: Unemployment which is currently over expended and has been on the rise, has been increased. There is money in a bank account to cover this if need be

WAGES & BENEFITS: Down from last year.

CAPITAL EXPENSES: Office furniture for new finance position.

NURSING HOME: NHA Labore and B. Patanovich

Revenue: NHA Labore said he is predicting a higher revenue in Medicaid Room & Board but just found out that the Medicaid rate has gone from \$151 down to \$149.17 as of the first of July. This is a 2% decrease. Private Pay has been increased \$10 per day and NHA Labore is budgeting increases in both ProShare and the Bed Tax. Overall revenue increase has been predicted at 2.64% which is for a census of 132.

Rep. White asked how the new managed care will affect revenue and NHA Labore said that the Nursing Homes have one year before this hit them and there is a hope of being able to work with the companies. He said he expected ProShare and the Bed Tax to be affected though. Rep. Almy asked if there had been any rumors that ProShare the Bed Tax are going away all together and NHA Labore said that all the other counties are budgeting for acceptance of the money and in speaking with CMS, understood that it won't be going away this year.

EXPENSES:

NHA Labore said all positions include steps and COLA's for those who are eligible. There was a discussion about how increases are handled and the requirements

The Nursing Home will be purchasing 44 new computers, 12 kiosks and a number of PDA's for proper documentation of residents.

DIETARY: there is an increase in the food supplies due in part to the increased census number used. Rep. Almy noted a 10% increase from Fitz Vogt who provides the food services.

NURSING: NHA Labore has increased hours for RN's, LNA's and LPN's so that they can hold staff meetings. The intent is to increase communication and try to reduce turnover.

ENVIRONMENTAL SERVICES: three 24 hour part time positions will be created from full time hours in order to provide the most coverage. Rep. White stated that this will take a full time position with benefits out of the community and felt that this area, being more depressed, needed a full time person supporting a family. He said that he is not sure this is a good practice or worth it. B. Patanovich said this request comes directly from the manager of ES and is being done for more flexibility. Rep. White said it does not help the community or region by doing this. Rep. Sovia suggested this sounded like micromanaging which they had said they wouldn't do.

Other Departments were discussed and most remained fairly static.

CAPITAL RERSERVE: There is a request for some fire alarm pull stations and some money has put aside in the event that steam tables are needed in Dietary.

Overall in the Nursing Home budget there is a .16% increase.

DRUG COURT: Coordinator Bob Gasser

Revenue comes in the form of fees from participants.

B. Gasser presented a status report of the Drug Court since its beginning.

Rep. Bulis asked B. Gasser why he had increased his own salary 12% and he replied that it is the first raise he has received in five years.

Rep. Almy had a question about Friendship House and whether or not people are sent there from DC. B. Gasser said that because their costs are so high he doesn't send people there anymore. Rep. Almy wanted to address the funding to Friendship and will do so when the Committee discusses the Social Service budget.

Rep. Bulis asked about the increase in treatment services, particularly with the treatment services that will be offered at the Jail, and questioned if they would be better served by seeing money go to the Jail for treatment instead. B. Gasser said that DC takes high risk client and puts them back into the community and they are not under a controlled environment like they are in the Jail.

Rep. Sova asked about the increase cost of urine tests and B. Gasser said they have to account for all kinds of new substances and be able to test for them.

Rep. Aguiar asked Commissioner Cryans why there hadn't been any salary increase for five years and now the Board has approved a 12% increase. Commissioner Cryans said that two of the three Commissioners felt it was fair.

There was a discussion about service providers and B. Gasser said they now primarily use Genesis and Headrest. Commissioner Cryans noted that for full disclosure he is the Executive Director of Headrest.

Rep. Almy asked about the annual conference that was a line item amount of \$10K and B. Gasser said that is for the annual Drug Court conference which is a national event. He said the conference is invaluable and provides courses that teach the instructors on what to do. He said a number of Grafton County people attend.

Rep. Ladd said that he is looking at the dividends from this program and noted that specifically B. Gasser had said that five children were born that were drug free. He said that alone can save thousands of dollars in services. Rep. White and

Rep. Brosseau agreed that was successful and Rep. White stated that he would like to see the program monitored but fully supported it.

Rep. Almy said it bothered her that the state doesn't contribute to these programs.

11: 45 Commissioner Burton excused himself

UNH COOPERATIVE EXTENSION: Office Administrator D. Maes

Revenue comes in from the state for the Dairy Specialist.

D. Maes said the only increases are step and COLA's.

Capital expenses are the same as last year and each staff member gets a new computer every 3.5 years.

FARM: Farm Manager Don Kimball

Revenue: Primarily comes from the sale of milk which is budgeted at \$18 per hundred weight this year. FM Kimball said he plans to reduce the cow herd this year.

Rep. Aguiar asked about the chickens and FM Kimball said that the Farm currently has 75 chicken and they produce almost that many eggs a day which go to the Jail and eventually the Farmstand.

There was a discussion about items that are donated to both the Jail and the public and Director Clough said those donations are recorded and a report is created every year. Rep. Aguiar asked why the Farm charges the Nursing Home for items but donates them to the Jail. Rep. Almy said that had to do with reimbursements in the Nursing Home and Director Clough said it is also because the inmates do all the work on the Farm. Rep. Aguiar said he would like to see more consistency in that area.

12:00 Rep. Townsend arrived.

FM Kimball said his herdsman retired and he wasn't sure if he was going to replace him or not. Rep. Bulis asked if it would be beneficial to switch to all beef cattle and get out of dairy altogether and FM Kimball said that personally he would still like to see milking cow to be able to showcase.

Rep. Aguiar went back to the conversation about the chickens and said he thought the Farm had done away with them. FM Kimball said that he had sold the first batch of laying hens for .50 a piece and purchased new hens for \$8.00 each. Rep. Aguiar asked if the Commissioners were on board with this and Commissioner Ahern said that he felt they were and listed reasons such as the chickens being a

learning experience for inmates as well as eggs for the Jail.

Rep. White said he is here to review the budget and not all the details of things such as what animals the Farm has. He said the important factor is whether the benefits of the Farm outweigh the expenses and at this point he feels they do. He said if that balance changes then it could be looked at again. Rep. Aguiar said he wants to look at the animals because he feels they impact the bottom line and there is also a concern that the Farm is taking away from local producers. He stated that shoveling manure and raising chickens didn't seem to him to be beneficial to inmates and suggested that they probably wouldn't be trying to get jobs in those areas. Rep. Ladd said it's not the job as much as the work ethic. Rep. Brosseau agreed with that.

CAPITAL EXPENSES: FM Kimball is asking that the road across the street be repaired and wanted to purchase a "new" used vehicle.

12:25 PM Rep. Ladd was excused.

CONSERVATION DISTRICT:

The Conservation District budget consists of an Administrative Assistant and the benefits that go along with the position. There was some discussion as to why the County supports this and whether or not there is an overlap with Cooperative Extension.

ECONOMIC DEVELOPMENT:

Rep. Bulis asked why the request went from \$40K to \$50K and Commissioner Cryans said that he was approached at the GCEDC Annual meeting by the Executive Director who requested the amount be increased from last year, another \$10K. Commissioner Cryans said he believes strongly in GCEDC.

Rep. Bulis said he is in receipt of a letter from Commissioner Burton regarding the funding of the Tri County Cap transportation and asked the other two Commissioners if they concurred. Commissioner Cryans said it was Commissioner Burton's letter.

There was a discussion about the cost of food which will now be handled in-house. Director Clough said there is a learning curve and they will just have to see how things pan out. The hope is that it will certainly be lower than expected.

Rep. Bulis said that he would like Director Clough to tally and account of all out of state travel. Director Clough said it's not separated by in state and out of state

so it would be very difficult to do.

Rep. White said that there are a lot of positions in government that do not offer local training and people need to travel to get that. He said he didn't feel that travel should be restricted and that people need the interaction of their colleagues in order to manage population such as the Jail and the Nursing Home. Rep. Sova said that Rep. Bulis just asked for an accounting and had not mentioned cutting it.

The next budget meeting will be held on the 11th of June at 9:00 AM

12:45 PM With no further business the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE BUDGET REVIEW

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday June 11, 2012

PRESENT: Representatives Bulis, Aguiar, Sova, White, Gionet, Ladd, Townsend and Almy, Commissioners Cryans and Ahern, Executive Director Clough and Secretary Martino.

EXCUSED: Rep. Brosseau

OTHERS: Harold Brown

Rep. Bulis called the meeting to order at 9:05 AM and the committee recited the Pledge of Allegiance.

Rep. Sova moved to approve the minutes from the June 5, 2012 meeting. Rep. Aguiar seconded the motion. Rep. Almy made an edit to the minutes. Reps. Bulis, Sova, Aguiar, Almy, Townsend, and White were in favor of the minutes as amended. Rep. Gionet abstained from the vote.

TREASURER: Carol Elliott

Treasurer Elliott reviewed her budget beginning with the revenue which is down due to there no longer being any Jail bond money to draw interest from.

EXPENSES: Treasurer Elliott noted that there was an error on the salary noted in the NHACo report which stated the Grafton County Treasurer salary at \$6,841. She said the actual salary is \$6,481.

Services fees have increased and Treasurer Elliott explained what those fees were. Travel has increase because the mileage reimbursement rate has increased.

Register of Deeds Kelley Monahan and Maintenance Superintendent Oakes arrived to talk about the fire suppression system for the Deeds records area. RD Monahan gave an overview of her request for the system and noted that the request was removed from the budget last year and she would like to see this done in this budget. She stated that as Register of Deeds she is tasked with the oversight and protection of the documents in Deeds and feels these archival documents need to be properly protected. Money for the project would come out of the surcharge account.

There was a discussion as to the reason why Deeds left the Courthouse building which had a secure vault area, and moved to the Administration building, which does not. Director Clough said the move was primarily the decision of a former

Register of Deeds who thought it would be good to have more room in which to operate out of and who did not feel the current records area was an issue. .

Supt. Oakes talked about what would be needed if the suppression system were to be added, which would include moving everything to a smaller room. He said the cost would run about \$24K and take anywhere from four to five different contractors to do it. He said that he would like to mirror the system that the new Jail has.

There were a number of questions regarding the need for installing this system. Rep. White asked how many times sprinklers have suffered a failure without the head being damaged and Supt. Oakes said there were no catastrophic failures. Rep. White then asked if there were other sources of water in the room and Supt. Oakes said there was a hydronic system. (other water for the building). Rep. White stated that the removal of sprinklers would only take care of one source of water.

RD Monahan was questioned if a vault had been considered and she replied that the cost of that would far exceed what she was currently requesting. Rep. Ladd asked if other options were available on the complex and Supt. Oakes said there are not too many other places and they wouldn't be air-conditioned.

Rep. Almy asked what the Deeds Department would be giving up in the way of future equipment needed from its surplus account by requesting this purchase and RD Monahan replied there was nothing.

Rep. Bulis asked about other water issues given the fact that the room in question is in the basement. Supt. Oakes said there is water that has been coming in the building for a while and that should change when the building gets re-sealed.

Rep. White said there really doesn't seem to be a plan to do business beyond a year or two and he feels that the records probably belong in some kind of vault. He said that the move in 2005 didn't give much thought to the future and he didn't think that if they spend the money on this system that it will address all the issues. He noted that there are windows in the room and that opens up the potential for a break in, which would compromise the records.

Rep. Bulis told RD Monahan that they are not trying to thwart this but are looking to find a long term solution. RD Monahan reiterated that it is her sworn oath of office to protect the records.

10:00 AM A recess was taken

10:10 AM The meeting was resumed.

SOCIAL SERVICES: Human Services Administrator Nancy Bishop

Rep. Bulis asked if the agencies were given any guidelines and Commissioner Cryans said they were told that if they were to receive money it would only be level funding. Rep. Bulis stated that there were some who asked for more money however.

Commissioner Cryans informed the committee for disclosure that he works for Headrest.

Commissioner Cryans said that this budget was passed on a 2 to 1 vote.

Rep. Almy said she noticed that the agencies had all been cut by 3% and pointed out that the Commissioners raised the employees' salaries by 1.875%. Commissioner Cryans said that the decision was made to cut them in order to help with employee increases. Rep. Almy pointed out that many of these agencies have already been taking salary cuts, benefit cuts, and ending functions and staff in order to survive

The committee reviewed the list of the Social Service agencies and there were a lot of varying thoughts about which agencies were worthy of funding, whether funding was necessary given the amount of money that is received from other sources and whether or not it was beneficial for the County to fund certain agencies. HSA Bishop provided other information about the agencies such as where other funding came from and what clients were served. Commissioner Cryans said that it was his opinion that all agencies listed were worthy of funding.

Rep. White asked what standard they would be using to evaluate these programs and questioned whether it would be done on a personal basis.

Rep. Aguiar asked Commissioner Ahern, who had voted against this budget, to offer his opinion and he said that during the Commissioner meetings he wanted to talk about what the appropriate use of County tax money would be, but that didn't happen.

Rep. Bulis said this particular budget is difficult because it affects each committee member differently. He said the question may need to be, "what can the County afford to do"?

At this time the full budget has been reviewed by the Executive Committee.

Rep. Bulis asked what the cost was for perfect attendance and Director Clough said the costs were added into salary lines and the amount is minimal but she would find out the exact amount.

Director Clough informed the committee that if they plan to make substantial changes to the budget that doing it next Monday will not give her enough time to make those changes and then get that budget out to the full Delegation so the hope was that some decisions could be made today.

Rep. Aguiar asked Director Clough if she would get him a report on all the salaried employee positions. He then asked what the County will be spending on longevity. Director Clough said that in FY13 the amount is \$107,400 which is \$325 less than last year. Rep. Aguiar asked if employees are allowed to use County vehicles as their own and Director Clough said only the Sheriff's Dept. takes their vehicles home.

There was discussion as to whether or not the Board of Commissioners would like the committee to adjust departments on their own or just give the Board a bottom line figure to work with. Commissioner Cryans said he would rather have the bottom line and reiterated that he thought this was a good budget and that nothing should be cut. Rep. Aguiar said that in looking at the budget, he didn't see any decreases between what the Dept. Heads requested and what the Commissioners approved. Commissioner Cryans said he felt that the Dept. Heads had thought out their budgets very well and doesn't buy into the argument that if something is not cut then it's a bad budget.

Rep. Bulis said he had a couple of concerns. He said that the Jail, Nursing Home and Human Services take up most of the costs in the budget, which doesn't leave much for other County responsibilities. He questioned the funding of out of state travel, Grafton County Economic Development and the increased salary of the Drug Court Coordinator. He thought they should be weighing the benefits of Drug and Mental Health Court against the programs in the new Jail and questioned if those should be funded more thoroughly. He said if more money was put into the Jail programs then perhaps they wouldn't have to go to Drug Court.

Rep. Bulis said that the Republicans would be caucusing on the budget and that the Democrats were welcome to do the same, though it was not his intention to make this partisan. Rep. White thought they should do their work today while everyone was here already and come back together and get this budget wrapped up today. It was agreed the committee would go to lunch, then caucus and come back to discuss the budget further.

Commissioners Cryans and Ahern would be unable to return to the meeting.

12:15 PM recess.

2:12 PM the meeting was resumed.

Director Clough had been able to prepare some reports which included the surplus projection for FY12 and the out of state travel requests for FY13. Director Clough said by far the largest out of state travel requests come from the Drug Court who send their people to the annual conference which could be anywhere in the US. She said that this year it was in Tennessee. She also had totaled costs for perfect attendance which amounted to \$7,230 in FY11 and \$7,528 in FY12.

The next item for discussion was the fire suppression request for Deeds. Rep. Aguiar said that he felt the use of the surcharge needed more clarification. Rep. Ladd said it had to be determined as to what equipment was and what a capital asset was. He said he doesn't feel the request fits the RSA.

There was more discussion about this and the consensus of the committee was that they were not in favor of going forward with this project at this time.

Finance Director: Rep. Bulis said that the Republicans were uncomfortable with the position and with not having a full understanding of what the new role of the Executive Director would be. The Democrats thought they too could forgo the position.

There was a discussion as to what would happen if something should befall Executive Director Clough. Rep. White asked Director Clough if she was in favor of the Finance position and she replied that the structure of the County needs this position and that she does support it. Rep. Ladd said he is finding it difficult to understand how everything will fit together with the Commissioners, the Director, the Finance person and purchasing person.

Director Clough said that the Commissioners are the one's who set the policy and she carries out the duties. She said the Commissioners do not handle the day to day activities now, so there really would not be a major change in the way that things are currently being done. Rep. Ladd asked about the Purchasing position and Director Clough explained that there needs to be a full analysis of the need for that position before anything is implemented.

Rep. Bulis said maybe the County should consider hiring an outside consultant to explain how the County should be set up. Director Clough said that the \$40K performance audit just provided that information for them.

Rep. White defended the Director's point that things needed to be done incrementally and right now there is no Purchasing position in the budget to be considered. He said the finance position is something that is in the budget for them to consider.

Rep. Almy had a change of heart after listening to Director Clough and now felt that the County could not work on its efficiencies without freeing up the Executive Director. She said she now thought the financial position was needed. Rep. Bulis said he is opposed to the addition of this position right now.

Rep. White suggested a compromise which would allow the County to advertise the position and then not hire anyone on for another three months or so. Rep. Townsend said he agreed with that compromise.

Rep. Bulis said they wanted to see the description of the jobs and know if there was a plan for implementation. Director Clough said a plan had been thought out and that descriptions were prepared for the jobs in questions.

Rep. Bulis asked Director Clough what she would be doing now that most of the

projects that had taken up a great deal of her time were completed.

Rep. White said he felt the statement was inappropriate for the Chairman to suggest that Director Clough's job was now unnecessary because the Jail is successfully completed and that there is not enough for her to do. Rep. Aguiar agreed with Rep. White.

Rep. Ladd questioned what the difference would be between the Finance Director at the Nursing Home and the one they want to add. Director Clough said that there is a Financial Office Manager at the Nursing Home which is quite different and has far less responsibilities than what the Commissioners are proposing. She said the two will work cooperatively however. The Financial Director will act as second in command at the County under the County Administrator.

Rep. White said he wanted to come to some kind of conclusion on the Commissioners' budget. There was further discussion but the committee was unable to come to any agreements.

Rep. White said he was becoming very frustrated with the tone of the meeting, the lack of progress and said he didn't care for some of the remarks that were being made around the table about a member of the staff. He said that unless there was some way to make some decisions about this budget and unless there was a way to make some progress, which he would be happy to be part of, then he would suggest the meeting adjourn.

Rep. Gionet said that he would like to read the paperwork that was given him.

Rep. Bulis said they could go no further today and adjourned the meeting.

The next budget meeting will be held on the 25th of June at 9:00 AM

2:55 PM the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



EXECUTIVE COMMITTEE BUDGET REVIEW

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
Monday June 18, 2012

PRESENT: Representatives Bulis, Aguiar, Sova, White, Gionet, Ladd, Townsend, Almy and Brosseau (late) Commissioners Cryans and Ahern, Executive Director Clough and Secretary Martino.

OTHERS: Dept. Heads

Rep. Bulis called the meeting to order at 9:10 AM and the Pledge of Allegiance was recited.

Rep. Sova moved to approve the minutes from the June 5, 2012 meeting.
Rep. White seconded the motion. Rep. Almy made some edits to the minutes. All were in favor.

Rep. Bulis said that they hoped to be able to wrap up the budget today. Rep. White asked that the delegates be allowed to caucus and that was approved.

9:12 AM The Republicans stayed in the room and the Democrats moved to a separate room

9:42 AM the meeting resumed.

A worksheet was passed out which listed the recommendations that were to be proposed which amounted in a decrease in the budget of \$236,236 but did not include the reductions in benefits from positions that were removed which would need to come from Director Clough.

Rep. Bulis moved to adopt the 2013 changes as listed on the worksheet provided, which resulted in a reduction of \$236,236 less benefits including health insurance and social security and other noted adjustments which was seconded by Rep. White.

*See attached sheet of recommended reductions

DISCUSSION:

COMMISSIONER BUDGET

Rep. Almy noted that in removing the consulting line from the Commissioners, assumes that Human Services Administrator Bishop will be the one who will be reviewing the Social Services and she

asked to allow HSA Bishop to comment on whether or not she had the skills to do this job.

Rep. Bulis said that the thought was that this job could be done in-house

Rep. White suggested that it would be good to have the person who does this job meet with the Committee and have an overview of the agencies so the Committee could be better informed.

Rep. Almy thought that this should be discussed to see if HSA Bishop could take over this role but there was no further discussion on the matter.

Director Clough discussed the fact that the new Elected Official's salaries had not been calculated properly and in particular, the Commissioners salary line was off because Commissioner Ahern had chosen to reduce his own salary. Rep. Bulis said those will need to be changed.

Rep. Bulis said that they recommended removing an amount of \$7,500 for perfect attendance.

Total cuts for the Commissioners budget is \$96,136 plus associated benefit costs for the Finance Director position.

DRUG COURT

Reduced by \$16,670

REGISTER OF DEEDS

Reduced by \$3,000

Rep. Brosseau arrived

SHERIFF

Reduced by \$17,635 which includes the ½ time clerical position and all its benefits.

DISPATCH

Reduced by \$16,635 which includes the ½ time clerical position and all its benefits.

GRAFTON COUNTY ECONOMICAL DEVELOPMENT

Reduced by \$10,000

UNH EXTENSION

Travel reduced by \$1,514

SOCIAL SERVICES

Reduced by \$45,545- \$9,700 was added to Tri-County Cap Drug & ETOH OP

CAPITAL OUTLAY

Cost for furniture for the Finance position, which was removed, has been taken out

The Farm road repair costs have been removed and the money for Dispatch Community Notification System has been eliminated. Total amount reduced was \$29,101.

Rep. White said that he had spoken to people at the state reverse 911 and they should be implementing their state wide system before the fall of this year.

Commissioner Cryans noted there may be a contract that Dispatch is under for the Community Notification system. Director Andross was asked about a contract and he said that the contract they have ends this calendar year but that they do contract with Hanover for the system and he said he suspects that the state will not be covering the clients in Vermont that Dispatch currently handles. Rep. Ladd asked how many clients they had in Vermont and Director Andross said there are 9 Fire Depts. 3 EMS in 5 Municipalities and every municipality in Grafton County is covered by CodeRed whether the County dispatches for them or not.

Rep. White said he would get written confirmation from the state 911 system before the Delegation vote just to be sure. He said that he is sympathetic to Vermont but the people of Grafton County shouldn't have to pay for services to Vermont.

Rep. Ladd asked if any action today regarding the notification system would have any impact on revenue and Director Andross replied no.

Rep. Townsend said that he worked with the state on the 911 system and supports it.

Director Clough said that the new salaries for Elected Officials have not been changed and there will be a slight difference because their salaries begin in January. Rep. White asked Director Clough if she could estimate the cost for benefits for the positions that have been eliminated. She estimated around \$23K for the finance position and \$21K for the clerical position in the Sheriff's Dept.

A roll call vote was taken by Clerk Sova on the motion to reduce the budget as noted on page 1.

Rep. White – Yes

Rep. Townsend – Yes

Rep. Almy – Yes

Rep. Ladd – Yes

Rep. Sova – Yes

Rep. Bulis – Yes

Rep. Aguiar - Yes

Rep. Brosseau – Yes

Rep. Gionet – Yes

Motion passes unanimously.

There was a discussion about taking additional money from the surplus to reduce

taxes. It was decided that taking more would reduce the surplus too much resulting in a balance that was less than 3%.

LONGEVITY

Rep. Bulis noted his opposition to longevity saying that people shouldn't be paid on how long they have been here but on the job they do. He stated that in his opinion County benefits are substantial.

Rep. White felt that longevity was part of an employee's compensation package and he would not support a reduction to anyone's pay if they are receiving it today.

Director Clough informed the committee that anyone hired at the County after September of 2010 will not be receiving longevity in the future as it has been eliminated.

There were discussions about possibly capping the amount and other various ways of handling longevity and Director Clough reminded the committee that longevity is part of the policy manual and the Executive Committee does not have the authority to change any of the policies.

There were no actions taken regarding longevity.

Step increases and cost of living increases were briefly discussed though no alternations were noted. Rep. Almy said that they need to have a conversation about these items in the fall for the next budget.

Rep. Ladd said they should go over the Capital Reserve accounts so that they can concur on them.

Deeds Surcharge account will be used for:

Computer hardware purchase	\$33,849
Software lease	\$15,000
Misc. equipment.	\$ 4,000
	<u>\$52,849</u>

Rep. White moved to approve the use of the Deeds surcharge account for the aforementioned items which was seconded by Rep. Aguiar. All were in favor.

Dispatch Capital Reserve account will be used for:

MDT replacement	\$30,000
UHF	\$20,000
Coverage Improvements	\$ 7,000
	<u>\$57,000</u>

Rep. White moved to approve the use of the Dispatch Capital Reserve account for the aforementioned items which was seconded by Rep. Sova. All were in favor.

Nursing Home Capital Reserve account will be used for

Fire pull stations \$ 1,800

*2 Steam tables in Dietary \$16,830

(*only if necessary) _____
\$18,630__

Rep. White moved to approve the use of the Nursing Home Capital Reserve account for the aforementioned items which was seconded by Rep. Aguiar. All were in favor.

Rep. Almy moved to recommend to the full Delegation the passage of the budget pending the changes that were discussed by the Executive Committee on June 18, 2012 which was seconded by Rep. Aguiar. A roll call vote was taken.

Rep. White – Yes
Rep. Townsend – Yes
Rep. Almy – Yes
Rep. Ladd – Yes
Rep. Sova – Yes
Rep. Bulis – Yes
Rep. Aguiar - Yes
Rep. Brosseau – Yes
Rep. Gionet – Yes
Motion passes unanimously.

Rep. Bulis thanked everyone for their hard work and their compromise on the budget. Rep. Townsend said that he appreciated the compromises that they have been able to move forward with.

The next meeting will be the full Delegation vote to be held on the 25th of June at 10:00 AM in the UNH Conference room.

10:55 PM the meeting was adjourned.

Respectfully submitted,

Charles Sova, Clerk



Grafton County Delegation
Performance Audit Review
Grafton County ~ UNH Conference Room
North Haverhill, NH
Monday December 12, 2011

PRESENT: Representatives Sorg, Simard, Reilly, Cooney, Sova, Harding, Almy, Townsend, Shackett, Gionet, Bradley, Gould, Ladd, Ingbretonson, Aguiar, White, Benn and Bulis. Commissioners Cryans, Burton and Ahern, Executive Director Julie Clough and Sec. Martino

EXCUSED: Representatives Brosseau, Eaton, Mirski, Nordgren, Pastor-Bodmer, Pierce, Smith and Taylor

OTHERS: See attached list

10:05 AM ~ Rep. Bulis called the meeting to order and Rep. Sova (Clerk) called the roll. 17 members were present when the roll was called and a quorum was declared.

All stood for the Pledge of Allegiance.

The first order of business was to make a change to the by-laws that will allow the Executive Committee to approve the minutes from the Delegation vote on the fiscal year budget. This change needed to be made because the Department of Revenue requires a signed approved copy of the minutes in order to set the tax rate and the current by-laws would have the minutes approved by the Delegation at its next meeting. The following motion will act as an amendment to page six of the Rules & Bylaws added to the end of the first paragraph.

Rep. Aguiar moved that “if appropriate and necessary due to situations of calendar timing or general election outcomes, the Executive Committee is authorized to approve or accept minutes of previously held Delegation or Executive Committee meetings”, which was seconded by Rep. Sova.

A voice vote was taken and all were in favor.

Supt. Libby was asked to give an update on the progress of the Correctional Facility *(see attached information)

Supt. Libby said that there have been two Corrections Academies held here at the County with the second one currently in progress. 200 hours of training is received by recruits. Supt. Libby explained in further detail.

Commissioner Burton gave a brief update as Chairman of the committee to look at the possibilities of what to do with the old Jail once it is vacated. He said he has

reached out to a number of people for input and that students from the Dartmouth College Rockefeller Research Center came to the County and put on a presentation outlining different scenarios for the building. There have been no calculations about any costs at this point. The second committee meeting will be held on the 24th of January at 1:00 PM.

John Sullivan and Ed Boyle from Melanson & Heath were present to go over the performance audit which they prepared for Grafton County. Mr. Sullivan said that overall he was very impressed with the quality of the people they had interviewed and reviewed and with their depth of knowledge and education. He said everyone was very cooperative, open and offered plenty of information.

* Performance Audit can be found on the Grafton County website for anyone interesting in reviewing the bullet points noted.

County Attorney

- Increase in Caseload
- Staffing
- Space Needs

The need for additional space and staff was discussed by Attorney Saffo. There was further discussion about the increase of crime in Grafton County, what kind of crime and where that crime was taking place. Atty. Saffo is compiling information per town that will outline all that information.

County Farm

- Why a County Farm
- Risks
- Pros & Cons of keeping the Farm

Mr. Sullivan said he did not feel it was his position to recommend either keeping or getting rid of the Farm operation but rather to report findings. It was clear that milk prices dictate the rise and fall of the Farm budget and that having a place for inmates to work is of value but intangible. The Commissioners are in support of the Farm. Having a committee to study the Farm was discussed.

Director Clough said there were some inaccuracies in the report:

- All produce is tracked through the Farmstand
- All produce through the Nursing Home is shown in revenue
- Employee and Senior Citizen discount are 20%

Human Resources

- County-Wide Utilization
- Turnover – Nursing & Corrections
- Evaluations
- County staffing comparison
- Wage and Benefit Analysis

Mr. Sullivan noted that HR has become a very litigious area and it is important that HR is involved in all actions taken by Departments. He said that Grafton County has good staff retentions and that Corrections and Nursing have a greater

turnover which is common in those professions. He said that he found issues with personnel evaluations and with Department Heads doing self evaluations. Mr. Sullivan noted that the pay for Grafton County employees is in the middle to low range and a comparison of salaries can be found at NHACo website. He said benefits are in the middle range.

Human Services

- Continuance of Department
- Utilization
- Budget Uncertainties

Three out of ten Counties actually have a HS Director. Mr. Sullivan explained how the cap for long term care services from the State worked and said that Grafton County has chosen to pay as billed rather than just accepting their capped amount. This has led to an overall savings. HSA Bishop stated that there will be some changes to the State that may affect the HS budget in the future.

Information Technology

- Progress and Initiatives
- Limitations
- Authority over Departmental Purchases
- Training

Mr. Sullivan suggested that all Departments should go through the IT Department when considering new hardware or software. He also stated the importance of more computer training of employees. IT is a two man Department with a large amount of employees and technology to cover. ITM Ruggles said that he does not feel the Department is adequately staffed for having two 24/7 facilities to cover. Mr. Sullivan agreed that more staff could be beneficial.

Register of Deeds

- Software Decisions
- Storage
- Equipment Account

Mr. Sullivan agreed with Register of Deeds that a fire suppression system would be invaluable as the old records are currently in an area where they could be ruined. RD Monahan said she would be pursuing this again next budget and felt that the removal of it from the current budget was done so without consideration of the consequences. It was noted that the Maintenance Superintendent should also be on board with the recommendation.

County Sheriff

- Vehicles
- Staffing
- In car monitoring

Sheriff Dutile noted some inaccuracies in the report which included:

- There are not 25 fulltime special deputies (they are all part time)
- A supervisor is not needed to watch inmates

- There are no PDA's (Sheriff's Dept. have MDT's in 59 vehicles throughout the County)

Dispatch

- Clerical support
- Staffing

Mr. Sullivan noted there was no clerical support in Dispatch and that they could use additional staff. Director Andross noted that Departments are always available to answer any questions that people may have and that the performance summary should not be taken as all that there may be to a Department.

12:30 PM The Delegation recessed for lunch.

1:25 PM The Delegation meeting resumed.

County Extension Service

- Uncertainties related to State funding

Office Administrator and UNHCE Educator Deb Maes said that UNH is not looking to transfer increased costs to the County. She said that organization plan has not been finalized yet. One dispute with the report is that UNHCE does not use hire outside professionals and all programs are done through the educators. Commissioner Cryans said the Board of Commissioners has always been big supporters of UNHCE.

Nursing Home

- Financial Status
- Staffing
- Sharing of Resources

There was some discussion about sharing resources and NHA Bolander explained that the population in the Nursing Home and the population in the Jail are very different which makes the priorities different. NHA Bolander stated her opposition to having inmates work in the Nursing Home and noted that staff, residents and family of residents were uneasy as well.

Rep. Harding thanked NHA Bolander for what she's done over the year and noted her recognition as an Administrator.

Department of Corrections

- Progress of New Facility
- Staffing
- Projection of Operating Costs
- Comparisons to Cheshire County

Mr. Sullivan began by saying the cost projections for the building of the new Correctional Facility had come in lower than anticipated and the Supt. Libby had given him as much information as was possible. Supt. Libby said that he appreciated the time that Mr. Sullivan and Mr. Boyle spent in the facilities. Supt. Libby said that inmate healthcare is incalculable and that he is trying to manage this under all possible laws and statutes. He said that Grafton County is a non-narcotic facility and there is a protocol in place to wean people off

narcotics when they come in.

In regard to the cost of utilities, Supt. Libby suggested that need for sponsored legislation that will allow Grafton County to be able to go through an alternate supplier of electricity and not have to be under the control of Woodsville Water & Light costs, which would allow for some cost leeway.

Rep. Bulis said the audit was complementary of the process being used in lieu of a Clerk of the Works.

Maintenance

- Duplicate accounting systems
- Allocation of maintenance to all Departments
- Projections of maintenance of new Corrections Facility

Mr. Sullivan said that his first impression is that Grafton County is a very well maintained facility and that he expected a higher budget than what he found which was on the low to moderate size which surprised him. He said this is the first time however that he has seen maintenance costs allocated out to Departments and thought that perhaps it didn't need to be so specific. He also commented on the spreadsheet that the Maintenance Supt. used as perhaps being redundant. Supt. Oakes said that it is a way for him to be able to know where he is at financially at each turn and that the system he has set up works for him. Supt. Oakes said he has also gotten used to the way that Maintenance fees are allocated out.

Administration

- Increase authority of Executive Director
- Finance Director
- County-Wide Purchasing Department
- Requisition/Purchase Order System
- Management of County Budget
- Post-Retirement Health Insurance Benefits

Mr. Sullivan said that he feels that there should be stronger supervision over the Department Heads and that Director Clough should not just act as coordinator. He said that there is more oversight this way and it is a professional way for the County to operate. He also believes there should be a Financial Director, and a Countywide purchasing department with a requisition, purchase order system. Commissioner Cryans said that the discussion of Financial Director has come up a few times and was even put into the budget, but then taken out. Commissioner Cryans touted the accomplishments of Director Clough and said he is not sure he is in favor of restructuring what is already in place. He also noted that many of the recommendations point to the adding of personnel and not cutting and said that the County has been running pretty lean.

Rep. White was very much in favor of a Financial Director and said that the structure needs to be put in place going forward and that it is not about the person but about the position.

Director Clough expressed her support for a Financial Director and said that her

position is getting to be more difficult in that she is covering two positions and the budget has grown since this began. She said the County needs a Financial Director.

In regard to the Post-Retirement Health Insurance Mr. Sullivan said that legislation is going to dictate that the County will have to properly fund the liability on book or else it will begin to show as a huge deficit. He said the County needs to hire an actuary to get a proper forecast. He added that there were not a lot of instances where the employer was paying 100% for the benefit. He said the County needed to start planning for this.

Rep. Bulis thanked Mr. Sullivan and Mr. Boyle for attending this meeting and going over everything. He stated that some of this audit will be taken up at a future Executive Committee meeting.

3:38 PM ~ With no other business, Rep. Reilly moved to adjourn which was seconded by Rep. White. All present were in favor.

Respectfully submitted

Charles Sova, Clerk



Grafton County Delegation
Funding approval of biomass plant
Grafton County ~ UNH Conference Room
North Haverhill, NH
Monday May 14, 2012

PRESENT: Representatives Sorg, Brosseau, Mirski, Simard, Reilly, Smith, Cooney, Sova, Taylor, Harding, Almy, Townsend, Gionet, Bradley, Gould, Ladd, Nordgren, White, Benn and Bulis. Commissioners Cryans, Burton and Ahern, Executive Director Julie Clough and Sec. Martino

EXCUSED: Representatives, Eaton, Aguiar, Pastor-Bodmer, Pierce, Shackett and Ingbretson

OTHERS: See attached list

11:15 AM ~ Rep. Bulis called the meeting to order and Rep. Sova (Clerk) called the roll. 20 members were present when the roll was called and a quorum was declared.

Rep. Bulis noted that on Thursday the 17th at 6:00 PM the Commissioners will hold their public hearing on the budget.

DECISION TO FUND THE BIOMASS PROJECT

Director Clough was asked to give a review of the projected costs for the biomass project so that the Delegation can vote on whether or not to fund the project.

Director Clough said that the total project would run approximately \$3.3M. \$378,500 was obtained by way of a grant from DOE.

The Jail project came in under budget and because of that, the Delegation will be asked to repurpose up to \$2.5M from the Jail project for the biomass project. Director Clough estimated the remaining cost would be about \$1M which would be needed to bond.

Rep. Simard asked how long it would take to pay that off and Director Clough said they will only take out a 10 year bond and because of the savings from the biomass project, there will be no impact on next year's budget.

Rep. Harding asked about a timeline and Director Clough said construction would be expected to begin in August and take about a year to complete.

Rep. Cooney RESOLVED: That Grafton County, New Hampshire (the "County"), acting by and through its Convention, hereby appropriates the sum of up to \$3,500,000 for the design and construction of a District Biomass Heating Plant for the Grafton County Complex.

Pursuant to the provisions of RSA 33:3-a, up to \$2,500,000 of such sum shall come from the unexpended proceeds of the County's Bonds which were previously authorized and issued to finance the construction of a new County correctional facility. The balance of this appropriation is to be funded by the County's issuance of its general obligation bonds pursuant to the provisions of RSA 28 and 33, with the County Commissioners being hereby authorized to issue, negotiate, sell and deliver such bonds and to determine the rate of interest thereon and the maturity and other terms thereof, which was seconded by Rep. White. A roll call vote was taken. Representatives Sorg, Brosseau, Mirski, Simard, Reilly, Smith, Cooney, Sova, Taylor, Harding, Almy, Townsend, Gionet, Bradley, Gould, Ladd, Nordgren, White, Benn and Bulis were all in favor. Motion passes unanimously.

Rep. Bulis called a brief recess

Rep. Bulis called the meeting back to order.

Rep. Bulis commended Superintendent Oakes and Director Clough for their work did on this project.

Commissioner Cryans thanked the Delegation for approving the project and said that a unanimous vote sends a strong message.

ELECTED OFFICIAL'S SALARIES

Rep. Bulis said that it is the responsibility of the Delegation to set the salaries for elected officials so that anyone running for office will know what the salary of that position is. He said that the Executive Committee had discussed this issue and had come to the decision (in a 6 to 3 vote) that the Sheriff, County Attorney and Register of Deeds should receive a 2% increase and the part time officials would remain the same.

Rep. Bulis stated that the Commissioners were factoring in a 1.875% Cost of Living Adjustment for employees. He asked that the group have a discussion before making a motion. A sheet from NHACo showing the salaries of elected officials for all ten counties was reviewed.

Rep. Almy noted that they were not supposed to set the salaries based on an individual, but rather on the position.

Rep. Reilly thought that County salaries are low compared t the state and the County officials have a lot of responsibilities and do a good job.

Rep. Gionet said he is looking at his constituents and what their increases are.

Rep. Sorg said that the County should offer the lowest salary possible in order to get qualified people.

Rep. Smith asked if the elected officials receive any other benefits and Director Clough said that the full time people receive health insurance at 80% and they can opt in or out of the retirement system. She said that there is no vacation time because they can come and go as they please.

Rep. Brosseau said he can't vote for any increases in salary.

Rep. Simard Motioned to increase the Sheriff, the County Attorney and the Register of Deeds salary, for the period of January 2, 2013 to January 6, 2015, by two (2) percent. The Sheriff, the County Attorney and the Register of Deeds are entitled to the same Health Insurance and Retirement benefits as full-time Grafton County employees. Eligibility begins on the first day of their term. The salary of the Commissioners and the Treasurer will remain at their current levels, which was seconded by Rep. Reilly.

A roll call vote was taken: Representatives, Simard, Reilly, Smith, Cooney, Taylor, Harding, Almy, Townsend, Gionet, Bradley, Gould, Ladd, Nordgren, White, Benn and Bulis were all in favor and Representatives Sorg, Mirski, Sova and Brosseau were opposed.

Motion passes. 16/4

Rep. Bulis noted that the full Delegation will meet again on the 25th of June to approve the FY13 budget.

Rep. Harding asked if the Farm Committee had been established and Rep. Bulis said it had not.

12:00 PM ~ With no other business the meeting was adjourned

Respectfully submitted

Charles Sova, Clerk



Grafton County Delegation Vote on FY13 Budget
Grafton County ~ UNH Conference Room
North Haverhill, NH
Monday June 25, 2012

PRESENT: Representatives Aguiar, Almy, Bradley, Brosseau, Bulis, Cooney, Eaton, Gionet, Gould, Harding, Ingbretson, Ladd, Mirski, Nordgren, Pastor-Bodmer, Pierce, Reilly, Simard, Smith, Sorg, Sova, Taylor, Townsend and White. Commissioners Cryans, Burton and Ahern, Executive Director Julie Clough and Sec. Martino

EXCUSED: Representatives Benn and Shackett.

OTHERS: See attached list

10:13 AM ~ Rep. Bulis called the meeting to order and Rep. Sova (Clerk) called the roll. 24 members were present when the roll was called and a quorum was declared.

The meeting then began with the Pledge of Allegiance.

Rep. Bulis stated that this will be the last meeting of this Delegation's session and recognized the Executive Committee for their service for the last two years. He said that in that time the accomplishments made included the Rules & Bylaws, the follow through on the Performance Audit and a sub-committee to study staffing for the new Jail.

He also recognized members who would not be running for office again this year which included Charles Brosseau, Frank Gould, Stephanie Eaton, Kathy Taylor and David Pierce, who would be running for State Senator. Rep. Bulis thanked them all for their service to New Hampshire.

Rep. Bulis stated that although this was a public meeting, it was not for public participation and that they needed to settle on a budget for the operations of the County for fiscal year 2013. He said that the original budget presented by the Commissioners had an increase of \$1.7M, to which there was \$885K in debt service for the Jail. He noted there were two main drivers of the Grafton County budget and that Corrections covered 23% and the Nursing Home covered 56%, which left a small portion for remaining County resources. He said that through the work of Director Clough the County was able to come up with a plan for health insurance that reduced last year's cost by \$84K and she was to be congratulated. Director Clough said that had been a group effort.

Rep. Bulis also credited Corrections Superintendent Libby for keeping the Jail staffing level at the same number as last year for the opening of the Jail.

Rep. Bulis said that the Executive Committee had spent about forty hours at meetings in which there were conversations, discussion and eventually a

compromise on the budget. He then walked the delegates through the budget going over what some of the changes were and what had been agreed upon by the Executive Committee. He noted that allocations for maintenance which had always been expensed to the Departments had been removed and placed in the Maintenance budget per recommendation of the performance audit.

When Rep. Bulis came to the cuts that were made to the Social Service budget he noted that had been a difficult conclusion for the Committee. He said there was never any doubt about the quality of services that were provided but they needed to give consideration to the County as a whole.

Once the review was completed and it was noted that there would be no other changes, a motion was made.

Rep. White moved to appropriate \$37,317,300 for fiscal year 2013 of which \$20,834,031 is to be raised by taxes, which was seconded by Rep. Aguiar.

DISCUSSION:

Rep. Pierce said he wanted to note that the Executive Committee had been open with their meetings and public input was heard and considered and that was appreciated. Rep. Bulis said that they kept the meetings open but each meeting had a goal. He said that all the Departments presented their budgets to the Committee and Administration presented the Social Service budget.

Rep. Mirski asked for the spending and tax percentages. Rep. Bulis said the expenses were up 3.99% and the tax increase 7.34%.

With no further discussion a roll call vote was taken by Clerk Sova. Reps. Aguiar, Almy, Bradley, Brosseau, Bulis, Cooney, Eaton, Gionet, Gould, Harding, Ladd, Nordgren, Pastor-Bodmer, Pierce, Reilly, Simard, Smith, Sova, Taylor, Townsend and White were in favor and Reps. Mirski, Sorg and Ingbreton were opposed. Motion passes 21 to 3

Rep. Harding congratulated the Committee for their cooperative work but did note concern for the minimal staffing at the Jail, for the fact that the Financial Director position was not approved and that the Social Services were reduced. She added that she appreciated the Republican colleagues and their affirmative vote.

Rep. Aguiar moved to pass over item #4 on the Agenda which was for a continuing resolution, which was seconded by Rep. Sova. All members were in favor.

Rep. Almy moved to authorize Tax Anticipation Loans in the amount of

up to \$5,000,000 which was seconded by Rep. White.

DISCUSSION:

Rep. Simard asked if the reserve account could be used to supplement the amount to be borrowed and Rep. Sova stated that money was not actually in an account but is calculated for accounting purposes. Director Clough said that the money is used before borrowing.

A show of hands was accepted on this motion and all were in favor.

Rep. Ladd moved to expend \$52,849 from the Register of Deeds Surcharge Account for equipment in the Registry which was seconded by Rep. Almy.

DISCUSSION:

Rep. Ladd asked Chairman Bulis to read the list of items for which the funds would be used, which read: hardware- \$33,849, new equipment- \$4,000 and lease contract on software - \$15,000 totaling \$52,849.

A show of hands was accepted on this motion and Reps. Aguiar, Almy, Bradley, Brosseau, Bulis, Cooney, Eaton, Gionet, Gould, Harding, Ingbertson, Ladd, Nordgren, Pastor-Bodmer, Pierce, Reilly, Simard, Smith, Sorg, Sova, Taylor, Townsend and White were in favor and Rep. Mirski was opposed. Motion passes.

Rep. Pastor-Bodmer moved to contribute \$58,215 from the Dispatch Fees for fiscal year 2013 to the Dispatch Capital Reserve Fund which was seconded by Rep. Brosseau. A show of hands was accepted on this motion and Reps. Aguiar, Almy, Bradley, Brosseau, Bulis, Cooney, Eaton, Gionet, Gould, Harding, Ingbertson, Ladd, Nordgren, Pastor-Bodmer, Pierce, Reilly, Simard, Smith, Sorg, Sova, Taylor, Townsend and White were in favor and Rep. Mirski was opposed. Motion passes.

Rep. Taylor moved to expend \$57,000 from the dispatch Capital Reserve account for equipment for the Dispatch Center which was seconded by Rep. White.

DISCUSSION:

Director Clough read the items for which this money was intended which included: \$30,000 for MDT, \$20,000 for UHF upgrade and \$7,000 for coverage improvement which totals \$57,000.

A show of hands vote was taken and all were in favor. Motion passes.

Rep. Pierce moved to expend \$18,630 from the Nursing Home Capital Reserve account for equipment for the Nursing Home which was seconded by Rep. Aguiar. A show of hands vote was taken and all were in favor. Motion passes

Rep. Nordgren moved to contribute \$25,000 to the Nursing Home Capital Reserve account from the Medicaid Pro-Share funds which was seconded by Rep. Brosseau. A show of hands vote was taken and all were in favor. Motion passes

10:53 AM Chairman Bulis declared a short recess.

11:06 AM Meeting was called back to order by Chairman Bulis

Rep. Ladd moved to adopt the following policy regarding the acceptance of grants: The Delegation authorized the County Commissioners to apply for, accept and expend federal and/or state grants. The Commissioners will provide a report quarterly to the Executive Committee that details all grants applied for and/or awarded and amount expended to date. A list of all grants received during the fiscal year will be given to Delegation for review at the annual budget meeting. Motion was seconded by Rep. Townsend.

DISCUSSION:

Rep. Ladd said that he had planned to suggest adopting a process regarding the receipt of grants that was more in line with RSA 24:14 where the Delegation has responsibility for setting the policy by which grants are approved by the Executive Committee and which would be more aligned with the policy of the towns. He said that right now the Commissioners have the final approval and there may be language in the grants that could leave the County responsible for certain funds. He said that he had now thought that the altering of the language of this motion could be done after revisiting the by-laws again for approval next year.

Rep. Ingbretonson asked why Rep. Ladd had changed his minds from what was presented to them in caucus and he said that maybe it would be better if he were to read the motion he had considered.

“In accordance with RSA24:14, the Grafton County Delegation adopts the following policy regarding the acceptance of grants: The Delegation authorized the County Commissioners to apply for federal and/or state grants. Prior to acceptance and expenditure of any federal and/or state grant, County Commissioner s must receive approval from the Executive Committee. The Commissioners will provide a detailed quarterly report, to include expenditures and revenues, to the Executive Committee for each grant applied for and/or awarded. A list of all grants received during the fiscal year will be given to the Delegation at the annual budget meeting.”

Rep. Ladd said that the difference is that prior to the acceptance of the grant it would be approved by the Executive Committee. Rep. Ingbretonson asked why

they were being asked to vote on this today and Director Clough said it will allow the County to continue to receive grants and is done each year at this time.

A show of hands was accepted on this motion and Reps. Aguiar, Almy, Bradley, Brosseau, Bulis, Cooney, Eaton, Gionet, Gould, Harding, Ladd, Nordgren, Pastor-Bodmer, Pierce, Reilly, Simard, Smith, Sorg, Sova, Taylor, Townsend and White were in favor and Reps. Mirski and Ingbreton were opposed. Motion passes

Rep. Bulis asked if there were any Delegation comments or concerns.

Rep. Cooney spoke out against the cuts to the Social Service budget and said that funding of the agencies had originally begun in an effort to keep people out of the Nursing Home and Jail and that she felt the new goal was to cut money from the budget not matter who it hurts. She spoke out in favor of CADY as she sits on their Board of Directors. She said loss of funding is a loss to the community and added that the financial support of these agencies is the role of government. She called the reductions short sighted.

Rep. Mirski said that those opposed to the cuts in the budget should realize it is because of the new Jail and that money spent there has taken away help in other area such as social services.

Rep. Gionet said that in his opinion it is not the responsibility of the County taxpayer to support payments to social services.

Rep. Ladd thanked both political parties for working together to conclude this budget. He than referred to the By-laws and said that they had not followed them in regard to the budget resolutions for what goals, objectives and priorities were and thought next year they could be better at that.

Rep. White thanked everyone for the non-partisan way that the Committee members came together to reach a goal for the betterment of the County.

Director Clough informed everyone that as of 4:30AM on the 22nd of June, all the inmates had been moved to the new Correctional Facility and it was now up and running.

Rep. Bulis asked what was to happen with the old Jail and Commissioner Burton stated that there would be a meeting on the 10th of August for public discussion on that topic.

11:30 AM ~ With no other business the meeting was adjourned.

Respectfully submitted

Charles Sova, Clerk

COUNTY OF GRAFTON, NEW HAMPSHIRE

Annual Financial Statements

For the Year Ended June 30, 2012

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
County of Grafton, New Hampshire
North Haverhill, New Hampshire

We have audited the accompanying financial statements of the governmental 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, 2012, which collectively comprise the County's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the County of Grafton, New Hampshire's management. Our responsibility is to express an opinion 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.

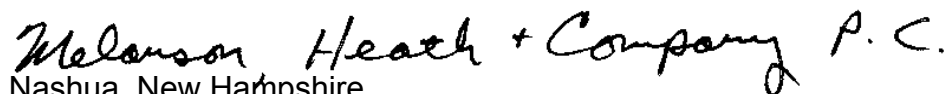
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Grafton, New Hampshire, as of June 30, 2012, and the respective changes in financial position, thereof and the respective budgetary comparison for all budgeted funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Additional Offices:

Andover, MA • Greenfield, MA • Ellsworth, ME • Manchester, NH

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, appearing on the following pages and the supplementary information on page 33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board*, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion on or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 3, 2012 on our consideration of the County's internal control over financial reporting and on 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 that testing, and not to provide an opinion on the internal control over financial reporting or on 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.


Melanson Heath + Company P.C.
Nashua, New Hampshire
October 3, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the County of Grafton, New Hampshire (the County), we offer readers this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2012.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

The governmental activities include general government, public safety, corrections, human services, cooperative extension, and nursing home.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a county's near-term financing requirements.

Because the focus of 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 in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The governmental fund financial statements provide separate information for the General Fund and the Jail Construction Project Fund, which are considered to be major funds.

An annual appropriated budget is adopted for all budgeted funds. A budgetary comparison statement has been provided in order to demonstrate compliance with this budget.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by accounting principles generally accepted in the United States of America.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$ 13,250,163 (i.e., net assets), a change of \$ (532,417) in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$ 9,121,573, a change of \$ (12,067,750) in comparison to the prior year.
- At the end of the current fiscal year, the fund balance for the general fund was \$ 5,680,804, a change of \$ (472,764) in comparison to the prior year.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$ 40,775,000, a change of \$ 1,700,000 in comparison to the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years.

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Current assets	\$ 12,643,898	\$ 25,404,110
Noncurrent assets	50,894,961	39,683,217
Total assets	<u>63,538,859</u>	<u>65,087,327</u>
Current liabilities	7,320,395	7,077,902
Noncurrent liabilities	42,968,301	44,226,845
Total liabilities	<u>50,288,696</u>	<u>51,304,747</u>
Net assets:		
Invested in capital assets, net	13,530,933	12,239,083
Restricted	29,797	4,889
Unrestricted	(310,567)	1,538,608
Total net assets	<u>\$ 13,250,163</u>	<u>\$ 13,782,580</u>

CHANGES IN NET ASSETS

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Revenues:		
Program revenues:		
Charges for services	\$ 13,376,376	\$ 12,966,298
Operating grants and contributions	888,831	638,559
General revenues:		
County taxes	19,409,043	17,945,268
Investment income	75,956	189,967
Miscellaneous	<u>718,481</u>	<u>685,450</u>
Total revenues	34,468,687	32,425,542

(continued)

(continued)

CHANGES IN NET ASSETS

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Expenses:		
General government	3,409,118	3,769,870
Public safety	2,606,742	2,703,238
Corrections	5,362,808	4,952,782
Human services	7,719,738	6,064,576
Cooperative extension	363,848	380,762
Nursing home	14,037,613	14,497,924
Interest expense	<u>1,501,237</u>	<u>646,917</u>
Total expenses	<u>35,001,104</u>	<u>33,016,069</u>
Change in net assets	(532,417)	(590,527)
Net assets - beginning of year	<u>13,782,580</u>	<u>14,373,107</u>
Net assets - end of year	<u>\$ 13,250,163</u>	<u>\$ 13,782,580</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$ 13,250,163, a change of \$ (532,417) from the prior year.

The largest portion of net assets \$ 13,530,933 reflects our investment in capital assets (e.g., land, land improvements, buildings and improvements, equipment and vehicles, and construction in progress), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in 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 net assets \$ 29,797 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$ (310,567) may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities for the year resulted in a change in net assets of \$ (532,417). Key elements of this change are as follows:

Operating Results:

General fund	\$ (472,764)
Jail construction project fund	(11,619,894)
Nonmajor governmental funds	<u>24,908</u>
Subtotal operating results	(12,067,750)
Purchase of capital assets	11,990,580
Principal debt service in excess of depreciation expense	921,163
Change in accrued interest liability	(135,398)
Change in compensated absence liability	(29,278)
Change in net OPEB obligation	<u>(1,211,734)</u>
Total	\$ <u><u>(532,417)</u></u>

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.

Such information is useful in assessing financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$ 9,121,573, a change of \$ (12,067,750) in comparison to the prior year. Key elements of this change are as follows:

General fund expenditures in excess of revenues	\$ (472,764)
Jail construction project fund expenditures in excess of revenues	(11,619,894)
Non-major governmental funds revenues over expenditures	<u>24,908</u>
Total	\$ <u><u>(12,067,750)</u></u>

The general fund is the chief operating fund. At the end of the current fiscal year, unassigned fund balance of the general fund was \$ 1,639,126, while total fund balance was \$ 5,680,804. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total budgeted expenditures. Refer to the table below.

<u>General Fund</u>	<u>6/30/12</u>	<u>6/30/11</u>	<u>Change</u>	% of Total Budgeted <u>Expenditures</u>
Unassigned fund balance	\$ 1,639,126	\$ 1,208,287	\$ 430,839	4.6%
Total fund balance	\$ 5,680,804	\$ 6,153,568	\$ (472,764)	15.8%

The total fund balance of all funds changed by \$ (12,067,750) during the current fiscal year. Key factors in this change are as follows:

Revenues in excess of budget	\$ 916,179
Expenditures less than appropriations	1,881,419
Use of fund balance as a funding source	(3,000,000)
Use of reserves as a funding source	(270,362)
Jail construction project expenses	(11,619,894)
Nonmajor governmental funds	24,908
Total all funds	<u>\$ (12,067,750)</u>

E. BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in an overall change in appropriations of \$ 270,362. This change relates to a use of voted reserves (fund balance).

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental activities at year-end amounted to \$ 50,894,961 (net of accumulated depreciation), a change of \$ 11,211,744 from the prior year. This investment in capital assets includes land, land improvements, buildings and improvements, equipment and vehicles, and construction in progress.

Major capital asset events during the current fiscal year included jail construction costs of \$ 11,619,894.

Additional information on capital assets can be found in the notes to financial statements.

Long-term debt. At the end of the current fiscal year, total bonded debt outstanding was \$ 40,775,000, all of which was backed by the full faith and credit of the County.

Additional information on long-term debt can be found in the notes to financial statements.

G. CHANGE IN PRESENTATION

In fiscal year 2012, the Nursing Home fund was reclassified from an enterprise fund to a governmental function within the general fund.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County of Grafton, New Hampshire's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

County of Grafton, New Hampshire
3855 Dartmouth College Highway
North Haverhill, New Hampshire 03774

COUNTY OF GRAFTON, NEW HAMPSHIRE

STATEMENT OF NET ASSETS

JUNE 30, 2012

	<u>Governmental Activities</u>
ASSETS	
Current:	
Cash and short-term investments	\$ 10,451,202
Restricted cash	503,591
Accounts receivable, net of allowances	1,010,371
Intergovernmental receivables	442,922
Inventory	235,812
Noncurrent:	
Capital Assets:	
Land	214,190
Construction in progress	122,830
Capital assets, net of accumulated depreciation	<u>50,557,941</u>
TOTAL ASSETS	63,538,859
LIABILITIES	
Current:	
Accounts payable	2,762,400
Accrued expenses	715,641
Restricted cash liability	44,284
Accrued interest	442,760
Current portion of long-term liabilities:	
Bonds payable	2,475,000
Accrued compensated absences	880,310
Noncurrent:	
Bonds payable, net of current	38,300,000
Accrued compensated absences, net of current	319,868
Net OPEB obligation	<u>4,348,433</u>
TOTAL LIABILITIES	50,288,696
NET ASSETS	
Invested in capital assets, net of related debt	13,530,933
Restricted	29,797
Unrestricted	<u>(310,567)</u>
TOTAL NET ASSETS	\$ <u>13,250,163</u>

See notes to financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2012

		<u>Program Revenues</u>		<u>Net (Expenses) Revenues and Changes in Net Assets</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
General government	\$ 3,409,118	\$ 1,074,074	\$ 125,719	\$ (2,209,325)
Public safety	2,606,742	1,030,233	76,273	(1,500,236)
Corrections	5,362,808	513,986	686,839	(4,161,983)
Human services	7,719,738	-	-	(7,719,738)
Cooperative extension	363,848	-	-	(363,848)
Nursing home	14,037,613	10,758,083	-	(3,279,530)
Interest expense	<u>1,501,237</u>	<u>-</u>	<u>-</u>	<u>(1,501,237)</u>
Total Governmental Activities	\$ <u>35,001,104</u>	\$ <u>13,376,376</u>	\$ <u>888,831</u>	(20,735,897)
General Revenues:				
				19,409,043
				75,956
				<u>718,481</u>
				20,203,480
				<u>20,203,480</u>
				(532,417)
Net Assets:				
				<u>13,782,580</u>
				\$ <u>13,250,163</u>

See notes to financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2012

	General Fund	Jail Construction Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and short-term investments	\$ 5,789,035	\$ 4,635,472	\$ 26,695	\$ 10,451,202
Restricted cash	503,591	-	-	503,591
Accounts receivable, net of allowances	1,010,371	-	-	1,010,371
Intergovernmental receivables	442,922	-	-	442,922
Due from other funds	-	-	12,284	12,284
Inventory	235,812	-	-	235,812
TOTAL ASSETS	\$ 7,981,731	\$ 4,635,472	\$ 38,979	\$ 12,656,182
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 1,528,718	\$ 1,224,500	\$ 9,182	\$ 2,762,400
Accrued expenses	715,641	-	-	715,641
Due to other funds	12,284	-	-	12,284
Restricted cash liability	44,284	-	-	44,284
TOTAL LIABILITIES	2,300,927	1,224,500	9,182	3,534,609
Fund Balances:				
Nonspendable	235,812	-	-	235,812
Restricted	-	3,410,972	29,797	3,440,769
Committed	459,307	-	-	459,307
Assigned	3,346,559	-	-	3,346,559
Unassigned	1,639,126	-	-	1,639,126
TOTAL FUND BALANCES	5,680,804	3,410,972	29,797	9,121,573
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,981,731	\$ 4,635,472	\$ 38,979	\$ 12,656,182

See notes to financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE
RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET ASSETS OF GOVERNMENTAL
ACTIVITIES IN THE STATEMENT OF NET ASSETS

JUNE 30, 2012

TOTAL GOVERNMENTAL FUND BALANCES	\$ 9,121,573
<ul style="list-style-type: none">• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	50,894,961
<ul style="list-style-type: none">• In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	(442,760)
<ul style="list-style-type: none">• Long-term liabilities, including bonds payable, accrued compensated absences, and net OPEB obligation are not due and payable in the current period, therefore, are not reported in the governmental funds.	<u>(46,323,611)</u>
NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u>\$ 13,250,163</u>

See notes to financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2012

	General Fund	Jail Construction Project Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
County taxes	\$ 19,409,043	\$ -	\$ -	\$ 19,409,043
Nursing home	10,758,083	-	-	10,758,083
Charges for services	2,614,739	-	3,554	2,618,293
Intergovernmental	246,019	-	642,812	888,831
Investment income	75,956	-	-	75,956
Miscellaneous	<u>698,134</u>	<u>-</u>	<u>20,347</u>	<u>718,481</u>
Total Revenues	33,801,974	-	666,713	34,468,687
Expenditures:				
Current:				
General government	2,822,282	-	2,889	2,825,171
Public safety	2,424,822	-	19,606	2,444,428
Corrections	5,014,126	-	723	5,014,849
Human services	7,216,973	-	495,757	7,712,730
Cooperative extension	341,330	-	-	341,330
Nursing home	13,053,390	-	-	13,053,390
Capital outlay	335,976	11,619,894	122,830	12,078,700
Debt service:				
Principal	1,700,000	-	-	1,700,000
Interest	<u>1,365,839</u>	<u>-</u>	<u>-</u>	<u>1,365,839</u>
Total Expenditures	<u>34,274,738</u>	<u>11,619,894</u>	<u>641,805</u>	<u>46,536,437</u>
Excess (deficiency) of revenues over expenditures	(472,764)	(11,619,894)	24,908	(12,067,750)
Fund Equity, at Beginning of Year, as restated	<u>6,153,568</u>	<u>15,030,866</u>	<u>4,889</u>	<u>21,189,323</u>
Fund Equity, at End of Year	<u>\$ 5,680,804</u>	<u>\$ 3,410,972</u>	<u>\$ 29,797</u>	<u>\$ 9,121,573</u>

See notes to financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2012

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (12,067,750)

- Governmental funds report capital asset purchases 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:

Capital asset purchases 11,990,580

Depreciation (778,837)

- The issuance of long-term debt (e.g., bonds payable) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets:

Repayments of bonds payable 1,700,000

- In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. (135,398)

- Some expenses reported in the Statement of Activities, such as accrued compensated absences and net OPEB obligation, do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.

Accrued compensated absences (29,278)

Net OPEB obligation (1,211,734)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ (532,417)

See notes to financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

ALL BUDGETED FUNDS

STATEMENT OF REVENUES AND OTHER SOURCES, AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts				Actual	Variance with
	Original	From Prior	Approved	Final	Amounts	Final Budget
	<u>Budget</u>	<u>Budgets</u>	<u>Transfers</u>	<u>Budget</u>	(Budgetary	Positive
					Basis)	(Negative)
Revenues:						
County taxes	\$ 19,409,043	\$ -	\$ -	\$ 19,409,043	\$ 19,409,043	\$ -
Nursing home	9,961,475	-	-	9,961,475	10,758,083	796,608
Charges for services	2,587,781	-	-	2,587,781	2,614,739	26,958
Intergovernmental	215,750	-	-	215,750	246,019	30,269
Investment income	150,300	-	-	150,300	75,956	(74,344)
Miscellaneous	<u>561,446</u>	<u>-</u>	<u>-</u>	<u>561,446</u>	<u>698,134</u>	<u>136,688</u>
Total Revenues	32,885,795	-	-	32,885,795	33,801,974	916,179
Expenditures:						
General government	2,904,739	97,585	(10,862)	2,991,462	2,822,282	169,180
Public safety	2,565,715	5,367	1,045	2,572,127	2,424,822	147,305
Corrections	5,393,058	6,967	25,498	5,425,523	5,014,126	411,397
Human services	7,820,873	-	(19,365)	7,801,508	7,216,973	584,535
Cooperative extension	354,817	8,588	190	363,595	341,330	22,265
Nursing home	13,424,986	27,298	5,495	13,457,779	13,053,390	404,389
Capital outlay	353,047	124,557	-	477,604	335,976	141,628
Debt service - principal	1,700,000	-	-	1,700,000	1,700,000	-
Debt service - interest	<u>1,368,560</u>	<u>-</u>	<u>(2,001)</u>	<u>1,366,559</u>	<u>1,365,839</u>	<u>720</u>
Total Expenditures	<u>35,885,795</u>	<u>270,362</u>	<u>-</u>	<u>36,156,157</u>	<u>34,274,738</u>	<u>1,881,419</u>
Excess (deficiency) of revenues over expenditures before other financial sources	(3,000,000)	(270,362)	-	(3,270,362)	(472,764)	2,797,598
Other Financing Sources:						
Use of fund balance	<u>3,000,000</u>	<u>270,362</u>	<u>-</u>	<u>3,270,362</u>	<u>3,270,362</u>	<u>-</u>
Excess of revenues and other sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,797,598</u>	<u>\$ 2,797,598</u>

See notes to financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2012

	Agency Funds
<u>ASSETS</u>	
Cash and short-term investments	\$ 99,418
Total Assets	\$ 99,418
<u>LIABILITIES</u>	
Due to others	\$ 99,418
Total Liabilities	\$ 99,418

See notes to financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of the County of Grafton, New Hampshire (the County) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The County is a municipal corporation governed by an elected Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the County and applicable component units for which the County is considered to be financially accountable. In fiscal year 2012, it was determined that no entities met the required GASB 39 criteria of component units.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is 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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund 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. Generally, all other revenue items are considered to be measurable and available only when cash is received by the County. 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.

The County reports the following major governmental funds:

- The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.
- The *Jail Construction Project Fund* accounts for the County's ongoing jail project.

The *Agency Fund* is used to account for money held by the County on behalf of others (e.g., inmate funds, patient funds, and sheriff funds).

D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in

the general fund. Certain special revenue and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type are included under investment income.

E. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to 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).

F. Inventory

Inventory is valued at cost using the first-in/first-out (FIFO) method.

G. Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, equipment and vehicles, and construction in progress, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$ 500 for assets acquired for use in the Nursing Home, and \$ 5,000 for all other assets, and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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 is included as part of the capitalized value of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	8 - 50
Building and improvements	8 - 50
Equipment and vehicles	3 - 20

H. Accrued Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vested sick and vacation pay is accrued when incurred in the government-wide and fiduciary 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.

I. Long-Term Obligations

In the government-wide financial statements, long-term debt, and other long-term obligations are reported as liabilities in the governmental activities statement of net assets.

J. Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance". Fund equity for all other reporting is classified as "net assets".

Fund Balance - Generally, fund balance represents the difference between the current assets and current liabilities. The County reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources and therefore, are not available for appropriation or expenditure. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

The County's fund balance classification policies and procedures are as follows:

- 1) Nonspendable funds are either unspendable in the current form (i.e., inventory) or can never be spent.
- 2) Restricted funds are used solely for the purpose in which the fund was established. In the case of special revenue funds, these funds are created by statute or otherwise have external constraints on how the funds can be expended.
- 3) Committed funds are reported and expended as a result of motions passed by the highest decision making authority in the County (i.e., the County Delegation).

- 4) Assigned funds are used for specific purposes as established by management. These funds, which include encumbrances, have been assigned for specific goods and services ordered but not yet paid for. This account also includes fund balance voted to be used in the subsequent fiscal year.
- 5) Unassigned funds are available to be spent in future periods.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the County uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net assets are reported as unrestricted.

K. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

L. Reclassifications

The accompanying financial statements reflect various changes in classification from the prior year.

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

The County follows the following procedures establishing the budgetary data reflected in the basic financial statements:

- Prior to May 1st, the County departments submit to the County Commissioners a proposed budget for the fiscal year commencing the

following July 1. The budget includes proposed expenditures and the means of financing them.

- Hearings are conducted by the County Commissioners prior to the County's budget meeting to discuss the proposed budget.
- The budget is legally enacted by the County Delegation prior to September 1st.
- Appropriations for certain projects and specific items not fully expended at the fiscal year-end are carried forward as continued appropriations to the new fiscal year in which they supplement the appropriations of that year.
- The budgets for all departments and operations of the County are prepared under the direction of the County Commissioners. Original appropriations are acted upon by the County Delegation vote.
- A copy of the budget is published in the Annual Report of the County of Grafton, New Hampshire.

B. Budgetary Basis

The final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

C. Budget/GAAP Reconciliation

The budgetary data for the general and proprietary funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations are presented in accordance with budgetary accounting principles to provide a meaningful comparison to budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

	Revenues and Other <u>Financing Sources</u>	Expenditures and Other <u>Financing Uses</u>
Revenues/Expenditures - (GAAP Basis)	\$ 33,801,974	\$ 34,274,738
To record use of fund balance	3,000,000	-
To record use of voted reserves (fund balance)	<u>270,362</u>	<u>-</u>
Budgetary Basis	<u>\$ 37,072,336</u>	<u>\$ 34,274,738</u>

3. Cash and Short-Term Investments

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. RSA 29:1 limits "deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus." The County does not have a deposit policy for custodial credit risk.

As of June 30, 2012, none of the County's bank balance was exposed to custodial credit risk as uninsured or uncollateralized.

4. Allowance for Doubtful Accounts and Contractual Allowances

The allowance for doubtful accounts for Nursing Home receivables has been estimated at approximately \$ 168,000 at June 30, 2012. Nursing Home receivables are also reported net of contractual allowances.

5. Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:				
Land improvements	\$ 2,755	\$ -	\$ -	\$ 2,755
Buildings and improvements	21,925	32,402	-	54,327
Equipment and vehicles	3,576	248	(115)	3,709
Total capital assets, being depreciated	28,256	32,650	(115)	60,791
Less accumulated depreciation for:				
Land improvements	(729)	(25)	-	(754)
Buildings and improvements	(6,399)	(509)	-	(6,908)
Equipment and vehicles	(2,441)	(245)	115	(2,571)
Total accumulated depreciation	(9,569)	(779)	115	(10,233)
Total capital assets, being depreciated, net	18,687	31,871	-	50,558
Capital assets, not being depreciated:				
Land	214	-	-	214
Construction in progress	20,782	123	(20,782)	123
Total capital assets, not being depreciated	20,996	123	(20,782)	337
Governmental activities capital assets, net	\$ 39,683	\$ 31,994	\$ (20,782)	\$ 50,895

Depreciation expense was charged to functions of the County as follows (in thousands):

Governmental Activities:	
General government	\$ 224
Public safety	64
Corrections	124
Nursing home	<u>367</u>
Total depreciation expense - governmental activities	<u>\$ 779</u>

6. Accounts Payable

Accounts payable represents 2012 expenditures paid after June 30, 2012.

7. Anticipation Notes Payable

At June 30, 2012, the County had no anticipation lines of credit available. The following summarizes notes payable activity during fiscal year 2012:

	<u>Issue Amount</u>	<u>Issue Date</u>	<u>Interest Rate</u>	<u>Balance Beginning of Year</u>	<u>Advances</u>	<u>Repayments</u>	<u>Balance End of Year</u>
Tax anticipation	\$ 5,000,000	09/29/11	0.80%	\$ -	\$ 3,200,000	\$ (3,200,000)	\$ -
Total				<u>\$ -</u>	<u>\$ 3,200,000</u>	<u>\$ (3,200,000)</u>	<u>\$ -</u>

8. Long-Term Debt

A. 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 governmental activities. General obligation bonds currently outstanding are as follows:

<u>Governmental Activities:</u>	<u>Serial</u> <u>Maturities</u> <u>Through</u>	<u>Interest</u> <u>Rate(s) %</u>	<u>Amount</u> <u>Outstanding</u> <u>as of</u> <u>6/30/12</u>
Nursing Home - Phase I, II	09/01/23	3.00 - 4.30%	\$ 5,981,250
Nursing Home - Phase III	09/01/23	3.00 - 4.30%	1,993,750
Fire sprinkler system water tank	01/01/19	4.50 - 5.00%	675,000
Jail construction - 2010	12/01/30	3.00 - 4.00%	16,625,000
Jail construction - 2011	01/01/32	2.50 - 4.75%	<u>15,500,000</u>
Total Governmental Activities			<u>\$ 40,775,000</u>

B. Future Debt Service

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2012 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 2,475,000	\$ 1,454,563	\$ 3,929,563
2014	2,475,000	1,378,700	3,853,700
2015	2,470,000	1,298,238	3,768,238
2016	2,470,000	1,217,456	3,687,456
2017	2,470,000	1,135,588	3,605,588
2018 - 2022	12,065,000	4,394,084	16,459,084
2023 - 2027	8,975,000	2,439,706	11,414,706
Thereafter	<u>7,375,000</u>	<u>808,234</u>	<u>8,183,234</u>
Total	<u>\$ 40,775,000</u>	<u>\$ 14,126,569</u>	<u>\$ 54,901,569</u>

C. Changes in General Long-Term Liabilities

During the year ended June 30, 2012, the following changes occurred in long-term liabilities (in thousands):

	<u>Total</u> <u>Balance</u> <u>7/1/11</u>	<u>Additions</u>	<u>Reductions</u>	<u>Total</u> <u>Balance</u> <u>6/30/12</u>	<u>Less</u> <u>Current</u> <u>Portion</u>	<u>Equals</u> <u>Long-Term</u> <u>Portion</u> <u>6/30/12</u>
<u>Governmental Activities</u>						
Bonds payable	\$ 42,475	\$ -	\$ (1,700)	\$ 40,775	\$ (2,475)	\$ 38,300
Other:						
Accrued compensated absences	1,171	29	-	1,200	(880)	320
Net OPEB obligation	<u>3,136</u>	<u>1,524</u>	<u>(312)</u>	<u>4,348</u>	<u>-</u>	<u>4,348</u>
Totals	<u>\$ 46,782</u>	<u>\$ 1,553</u>	<u>\$ (2,012)</u>	<u>\$ 46,323</u>	<u>\$ (3,355)</u>	<u>\$ 42,968</u>

9. Restricted Net Assets

The accompanying entity-wide financial statements report restricted net assets when external constraints from grantors or contributors are placed on net assets.

10. Fund Balances

The following is a summary of fund balances at June 30, 2012:

	General <u>Fund</u>	Jail Construction Project <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Nonspendable:				
Inventory reserve	\$ 235,812	\$ -	\$ -	\$ 235,812
Total Nonspendable	235,812	-	-	235,812
Restricted:				
Project funded with bonds	-	3,410,972	-	3,410,972
Unexpended grant funds	-	-	29,797	29,797
Total Restricted	-	3,410,972	29,797	3,440,769
Committed:				
Delegation voted reserves:				
Dispatch capital reserve	247,801	-	-	247,801
Unemployment reserve	29,439	-	-	29,439
Deeds surcharge reserve	137,717	-	-	137,717
Nursing Home capital reserve	44,350	-	-	44,350
Total Committed	459,307	-	-	459,307
Assigned				
Commissioner voted reserves	346,559	-	-	346,559
Use of fund balance in subsequent year budget	3,000,000	-	-	3,000,000
Total Assigned	3,346,559	-	-	3,346,559
Unassigned:				
Remaining fund balance	1,639,126	-	-	1,639,126
Total Unassigned	1,639,126	-	-	1,639,126
Total Fund Balances	\$ 5,680,804	\$ 3,410,972	\$ 29,797	\$ 9,121,573

11. **Commitments and Contingencies**

Outstanding Legal Issues - There are several pending legal issues in which the County is involved. The County's management is of the opinion that the potential future settlement of such claims would not materially affect its financial statements taken as a whole.

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

12. **Post-Employment Healthcare and Life Insurance Benefits**

Other Post-Employment Benefits

GASB Statement 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, requires governments to account for other post-employment benefits (OPEB), on an accrual basis rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially required contribution as an expense on the Statement Activities when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that an entity does not fund their actuarially required contribution, a post-employment benefit liability is recognized on the Statement of Net Assets over time.

A. Plan Description

The County provides post-employment healthcare benefits for certain retirees.

B. Benefits Provided

The County provides medical benefits to its eligible retirees. The benefits are provided through Primex.

C. Funding Policy

The County pays 100% of the retiree's medical benefits. The County also received a subsidy from the New Hampshire State Retirement Systems that it uses to offset its OPEB.

The County does not contribute towards the cost of spouses' OPEB. Spouses desiring to remain covered under the County plan pay 100%.

The spouse is required to pay 100% of the cost of benefits following the death of the retired employee.

D. Annual OPEB Costs and Net OPEB Obligation

The County's fiscal 2012 annual OPEB expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost per year and amortize the unfunded actuarial liability over a period of thirty years. The following table shows the components of the County's annual OPEB cost for the year ending June 30, 2012, the amount actually contributed to the plan, and the change in the County's net OPEB obligation based on an actuarial valuation as of July 1, 2010.

Annual Required Contribution (ARC)	\$ 1,576,712
Interest on net OPEB obligation	125,468
Adjustment to ARC	<u>(177,873)</u>
Annual OPEB cost	1,524,307
Contributions made	<u>312,573</u>
Increase in net OPEB obligation	1,211,734
Net OPEB obligation - beginning of year	<u>3,136,699</u>
Net OPEB obligation - end of year	<u><u>\$ 4,348,433</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

<u>Fiscal year ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2012	\$ 1,524,307	21%	\$ 4,348,433
2011	\$ 1,482,995	18%	\$ 3,136,699
2010	\$ 1,199,261	20%	\$ 1,925,406

E. Funded Status and Funding Progress

The funded status of the plan as of July 1, 2010, the date of the most recent actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$ 13,135,173
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 13,135,173</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>0%</u>
Covered payroll (active plan members)	<u>\$ 10,100,140</u>
UAAL as a percentage of covered payroll	<u>130%</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the Notes to Financial Statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

F. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the plan as understood by the County and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the County and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2010 actuarial valuation the projected unit credit cost method was used. The actuarial value of assets was not determined as the County has not advance funded its obligation. The actuarial assumptions included a 4.0% investment rate of return and an initial annual healthcare cost trend rate of 20%, which decreases to a 5% long-term rate for all healthcare benefits after fifteen years. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 30 years, on a closed basis. This has been calculated assuming the amortization payment increases at a rate of 4.5%.

13. Pension Plan

The County follows the provisions of GASB Statement No. 27, *Accounting for Pensions for State and Local Government Employees*, (as amended by GASB 50) with respect to the employees' retirement funds.

A. Plan Description

The County contributes to the New Hampshire Retirement System (NHRS), a cost-sharing multiple-employer contributory defined benefit pension plan. NHRS provides service, disability and death, and vested retirement benefits to plan members and beneficiaries. NHRS is administered by a 13-member Board of Trustees. The Board of Trustees formulates administrative policies and procedures and authorizes benefit payments to members and their beneficiaries. The NHRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301-8507.

B. Funding Policy

Sheriff's deputies and correctional officers plan members and all other employee plan members are required to contribute 11.55% and 7%, respectively, of their annual covered salary and the County is required to contribute at an actuarially determined rate. The current rate for sheriff's deputies and correctional officers is 19.95% of annual covered payroll. The current rate for all other employees is 8.80% of annual covered payroll. The contribution requirements of plan members are fixed by statute. The County's contributions to NHRS for the years ended June 30, 2012, 2011, and 2010 were \$ 1,329,923, \$ 1,161,818, and \$ 1,109,401, respectively, equal to the required contributions for each year.

The payroll for employees covered by the System for the year ended June 30, 2012 was \$ 11,768,828. In accordance with State House Bill 2, the provision in RSA 100-A:16 requiring State contributions has been eliminated as of July 1, 2011. Contribution requirements for the year ended June 30, 2012, were as follows:

County contributions	\$ 1,329,923
Employees' contributions	<u>934,879</u>
Total	<u><u>\$ 2,264,802</u></u>

14. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

15. Beginning Fund Balance Restatement

The beginning (July 1, 2011) balances of the County have been restated as follows:

	<u>Governmental Funds</u>				<u>Business-Type Activities</u>
	<u>General Fund</u>	<u>Jail Construction Project Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>	<u>Nursing Home</u>
As previously reported	\$ 6,580,353	\$ 15,030,866	\$ 4,889	\$ 21,616,108	\$ -
Reclassification of Nursing Home from an enterprise fund to a governmental function	<u>(426,785)</u>	<u>-</u>	<u>-</u>	<u>(426,785)</u>	<u>-</u>
As restated	<u>\$ 6,153,568</u>	<u>\$ 15,030,866</u>	<u>\$ 4,889</u>	<u>\$ 21,189,323</u>	<u>\$ -</u>

16. Implementation of New GASB Standards

The GASB has issued Statement 68 Accounting and Financial Reporting for Pensions, which is required to be implemented in fiscal year 2015. Management's current assessment is that this pronouncement will have a significant impact on the County's financial statements by recognizing as a liability and expense, the County's applicable portion of the New Hampshire Retirement System's actuarially accrued liability.

COUNTY OF GRAFTON, NEW HAMPSHIRE
SCHEDULE OF FUNDING PROGRESS
REQUIRED SUPPLEMENTARY INFORMATION

June 30, 2012

(Unaudited)

Other Post-Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit Cost (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent- age of Covered Payroll [(b-a)/c]
7/1/2008	\$ -	\$ 8,798,701	\$ 8,798,701	N/A	N/A	N/A
7/1/2010	\$ -	\$ 13,135,173	\$ 13,135,173	N/A	\$ 10,100,140	130%

See Independent Auditors' Report.