

Grafton County New Hampshire



Annual Report
Fiscal Year 2017
July 1st, 2016—June 30th, 2017

3855 Dartmouth College Hwy.
North Haverhill, NH 03774

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
ALTERNATIVE SENTENCING
HUMAN SERVICES
REGISTRY OF DEEDS
INFORMATION TECHNOLOGY
DEPARTMENT OF MAINTENANCE



FOR THE FISCAL YEAR COVERING
JULY 1, 2016 ~ JUNE 30, 2017

Dedication of the Annual Report
The
Grafton 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

Bev McKinley

Enfield, NH

Nominated By: Commissioner Wendy Piper, Dist. 1

Dave Wentworth

Franconia, NH

Nominated By: Commissioner Linda Lauer, Dist. 2

Alden Lewis "Skip" Van Sickle, Jr.

Holderness, NH

Nominated By: Commissioner Omer Ahern, Jr., Dist. 3



Bev McKinley

I am very pleased to dedicate the Fiscal Year 2017 Annual Report to Bev McKinley of Enfield. Bev is a life-long resident of the Upper Valley who has worked for years to help the area's homeless population. Back in 2013, after donating a couple of sleeping bags to The Haven homeless shelter, Bev got the idea that a greater effort was needed. She then started "Silent Warriors," a grassroots organization that collects and distributes sleeping bags, tents, and personal hygiene items to the homeless. Bev explains that such items are not available through any governmental agency; homeless residents are entirely dependent on donations. In addition to founding "Silent Warriors," Bev was a member of the 2016 Lebanon "Coalition to End Homelessness." Bev said that her main concern in joining the task force was to correct stereotypes of the homeless. "They're not lazy, they're not filthy. Most are in this position due to circumstance." Additionally, she stated, the "state does not provide the mental health support" that it used to. Through her work Bev hopes to change perceptions of the homeless and give Upper Valley residents and stakeholders a "view of what [this population is] facing." This spring, Bev became a Red Cross NH Hero Award Recipient, and "Silent Warriors" has been recognized by a NH State Senate Resolution for its support of homeless residents. Bev envisions for the future a homeless facility located in Lebanon that would provide first-floor space for lockers, and second and third floor space for skills training and a warming shelter. She works with area shelters, agencies, and social workers to provide support for the homeless wherever that support is needed.



Dave Wentworth

District 2 Commissioner Linda Lauer is pleased to recognize Sugar Hill Police Chief Dave Wentworth for his many years of dedicated service to his community. Chief

Wentworth was hired in 2003 by then-Police Chief Jose Pequeno, and stepped in as acting Chief when Chief Pequeno was sent to Iraq with the NH Army National Guard. In August 2007, after Chief Pequeno's debilitating injuries prevented his return, Sgt. Wentworth was promoted to Sugar Hill's Police Chief. Since then, Chief Wentworth has frequently used some of his personal vacation time to assist former Chief Pequeno and his family, including a visit to their home in Florida earlier this year.

Chief Wentworth goes above and beyond to assist Sugar Hill residents and local businesses. He instituted a welfare check program for residents that live alone - a welfare check that is much more like a visit. He knows most Sugar Hill area residents by name and many count him as a good friend, knowing that he is always just a phone call away.

Chief Wentworth works closely with the school community, both at Lafayette Regional (K-6) and Profile Regional (7-12). Bike safety, reading to the children and lunch at school are just some of the activities that bring him closer to the students. At Profile High School, Chief Wentworth has been an exceptional mentor to young men and women interested in law enforcement. He spearheaded an internship program in Sugar Hill as well as mentoring and supporting Franconia's program. In the process of building this successful program, Chief Wentworth created a rigorous interview protocol and designed a diverse internship experience. He molds his focus to the

needs and interests of each intern and works closely with the Profile staff.

Chief Wentworth has many years of community service with the *Above the Notch Humane Society* not only as a volunteer but as a board member and past president. His expertise in handling dogs was an asset as he dealt with cruelty and abandonment calls. He gave freely of his personal time to drive dogs to where they needed to be. His sensitivity enabled him to assist people through the hard issues, like surrendering an animal.

Chief Wentworth's love for the community and area is evident by his participation in the annual *Special Olympics Law Enforcement Torch Run* and by his participation in many local non-profit events, including being dunked in ice water for the *ALS Ice Bucket Challenge*. Most of the community is unaware of all he does because he does it quietly behind the scenes.

The Grafton County Commissioners would like to express their sincere congratulations and thank you to Chief Wentworth for all that he has done to make his community a better place for all of us to live, work and play.



"Skip" Van Sickle Jr.

A Iden Lewis "Skip" Van Sickle, Jr., of Holderness, a true Patriot, and a longtime community activist, Skip served as a Holderness Town Selectman and as a member of the Holderness Budget Committee. Skip served as a member of the Holderness Fire Department for 35 years (and for whom he built the Fire Dept's "Rescue Boat" for use on Squam Lake). Skip served his broader community as a Plymouth Rotarian for over 33 years, where he served multiple times as Club President and was active in membership development. Skip, through Rotary, helped to raise hundreds of thousands of dollars over the years, for student scholarships, international relief causes, Homeless shelters, "youth at risk" programs, to name just a few, Skip truly exemplified the Rotary Motto of "Service Above Self". Skip was a member and one time president of the NH Marine Dealer's Assoc. As an avid outdoors man, Skip was a great supporter of the "Circle Program" for which he would organize annual "Rotary Work Days" at the "Circle Camp" on Spectacle Pond in Hebron, and most recently, Skip served with other community leaders in working to improve our local environment and the Pemigewasset River as a member of the "Friends of the Pemi - Livermore Falls Chapter.

Skip's positive "can do" attitude, as best expressed by two of his favorite phrases - "Get 'er done!" and "Many hands make light work" was a true inspiration to all of us who knew and came into contact with Skip!

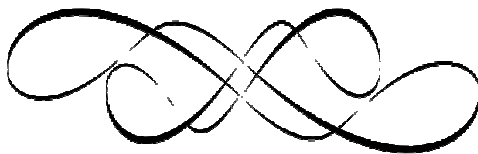
Born in Summit, New Jersey, Skip with his wife, Barbara, and their children, moved to Holderness in 1980, when Skip purchased the Riveredge Marina in Ashland.

After a long and courageous battle with the "big C", Skip passed away at his home on Squam Lake, on May 6, 2017 at the age of 73. Thank you Skip for your service!

Grafton County



A Year of Important Events in Pictures



Pumpkin Day

Grafton County had its annual Pumpkin Day on October 6th 2016. Students from Woodsville Elementary School arrived at the farm where they were met by Farm Manager Donnie Kimball and taken on a tour of the piggery and cow barn. The students were then taken to the pumpkin patch where they could pick out any pumpkin they wanted. Two hay wagons were provided for the kids, their teachers, parents and other volunteers to ride down to the field on. We lucked out with perfect weather and a good time was had by all.



New Hampshire Association of Counties Award Winners



Amy Lynn Kukler was named Nursing Home Employee of the Year
Pictured L to R: County Administrator Julie Libby, Commissioner Linda Lauer, Commissioner Martha Richards, Commissioner George Maglaras, Amy Lynn Kukler and Commissioner Michael Cryans



Dustin Taylor was named County Employee of the Year
Pictured L to R: County Administrator Julie Libby, Commissioner Linda Lauer, Commissioner Martha Richards, Commissioner George Maglaras Commissioner Michael Cryans, Dustin Taylor and Maintenance Superintendent Jim Oakes

New Hampshire Association of Counties Award Winners (continued)



**Michael Cryans was named
County Commissioner of the
Year**

Pictured L to R: County Administrator Julie Libby, Commissioner Linda Lauer, Commissioner Michael Cryans and Commissioner George Maglaras

**Paul Fitzgerald was named
County Attorney of the Year**

Pictured L to R: County Attorney Lara Saffo, Paul Fitzgerald, Commissioner George Maglaras from Strafford County, Commissioner Linda Lauer



Recipients of Last Years Annual Report



Jeff Hastings, Cathy Bentwood & Dave Harkless

Swearing in of Elected Officials January 2017



L to R: Lara Saffo - County Attorney, Omer C. Ahern Jr.- Commissioner, Doug Dutile - Sheriff, Paul Mirski - Register of Probate, Judge MacLeod, Kelley Monahan - Register of Deeds, Linda D. Lauer- Commissioner, Wendy A. Piper - Commissioner

Employee Recognition Dinner

The Grafton County Commissioners hosted an Employee Recognition Dinner to recognize those employees who have reached milestone marks in their length of service to Grafton County and received a service pin for 2016. The Dinner was held at the Happy Hour Restaurant in Wells River, VT on November 17th, 2016 . The following employees were recognized for their years of service to Grafton County.

5 Years of Service

Kelley Monahan
Michelle Golden
John Bell
Paul Smith
Sam Clough
Sandra Balch
Ben Irwin
Joseph Konicki
Robert Belanger
Anthony Griffin
Thomas Fadden
Sarah Brooks
Dale Paronto
Bryant Williams
Nicole Wyman
Michael Bowling
Shannon Berry
Janet Muir
Kristianne Pinard
Kim Butson
Stanley Tatro
Denise Roy
Kim Bullard

10 Years of Service

Byron Aldrich
Nancy Clement
Kevin Van Norden
Michael Weden
Philip Smith
Scott Pinson
Deborah Stimpson
Ray Garcia
Erin Stimpson
Marcia Zuraw
Jennifer Gilding
Lisa Mattoon

15 Years of Service

Pam Gilbert
Robert Dupuis
Richards Ruggles
Tom Elliott
Harvest Fisher
Jacqueline Webster
Daniel Webster
Cathleen Thompson

20 Years of Service

Karen Clough
Roland Chierichtti
Tanya Locke
Barbara Trapletti
Laurie Rock

25 Years of Service

Julie Libby
Doug Dutile
Anthony Stiles
Thomas Andross

30 Years of Service

Nancy Bishop
Troy McKean

31 Years of Service

Beth Wyman

32 Years of Service

Roberta Aldrich

35 Years of Service

Donnie Kimball
Richard Greenwood
Anna Heath

36 Years of Service

Catherine Hall

38 Years of Service

Doreen Moody

40 Years of Service

Cindy Putnam

42 Years of Service

Paul Aldrich

43 Years of Service

Mary Lee Vigent

45 Years of Service

Barbara Dutile

Employee Recognition Dinner Cont.



5 Years of Service



10 Years of Service



15 Years of Service



20 & 25 Years of Service

Employee Recognition Dinner Cont.



30-35 Years of Service



36-45 Years of Service

Biomass Plant Dedication

On December 8th, 2016 the Grafton County Biomass Plant was dedicated to Commissioner Martha Richards in recognition of her dedication and pursuit of Alternative Energy Sources for the Grafton County Complex.



In September of 2006, Grafton County introduced the Prescription Discount Card for all Grafton County Residents. The card can be used for Pre-

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

Spend less
on your prescriptions

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



FREE enrollment for residents

Average savings of 22%!*

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

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



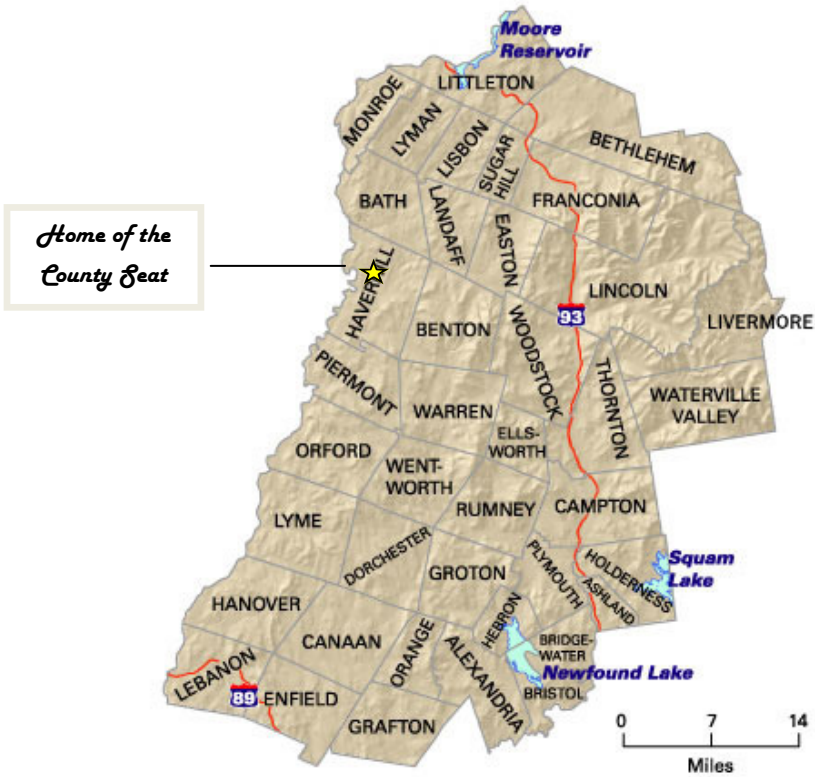
For more information, call **1-877-321-2652** or visit **caremark.com/naco**

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

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.

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Towns in 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, Thornton, Waterville Valley and Woodstock
- 3.) Alexandria, Ashland, Bridgewater, Bristol, Campton, Canaan, Dorchester, Ellsworth, Grafton, Groton, Hebron, Holderness, Orange, Plymouth, Rumney, Warren, and Wentworth

COMMISSIONERS' REPORT FISCAL YEAR 2017

We are pleased to present the following reports and financial statements for the period of July 01, 2016 – June 30, 2017. 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 2017 in good shape. Our revenues exceeded our expenses by \$681,482. The total revenue received for the fiscal year was \$40,837,840. The total expended was \$40,156,358 with \$23,985,628 being raised in County taxes. We had anticipated that we would see our fund balance begin to recover with the nursing home renovation project complete and the census back up to normal levels and that did happen.

As we began the budget process for FY 2018, we were met with the ever challenging task of finding balance between providing services and trying to minimize the impact on the taxpayer. The FY 2018 budget saw a 5.05% increase in expenditures with the total budget being \$43,012,252. The total amount to be raised by taxes for the year is \$25,077,129, an increase of 4.55% from the previous year.

The Human Service budget is comprised of funds that the county is statutorily obligated to pay to the State of New Hampshire for long term care and home and community based care services for the elderly who are eligible in the county. Our obligation is set by a “cap” that is established by the State of New Hampshire and then each county pays a percentage of the cap based on their elderly population. In fiscal year 2018 Grafton County’s share of that “cap” is budgeted at \$6,989,231, which is an increase of \$137,044 from fiscal year 2017.

There was a 2.00% cost-of-living adjustment for employees. Due to the growing cost of health insurance, the county made some changes to the insurance coverage for employees for fiscal year 2018. The

Employer Contribution rates to the NH Retirement System increased effective July 1st.

There were several new positions added in the FY 18 budget. The County Attorney's office received a new FT Administrative position as well as two (2) new full time Assistant County Attorney positions (one of which will begin January, 2018.) The Register of Deeds will have a new full time position that will begin in January, 2018 as well. The last new position included with this budget was a Drug Court Coordinator position. The County now receives funding from the State of NH for our Drug Court and as a requirement for the funding, we must have a Drug Court Coordinator. The position is 100% funded by the State.

The budget also has an increase in capital project expenses. During fiscal year 2017 it was identified that the county's sewer line was going to need to be replaced. The total estimated cost for the project is \$210,000 which has been broken down into two (2) phases during fiscal years 2018 and 2019.

Fortunately, we did see some increases in revenues as well to offset some of the increases in expenses. It was a challenge as it is every year.

In October, 2016 the County refinanced the "callable" portion of the jail construction bonds. The bond refinancing was very successful. The bonds were sold on October 4th and the closing was October 14th. The final savings to the county will be: \$875,593.07. This savings will be realized over the remaining 15 years of the bonds with the largest savings occurring in fiscal year 2017. The savings in the current fiscal year will be \$341,174.30

On October 27, 2016 the Commissioners honored former Superior Court Judge Jean Burling by naming Courtroom #2 at the Grafton County Superior Court the "Jean K. Burling Courtroom." Judge Burling was the first judge for the Grafton County Drug Court and was very dedicated to the program.

On November 17, 2016 the County held its first annual Employee Recognition Dinner. The dinner was held to recognize employees

who had reached 5, 10, 15, 20, 25, 30 and over 30 years of service in 2016. The dinner was a huge success and the Commissioners hosted approximately 90 guests and honored 65 employees. We are looking forward to continuing that tradition and recognizing our dedicated employees as they reach milestones in their employment at Grafton County.

On December 8th, 2016 the Grafton County Biomass Plant was dedicated to former Commissioner Martha Richards in recognition of her dedication and pursuit of Alternative Energy Sources for the Grafton County Complex.

On December 14th, 2016 the Commissioners dedicated the Lobby at the Department of Corrections to former Superintendent Glenn Libby in recognition of his leadership and dedication in the pursuit of the construction of the new Correctional facility.

During fiscal year 2017 there was a change in Elected Officials at the County. Long time Commissioner Michael Cryans decided to pursue other avenues and chose not to run for re-election. Several term Commissioner Martha Richards made the decision to retire after completing her term. This left two (2) open seats on the Board. In addition, County Treasurer Bonnie Parker also decided not to run for re-election. In January, Commissioner Omer C. Ahern, Jr. from Plymouth was sworn in to replace Commissioner Richards and Commissioner Wendy A. Piper from Enfield was sworn in to replace Commissioner Cryans. Karen Liot-Hill from Lebanon was sworn in as the newly elected Treasurer.

We would like to thank former Commissioner Cryans, Commissioner Richards and Treasurer Parker for their many years of dedicated service to Grafton County and wish them well in all future endeavors.

Fiscal Year 2017 saw a continued savings from the Woodchip Biomass Heating system for the Complex. The plant is used for heating the majority of our buildings with the only large building not utilizing the system being the Correctional facility, which is heated and cooled with a geothermal system that was put in at the time of construction. All the domestic hot water needs for the Correctional

facility come from the biomass plant. We are very happy that we are consuming less fossil fuels and saving money at the same time!

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 \$792,990.01. Getting enrolled in the program is simple and free – 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 Sheraton Harborside in Portsmouth, NH on September 21 - 24, 2016. During the conference, Nursing Home Social Service Assistant, Amylynn Kukler, was recognized as the County Nursing Home Employee of the Year; Skilled Maintenance Assistant, Dustin Taylor, was recognized as the County Employee of the Year; Deputy County Attorney, Paul Fitzgerald, was recognized as the County Attorney Employee of the Year; and former Commissioner, Michael Cryans, was recognized as the County Commissioner of the Year. Congratulations to all 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 trying to balance that with a stable tax rate. This is always a challenge as we struggle with diminishing revenues and expenses that continue to grow. We were extremely pleased with the work of our department heads this year who brought forward budget requests that were reasonable. We appreciate all the hard work that these people do on a daily basis.

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 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.co.grafton.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, who assist in county operations. ***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:

Linda D. Lauer, Chair (District 2)

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

Wendy A. Piper, Clerk (District 1)

GRAFTON COUNTY
ELECTED AND APPOINTED OFFICIALS
JANUARY 1, 2017 ~ JUNE 30, 2017

COMMISSIONERS

Wendy A. Piper, District #1 - Enfield
Linda D. Lauer, District # 2 – Bath
Omer C. Ahern, Jr., District #3 - Plymouth

COUNTY ADMINISTRATOR

Julie L. Libby

TREASURER

Karen Liot Hill

COUNTY ATTORNEY

Lara Saffo

COUNTY SHERIFF

Douglas Dutile

REGISTER OF DEEDS

Kelley Monahan

CLERK OF COURT

David P. Carlson

JUDGE OF PROBATE

Hon. Thomas A. Rappa, Jr.

REGISTER OF PROBATE

Paul Mirski

ADMINISTRATOR, NURSING HOME

Craig Labore

SUPERINTENDENT, CORRECTIONS

Tom Elliott

MANAGER, COUNTY FARM

Donald Kimball

SUPERINTENDENT, MAINTENANCE

Jim Oakes

HUMAN RESOURCE DIRECTOR

Karen Clough

INFORMATION TECHNOLOGY MANAGER

Brent Ruggles

ALTERNATIVE SENTENCING DIRECTOR

William Gilding

MEDICAL DIRECTOR

Sandeep Sobti

AUDITORS

Melanson, Heath, Manchester, NH

**GRAFTON COUNTY DELEGATION
JANUARY 1, 2017 ~ JUNE 30, 2017**

District #1

Erin Hennessey, Littleton
Linda Massimilla, Littleton

District #2

Skylar Boutin, Lisbon

District #3

Vicki Schwaegler, Orford

District #4

Rick M. Ladd, Haverhill

District #5

Bonnie Ham, North Woodstock

District #6

Kevin Maes, Rumney

District #7

Tiffany Johnson, Campton

District #8

Steven Rand, Plymouth
Travis Bennett, Plymouth
Suzanne J. Smith, Hebron

District #9

Robert Hull, Grafton

District #10

Roger Dontonville, Enfield

District #11

Timothy Josephson, Canaan

District #12

Mary Jane Mulligan, Hanover
Patricia C. Higgins, Hanover
Sharon Nordgren, Hanover
Polly Campion, Etna

District #13

Susan W. Almy, Lebanon
George E. Sykes, Lebanon
Richard Abel, Lebanon
Andrew A. White, Lebanon

District #14

Brad Bailey, Monroe

District #15

David Binford, Orford

District #16

Duane Brown, Wentworth

District #17

Stephen Darrow, Grafton

GRAFTON COUNTY BUDGET
EXPENDITURES: JULY 1, 2016 – JUNE 30, 2017

Administration & Treasurer	\$364,652.00
County Attorney	\$1,120,652.00
Victim/Witness Advocate	\$261,655.00
VAWA Grant	\$109,400.00
Alternative Sentencing	\$678,991.00
Medical Referee	\$42,500.00
Delegation Expenses	\$10,000.00
Register of Deeds	\$461,055.00
Human Resources	\$85,519.00
Information Technology	\$368,497.00
Sheriff's Department	\$1,511,241.00
Dispatch	\$1,122,201.00
Maintenance	\$1,304,978.00
Human Services	\$6,988,367.00
GCEDC	\$50,000.00
Extension	\$301,447.00
Social Svc	\$505,923.00
Interest	\$1,135,589.00
Payment on Bonds & Notes	\$2,395,000.00
Tax Anticipation	\$7,500.00
Capital Outlay	\$276,527.00
Wage/Benefit Adjustment	\$170,723.00
Contingency	\$26,500.00
Unemployment	\$20,000.00
Nursing Home	\$15,320,089.00
Jail	\$5,652,289.00
Farm	\$577,515.00
Conservation Dist.	\$73,923.00
North Country	\$1,457.00
TOTAL EXPENSES	\$40,944,190.00
LESS REVENUE	\$16,016,713.00
LESS SURPLUS TO REDUCE TAXES	\$1,030,000.00
TRANSFER TO CAPITAL RESERVE	\$(88,152.00)
AMOUNT TO BE RAISED BY TAXES	\$23,985,629.00

GRAFTON COUNTY BUDGET
REVENUE: JULY 1, 2016 – JUNE 30, 2017

County Nursing Home	\$12,487,857.00
County Jail	\$220,531.00
County Farm	\$522,761.00
Building Rental	\$318,840.00
Register of Deeds	\$921,000.00
Human Services	\$75,000.00
Sheriff's Dept Fees	\$448,400.00
Sheriff's Dispatch	\$631,524.00
Extension Svc	\$5,000.00
Misc. Revenue	\$133,000.00
Interest Earned	\$25,300.00
Federal in Lieu of Taxes	\$90,000.00
Alternative Sentencing	\$7,500.00
Victim/Witness Advocate Grant	\$50,000.00
Circuit Court Prosecution Grant	\$30,000.00
Prosecutor Grant	\$30,000.00
Abandon Property	\$20,000.00

TOTAL REVENUE **\$16,016,713.00**

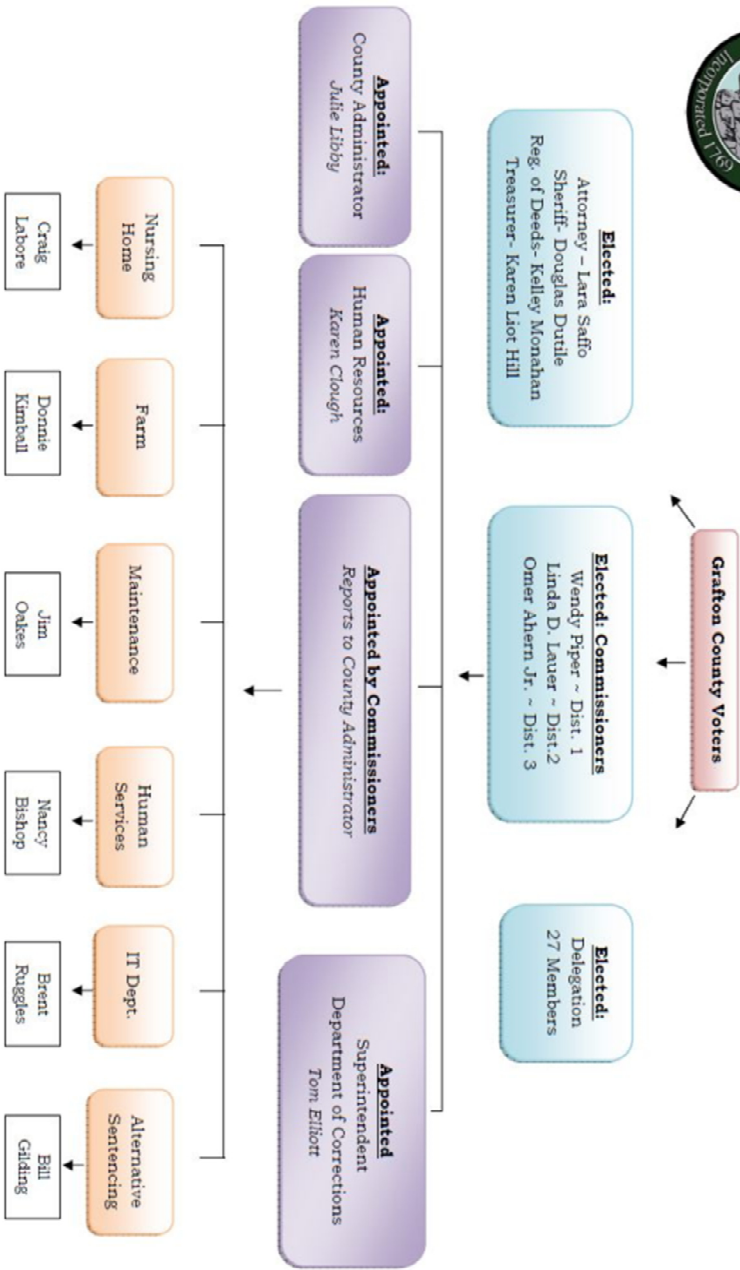
DELEGATION EXPENSES
JULY 1, 2016 – JUNE 30, 2017

Andy White	\$157.50
Bonnie Ham	\$51.75
Brad Bailey	\$25.00
David Binford	\$306.28
Duane Brown	\$139.60
Edmond Gionet	\$114.80
Eric Johnson	\$65.66
Erin Hennessey	\$305.22
George Sykes	\$786.00
Kevin Maes	\$483.14
Linda Massimilla	\$155.75
Mary Cooney	\$68.20
Mary Jane Mulligan	\$93.87
Miscellaneous	\$43.80
Patricia Higgins	\$89.96
Polly Kent Campton	\$575.96
Richard Abel	\$372.39
Rick Ladd	\$91.15
Robert Hull	\$84.92
Roger Dontonville	\$101.36
Sharon Nordgren	\$129.92
Skylar Boutin	\$39.45
Stephen Darrow	\$888.60
Steve Rand	\$90.66
Susan Almy	\$75.00
Susan Ford	\$48.76
Suzanne Smith	\$572.52
Timothy Josephson	\$131.70
Travis Bennett	\$50.00
Vicki Schwaegler	\$344.61
Wendy Piper	\$96.37

TOTAL EXPENSES	\$6,579.90



Grafton County Organizational Chart



REPORTS FROM THE
DEPARTMENTS

GRAFTON COUNTY TREASURER

Karen Liot Hill

Annual Report Fiscal Year 2017

Grafton County tax collections from all the towns and the City of Lebanon amounted to \$23,985,628 in fiscal year 2017 with all taxes collected.

The Treasurer was authorized to borrow up to \$9,000,000 in Tax Anticipation Notes during fiscal year 2017. Funds were borrowed in August, 2016 at a rate of .95%. As a matter of practice, the County only draws on funds as necessary thus paying less interest. The County borrowed a total of \$8,000,000 and accumulated a total of \$14,439.41 interest that was paid back in December, 2016 after tax collections.

All funds left over from payment of debt owed by the county are invested in banks in Grafton County with consideration to obtaining the most favorable yield, assuring security, and maintaining liquidity of county funds.

Total interest earned in fiscal year 2017 was \$33,618.77, which exceeded budget projections by \$8,318.77.

In addition to the tax revenue investments, The Nursing Home Capital Reserve account, Sheriff's Dispatch Capital Reserve account and the Register of Deeds Surcharge account are invested at the best rates possible while maintaining liquidity as needed.

It is an honor to serve as Treasurer for the residents of Grafton County.

Respectfully submitted,

Karen Liot Hill

Grafton County Treasurer

GRAFTON COUNTY ATTORNEY

Lara Joan Saffo

Annual Report Fiscal Year 2017

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 Paul Fitzgerald. Grafton County's Assistant County Attorneys are John Bell, Mariana Pastore, Tara Heater, Viktoriya Kovalenko, Nicholas Chong Yen and Lise Solbeck. Office Administrator Alison Farina, Assistant Office Administrator Christine Ash, and Legal Assistants Laura Kelley, Debra Belyea and Toni Mayo and Case Intake, Gretchen Moulton, along with Victim/Witness Assistant/file clerk Stacey Cass continue to serve as staff to the office.

Prosecuting felony cases is the primary function of the county attorney's office. The greatest portion of attorney and staff time is focused on litigation, and the office is equipped to meet this challenge. During the fiscal year, the office opened 1059 case files and represented the citizens of Grafton County in thousands of scheduled court appearances. Additional cases were reopened for probation violations.

The special services investigator, Wayne Fortier, played an instrumental role in developing cases for prosecution, assisting law enforcement with his expertise, 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. Grafton County's two victim/witness coordinators are Carin Sillars and Sabra Stephens. They are assisted by Gretchen Moulton and Stacey Cass, who also serves as our victim/witness assistant for domestic violence and sexual assault cases in Circuit Court.

As county attorney, I cannot express my appreciation enough for the dedication and hard work of all of the above. Our busy caseload is

combined with numerous important public safety initiatives. In addition, new legislation changed how felony cases are processed in the court system. This resulted in additional work, as the county attorneys are now involved at arrest, as opposed to the previous system where we became involved later in the court process. All members of the office work incredibly hard to accommodate this increase in work and caseload. I am honored to work with the team at the Office of the Grafton County Attorney.

Grafton County continues to actively participate in the continued success of the Grafton County Drug Court Sentencing Program. We also continue to support Mental Health Courts and hope they expand to include felony level mental health court in Grafton County. We are proud to report that Mental Health Courts works closely with veterans services so we can better serve our veterans, and that Grafton County has diversion services for juveniles and adults. We hope to see these initiatives expanded, and well as increased sentencing options for non- violent defendants with significant addiction issues.

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) continue a misdemeanor level circuit court domestic violence and sexual assault Victim/Witness Program and (4) finance a full time adult sexual assault investigator and part time prosecutor consultant for 6 of New Hampshire's rural counties, including Grafton County.
- 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 Sexual Assault Resource Teams. Grafton County now has the Plymouth Area Sexual Assault Resource Team (PASART), the Upper Valley Sexual Assault Resource Team, and the Haverhill Area Sexual Assault

Resource Team. This year we look forward to expanding this initiative to the Littleton area. This initiative results in collaborations between the various agencies serving adult victims of sexual assaults. Among other things, SARTs offers free training in the areas of domestic violence, sexual assaults, stalking, human trafficking and strangulation. SARTs also formally evaluate cases after the criminal prosecution is completed, with an eye on improving services in the future.

- The creation of a drug unit in the Office of the Grafton County Attorney, that works closely with the new drug unit at the NH Attorney General's Office. We look forward to establishing a parallel unit for sex based crimes.
- Participation in the Internet Crimes Against Children Task Force and other cybercrime initiatives, including the continued development of expertise in the ever changing field of cybercrime.
- The development of training opportunities for prosecutors and law enforcement.

The Grafton County Attorney's Office thanks the County Delegation and Grafton County Commissioners Linda Lauer, Omer Ahern, Jr. and Wendy Piper. Their hard work and 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 wishes to dedicate its annual report to the members of law enforcement in Grafton County for their efforts and dedication to their profession. We cannot thank them enough. We also wish to dedicate this report to our Office Administrator, Alison Farina, for her efforts and dedication. All of their hard work on behalf of the citizens of Grafton County is greatly appreciated.

Respectfully submitted,
Lara Joan Saffo
Grafton County Attorney

GRAFTON COUNTY SHERIFF'S DEPARTMENT

Sheriff Douglas R. Dutile

Annual Report Fiscal Year 2017



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 2017. This year marks my 6th term as your sheriff, 11 years. I am proud to represent the Citizens of Grafton County and look forward to future terms. Together, we can meet any challenges that come our way.

One of the many issues taxing our society and the Sheriff's Department is Mental Illness, We are still managing this challenge. The Sheriff's Department is tasked with moving these Patients to these special care facilities. These facilities are as far as Portsmouth, and as close as Franklin.

Our staff continues to meet the challenges of an ever changing society. Heroin, Opiate, prescription drug use and abuse are still trending in our communities. It has been labeled an epidemic. Now this drug has become an officer safety issue with it being air born and absorbed through the skin. Along with this trend, comes burglaries and petty thefts/property crimes, and death not to mention the physical and the mental health problem that our state is dealing with. These problems and issues seem to have a direct relationship to the opiate issues in the County and State.

We stay very vigilante on investigating jail related crimes, sex crimes like child pornography. We are very active in a state wide program called, ICAC (Internet Crimes Against Children) and with the assistance of the County Attorney we are prosecuting these crimes against children. We still stay very active in jail related crimes, and investigate all issues and criminal acts that occur on county property.

We remain ever diligent in the fight on crime, and to stay current with the aforementioned changing society.

As always, the majority of the Sheriff's Department activities are mandated by law, including prisoner transports and the movement of acute mentally ill subjects to the proper medical institution, (IEA's). Other responsibilities includes security ordered by the justices of the Superior and Circuit Courts,

apprehension of persons wanted by the courts, and the service of civil process.

All these activities continue to demand the majority of our staff time and resources.

On a final note, The Grafton County Sheriff Department would like to mention the retirement of two of long time county employees. Captain Chad Morris and Deputy Norm Willey.

We wish them well in there retirement, and hope the new chapter in there lives is as successful as their career with the Sheriff's Dept.

All Sheriff's Department Deputies, Court Officers, Communication's Personnel, and Office Staff are dedicated and committed in providing the highest quality of service to our Citizens of Grafton County. I would like to express my sincere appreciation to the entire staff for their loyalty, support and dedication.

I would like to thank County Administrator Julie L. Libby, 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 HUMAN SERVICES

Nancy Bishop

Annual Report Fiscal Year 2017

To the Honorable Commissioners of Grafton County:

In FY 17, Grafton County Human Services continued to monitor the county's liability for Long Term Care Medicaid payments to NH Department of Health & Human Services (DHHS), provide input on legislative issues, coordinate the Social Services Grants and network with community agencies and services.

Grafton County's statutory CAP obligation for Long Term Care Services, set according to RSA 167-18-a, was \$6,852,187. This is a decrease of \$154,020 from FY16 levels.

The average number of recipients per month the county reimbursed to DHHS for Nursing Care Services was 221 at a total cost to the county of \$5,059,240.

The average number of recipients per month the county reimbursed to DHHS for Home & Community Based Care Services (AKA: Choices for Independence) was 190 at a total cost to the county of \$1,794,608.

Please refer to the chart on the next page for a breakdown of payments by town. The totals include adjustments for Estate Recovery credits of \$83,779, which represents an increase over FY16 credits.

With the projection of the County's growing elder population it has become apparent that action must be taken to keep our elder population safe, healthy and independent for as long as possible. This year, Nursing Home Administrator Labore and I began work on a demonstration project in collaboration with Grafton County Senior Citizens Council and Dartmouth Hitchcock. It was our hope to create a model whereby providing technology to track medical conditions and home visits we could assist a rural, frail, elderly person remain independent longer. Unfortunately, due to reorganization at Dartmouth Hitchcock, the technology piece of our model was shut down and the project was terminated. We look to the passage of

SB155 this session which gives the counties in New Hampshire the ability to research and develop alternatives for providing care to our elder population.

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

Respectfully submitted,

Nancy J. Bishop

Director

FY 2017 Long Term Care Medicaid Reimbursements to NH DHHS

TOWN	INC	#	HCBC	#	TOWN
	PAYMENTS	Cases	PAYMENTS	Cases	TOTAL
ALEXANDRIA	\$ 64,806.61	5	\$ 9,025.88	5	\$ 73,832.49
ASHLAND	\$ 79,548.79	9	\$ 64,779.38	9	\$ 144,328.17
BATH	\$ 127,973.31	8	\$ 2,199.76	1	\$ 130,173.07
BENTON	\$ 5,086.36	1	\$ -	0	\$ 5,086.36
BETHLEHEM	\$ 155,171.96	11	\$ 41,230.76	5	\$ 196,402.72
BRIDGEWATER	\$ 14,033.26	5	\$ 10,093.76	2	\$ 24,127.02
BRISTOL	\$ 162,997.79	15	\$ 85,341.53	12	\$ 248,339.32
CAMPTON	\$ 116,482.97	9	\$ 66,980.50	16	\$ 183,463.47
CANAAN	\$ 121,641.63	12	\$ 30,015.33	8	\$ 151,656.96
DORCHESTER	\$ -	0	\$ 20,773.06	3	\$ 20,773.06
EASTON	\$ -	0	\$ 10,214.93	1	\$ 10,214.93
ELLSWORTH	\$ -	0	\$ -	0	\$ -
ENFIELD	\$ 95,887.01	7	\$ 97,736.32	10	\$ 193,623.33
FRANCONIA	\$ 68,164.06	7	\$ 5,306.21	3	\$ 73,470.27
GRAFTON	\$ 123,749.71	9	\$ 55,828.56	7	\$ 179,578.27
GROTON	\$ 19,726.73	2	\$ -	0	\$ 19,726.73
HANOVER	\$ 212,207.91	15	\$ 28,896.62	6	\$ 241,104.53
HAVERHILL	\$ 881,238.25	59	\$ 168,039.85	28	\$ 1,049,278.10
HEBRON	\$ 29,537.97	2	\$ -	0	\$ 29,537.97
HOLDERNESS	\$ 62,369.62	4	\$ -	0	\$ 62,369.62
LANDAFF	\$ 55,698.70	2	\$ 14,192.63	2	\$ 69,891.33
LEBANON	\$ 896,138.70	63	\$ 274,895.41	35	\$ 1,171,034.11
LINCOLN	\$ 207,525.43	12	\$ 18,206.16	4	\$ 225,731.59
LISBON	\$ 311,724.53	14	\$ 138,180.19	16	\$ 449,904.72
LITTLETON	\$ 655,468.00	42	\$ 270,301.78	41	\$ 925,769.78
LIVERMORE	\$ -	0	\$ -	0	\$ -
LYMAN	\$ 5,665.36	2	\$ 178.92	1	\$ 5,844.28
LYME	\$ 46,354.67	4	\$ 13,450.16	2	\$ 59,804.83
MONROE	\$ 40,535.60	3	\$ 12,184.28	1	\$ 52,719.88
ORANGE	\$ 10,951.95	1	\$ 10,012.82	1	\$ 20,964.77
ORFORD	\$ 12,815.84	3	\$ 48,394.18	4	\$ 61,210.02
PIERMONT	\$ 71,783.14	6	\$ 5,601.32	3	\$ 77,384.46
PLYMOUTH	\$ 219,504.18	13	\$ 72,371.96	11	\$ 291,876.14
RUMNEY	\$ 38,532.79	6	\$ -	0	\$ 38,532.79
SUGAR HILL	\$ 11,103.78	1	\$ 10,130.04	1	\$ 21,233.82
THORNTON	\$ 38,973.77	2	\$ 44,988.92	6	\$ 83,962.69
WARREN	\$ 73,327.61	5	\$ 32,796.47	3	\$ 106,124.08
WATERVILLE	\$ 30,345.11	1	\$ 15,320.30	1	\$ 45,665.41
WENTWORTH	\$ 86,563.66	6	\$ 13,770.32	3	\$ 100,333.98
WOODSTOCK	\$ 144,651.38	9	\$ 30,462.05	8	\$ 175,113.43
XXXX *	\$ (251,780.00)		\$ -	0	\$ (251,780.00)
	\$ 5,046,508.14	375	\$ 1,721,900.36	259	\$ 6,768,408.50

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

Key: INC – Nursing Facility Services, Medicaid payments

HCBC – Home and Community Based Care (Choices for Independence), Medicaid payments

GRAFTON COUNTY HUMAN RESOURCES

Karen Clough

Annual Report Fiscal Year 2017

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

It is my privilege to present the following report for Fiscal Year 2017 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.

We currently have approximately 450 employees countywide, as such, continuing our efforts of recruiting new employees and retaining existing staff is essential as our employees at Grafton County are the most valuable resource we have. Our greatest need this past year has been for nursing staff (RN's, LPN's and LNA's). As we endure a national shortage of these types of workers, the Human Resources staff will continue to work diligently on the recruitment for these positions.

June 30, 2017 completed the one year collective bargaining agreement in the Nursing Home and negotiations for a new agreement, at the time of this report, are ongoing. We also negotiated the first contract with the National Corrections Employee Union (NCEU). The NCEU was elected as the employee representative for all full-time Correctional Officers in October, 2016. The term of the contract is three (3) years and will remain in effect until June 30, 2020.

The Wellness Committee continues to promote activity and wellness among our employees through activities such as: the annual wellness fair with representatives from our health insurance and employee assistance program, along with various local vendors and organizations whose goals are to promote health and wellness to

individuals and groups in our community; weekly yoga and core training classes and a variety of other wellness programs throughout the year.

For Fiscal Year 17 we faced an 11.3% increase in premiums if we were to remain with Anthem. Proposals were sought from other providers and in an effort to reduce the increase for the health insurance, a change was made to Harvard Pilgrim Healthcare. Also, for the first time, we decided to offer a second choice for employees of a low cost HMO Harvard Pilgrim plan with a higher deductible and copay. This plan is less expensive to both the employee and the County. The decision is up to the employee based upon their own circumstances. We have had positive feedback from the employees as to the ability to choose.

In an effort to honor our long term employees, the Board of Commissioners' hosted an Employee Recognition Dinner for employees who had reached milestones in the increments of 5 years of service. I would like to thank the Board of Commissioners and the Commissioners' Office Staff for organizing this event. It was very well received and the recognition much appreciated by the employees of Grafton County. We continue to be very fortunate at Grafton County to have many dedicated, long serving employees to successfully deliver all the diverse services provided by the County.

In closing, I would like to thank the HR team, Samantha Lauzon and Nancy Clement, for their contributions to the HR department and Grafton County and for providing excellent service to all our employees. Thank you to the Board of Commissioners, Delegation, and the taxpayers of Grafton County for their continued support.

Respectfully submitted,

Karen Clough
Director of Human Resources

GRAFTON COUNTY HUMAN RESOURCES DEPARTMENT

Statistical Report: July 1, 2016 thru June 30, 2017

Turnover Rate (Calendar year)

	FY17	FY16
All employees (including full-time, part-time, and per diems)	22%	19%

Employee Headcount (as of June 30)

Total # of all employees

470

Total # of full-time employees

283

Total # of part-time and per diem employees

187

Family Medical Leave of Absence (FMLA)

Total number of approved FMLA applications processed in FY17

92

Workers Compensation

Total number of first report of injuries processed in FY17

87

Recruiting

Total number of new employees hired in FY17

100

Separations

Total number of employee separations processed in FY17

89

GRAFTON COUNTY REGISTRY OF DEEDS

Kelley Jean Monahan

Annual Report Fiscal Year 2017

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

This will be my seventh Annual Report and every year, I am rewarded by the value of the role that we play and by the level of service that this office provides to the public. As the world continues to become more complex and confusing, it is very gratifying to have the confidence in our systems and data base to know that we can provide relief to people seeking answers in the form of the Official Public Record.

In September of 2016, I was chosen by our affiliate, the New Hampshire Register of Deeds Association, to speak to the New Hampshire Tax Collectors Association on the role of the office, the history, the foundation and how very fortunate that we are in New Hampshire to have had founders who placed great value on the permanent record of interest in real property. Article 71 of The New Hampshire Constitution addresses the election of County Registers of Deeds. The Registers of Deeds are responsible for protecting the historic documents of the past, providing quality service to the public in the present, and preparing for the technological innovation for the future. It is vital that we have a working relationship with our Town Clerks and that they understand how we are connected.

In January, for the second year in a row, I spent a great deal of time on testimony to the County and Municipal Government Committee of the New Hampshire House of Representatives. I received a unanimous vote of support from the committee to find the bill inexpedient to legislate. I hope that this issue will not surface again. Each County is unique, we inherit a variety of situations from past decisions. The people of the County elects each Register to serve the office, not special interests.

In February, I attended the PRIA/ Property Records Industry Association Winter Conference in Albuquerque New Mexico. PRIA

brings together the lending community, title, technology, and the elected officials. This event brings all interests together to achieve best practice standards as new technology and law meets practical application. E-notary is a subject that is on the horizon. A global time stamp, Greenwich Mean Time has been presented as the best format. We also discussed Block Chain Technology. Block Chain is the foundation of Bitcoin, a de-centralize digital ledger. The State of New Jersey and Cook County, Illinois have already launched this new system of record management. Upon returning, I shared all the information that I had received with the NHRD Association, as I feel it is vital for all 10 Counties of New Hampshire to work together to achieve uniform practices.

Respectfully Submitted,

Kelley Jean Monahan
Register of Deeds

**GRAFTON COUNTY DEPARTMENT OF
INFORMATION TECHNOLOGY**

Brent Ruggles

Annual Report Fiscal Year 2017

Highlights of projects completed this year by the Grafton County Department of Information Technology team included.

- ⤴ **Replacement of 20 PC's at the Department of Corrections**
– 20 new replacement PC's were purchased to replace existing systems. The new PC's are the first PC systems to be running Windows 10 at the county complex. The new operating is extremely more complex than Windows 7.
- ⤴ **Replacement of 7 PC's for the Department of Corrections Security Control System** – 7 new pc's were procured and configured to replace the original pc's that had been in place for 5 years and ran continuously 24 hours a day
- ⤴ **Upgrade of Time Clock System** – The IT Department virtualized a new Server to install a major update to the Time Clock system. This software is now web based and allows employees to clock in from their computer system.
- ⤴ **Continued Hardening of Network Security** – The IT team successfully deployed an additional email security appliance to stop email viruses and filter out unwanted SPAM email. This device has decreased our SPAM by 95% which improves efficiency in communications and reduces wasted space on our Email Server. Additionally this device now allows us to send encrypted email to further protect privacy and maintain security.
- ⤴ **Nursing Home Scanners** – The GC DoIT configured and deployed 7 new scanners to reduce the cost and hassle of handling paper. Documents are now scanned to folders to allow for faster retrieval and avoid the cost of storage in a file cabinet.

- ^ **New WEB Filter and Monitoring System Upgrade** – A new web filter and tracking system was installed to replace an existing older system. This system allows more granular control of access to WEB Sites and additional protection of dangerous WEB sites and is much easier to configure and utilize.

- ^ **Chrome Books for Nursing Home** – 12 Chrome Book laptops were purchased for the Nursing Home LNA Staff to access their new WEB based Resident Care software. The new Chrome Books cost about 20 % of what a Windows Laptop would cost and are very secure and easy to use.

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

The Grafton County Administrator, Julie Libby and the Grafton County Commissioners

The Grafton County Technical Support Team, Barry Page and Joey Riendeau for their dedication, assistance and involvement with all facets of completing this past years IT projects, as well as taking care of our regular day to day IT operations and providing fast response and excellent customer service to our campus departments and employees.

Yours in Service,

Brent Ruggles
IT Manager

Grafton County DoIT
3855 Dartmouth College Highway
North Haverhill, NH 03774
603-787-2043

GRAFTON COUNTY MAINTENANCE

James C. Oakes

Annual Report Fiscal Year 2017

This year's report just summarizes the major milestones and projects completed this year. Due to the lack of space, lesser tasks, projects and events are not mentioned.

Complex – Force Main Sewage Line Failures – In November a section of force main sewer pipe failed under the Administration Building parking lot, causing sewage water to boil to the surface when the county's pump station pumps ran. Through a blend of in-house staff and contractors, we dug up the parking lot and repaired a section of rotted line. Consultation with the Town of Haverhill Highway Dept. revealed they too experienced 2-3 similar leaks on their portion of the same 37-year old line. Engineers confirmed the corrosion was caused by internal and external sources and agreed and recommended addressing this problem sooner than later. The maintenance department hired Pathways Consulting, LLC to provide a conceptual sewer force main replacement plan and an Engineer's Conceptual Opinion of Probable Cost. Their study indicated it would cost \$209,343 to design and physically replace 1,000 feet of force main. The department received funding for ½ of the project cost for the purpose of hiring an engineering firm to design the new force main and to help pay for some of the early construction costs anticipated to begin in early May 2018. Part of the existing line is within the boundaries of the rail trail owned by the Town of Haverhill and there is no existing easement allowing access for maintenance and repairs. With the town manager's permission, we had the subject area surveyed and are in the process of drafting easement language for the required easement.

Complex LED Lighting Upgrade – Over the past few years the department has progressively transitioned much of the complex's inefficient incandescent and metal halide lighting to highly efficient LED lighting. This year department employees upgraded all the parking lot and entrance drive fixtures and lights, with the exception of the Dept. of Corrections areas. We also transitioned the nursing home, barns and Administration Building exterior lights as well. The material cost for this year's work totaled \$12,650. The calculated

energy savings for the newly installed LED lights will save the county approximately \$2,500 annually. The new LED lights not only cost less to operate but are much brighter than the lights they replaced, improving visibility around buildings and parking lots and enhance safety & security.

Parking Lot Extension & Pavement Repairs – Several parking lot and driveway locations throughout the complex had settled drastically where trench cutting and patching had previously been performed in years past. Investigation revealed the settling occurred due to poor compaction of sub-base materials below the asphalt, which lead to extreme heaving during winter months. Plowing of these areas was not only hazardous to the driver, but it accelerated the wear and tear of pavement, often leaving dislodged chunks in the spring. Of additional concern the nursing home employee parking lot was too small to support winter parking plans and required expansion to support a new drive and 20 additional spaces. To address these issues, the department bid a paving project and the commissioners selected SSXcavating Corporation of Newport, VT to complete the work. This \$40,313 project involved saw-cutting and removal of all the failed sections of asphalt, rebuilding and compacting the sub-base materials where the settling had taken place and laying down a new asphalt base coat to fill the voids. It also involved adding a new drive and 20 new parking spots to the nursing home employee parking lot plus creating a new swale to handle storm runoff from the new parking spaces and drive.

Nursing Home Brick & Mortar Repairs – A few years ago the department began restoring the external facades of the masonry buildings throughout the complex, which were showing wear and tear from years of exposure to the elements. This year the department oversaw the completion of the nursing home, which was the last one to be completed. We bid the project and the County Commissioner’s awarded the work to Mas-Con Corporation from Laconia, NH. The \$76,000 project encompassed:

- Acid washing the entire building
- Replacing broken/spalled bricks
- Repointing areas where mortar had worn away or failed
- Removing failed caulking around windows, doors and control joints and re-caulking all such areas.

- Scrapping, priming and painting steel lintels over windows and doors,
- Sealing the brick and mortar on all facades.

Mas-con Corporation completed the work in several weeks and did a great job blending their areas of work with the existing masonry and making the building water-tight for many years to come.

Nursing Home Electric Beds – As we entered year 3 of the nursing home’s bed replacement project, the department took possession of 35-new beds, bringing the count of new beds to 95 as we moved toward replacing 139 altogether. Much of November and December was spent assembling the new beds and distributing them to the floors for resident use. Of the beds that we removed from service, we stripped them of all serviceable parts to maintain the remaining 44 older style beds that will stay in use until they are phased out over the next 2-years. Prior to implementing this project, annual bed maintenance cost was costing close to \$17,000 per year. Our FY17 bed maintenance cost totaled \$360.

Biomass Lightning & Surge Protection – ACME Lightening Rod, LLC of Bloomfield, CT installed a LPI, UL and NFPA certified lightning protection system at the Grafton County’s biomass plant, costing the county \$7,245 for this project. This system protects the structure, equipment and occupants in the event lightning strikes the building.

Biomass Plant Underground Pipe Failures - Pipes in vaults near the nursing home kitchen and barn failed prematurely due to heavy corrosion. Upon investigation we found salt laden water from plowing had leached into the vaults. Because the salt water had no place to go, it built up and submerged the subject pipes, which subsequently rotted them from the outside in. The department hired Vermont Heating & Ventilation of Winooski, VT to design and replace the bad sections of pipe, which cost the county \$14,413 to complete. To mitigate reoccurrence, the department staff drilled drain holes in the bottoms of each affected structure to allow runoff water to drain through the structure vs. collecting. Periodic inspections after the repairs determined the drain holes worked effectively.

Biomass Plant Fuel Savings – Our FY17 biomass fuel savings were less than last year’s due to another drop in fossil fuel prices in addition to a costly repair to a few underground pipes at two vault locations. In FY17 we burned 1,800 tons of hardwood bole chips costing \$59 a ton, displacing 84,118 gallons of #2 oil at a cost of \$2.15 per gallon and 9,529 gallons of propane at a cost of \$1.17 per gallon. In FY17 the biomass plant saved the county tax payers \$60,078. The cumulative fuel savings since starting up the plant in FY14 has reached \$450,760.

Courthouse Building Automation System (BAS) Upgrade - The Johnson-Controls BAS controlling the courthouse heating, ventilation and air conditioning systems was starting to give us age related issues that required more complicated and expensive solutions to keep it running smoothly. After doing a cost analysis, it made economic sense to replace the front end system vs. doing patch and programming repairs to keep the old system going. This project presented an opportunity to start standardizing the complex’s BAS’s by replacing the courthouse Johnson Controls BAS with a benchmarked system that was working well in the new correctional facility and biomass plant, a shared web-based BAS called Niagara. Additionally, a key Niagara controller had been installed in the courthouse boiler room to integrate with the courthouse boiler system when we tied the biomass boiler system to existing boiler systems in various buildings, including the courthouse. Because of the controller’s location, capacity to support the courthouse requirements and its current integration with the existing Niagara system, it made economic sense to migrate the existing Johnson BAS over to the Niagara BAS completely. Because the original Niagara BAS installers, Controls Technology Incorporated (CTI) of Manchester, NH, had installed the aforementioned BAS, they were a logical choice to do this work at the courthouse, due to their familiarity with the complex, existing systems and programming. With the commissioners approval CTI agreed to do this work for \$15,332. The transition to Niagara went smoothly and the system is working well.

Corn Crib Demolition – Following a heavy rain storm the corn crib’s East foundation failed and collapsed. Upon submission of our claim to the county’s insurer, they sent an engineer to inspect the structure to determine the root cause. The engineer reported the collapsed

foundation wall wasn't designed to hold back the soil load that was against it, thus the collapse was inevitable due to being over-stressed. The engineer concluded it would cost \$10,000 or more to properly construct a new foundation that could withstand the existing soils load. Based on the engineer's findings, the insurer denied the county's insurance claim to repair the wall. Due to the building's degradation, non-use and insignificant historical value, the commissioners agreed with the department's assessment to demolish the structure. Paige Excavating razed the structure, backfilled the foundation to stabilize the slope and seeded and mulched the area, costing the county \$2,170.

Dairy Barn Structural Repairs – Over the years the dairy barn has suffered water intrusion and subsequent damage to its sheathing and structural beams in several locations. On the West elevation of the middle barn, department employees replaced several structural beams, rebuilt a door, reframed a window and installed new sheathing and clapboards. On the North elevation of the South Barn, department staff replaced the entire sill plate, replaced all structural beams in the lower 8-foot of the wall abutting the sill plate, replaced 3-4 tie beams, sheathed the lower 8-feet of wall, installed new clapboards, and primed and painted the entire elevation.

Farm Fuel Tank Project - An environmental engineering review of the farm's existing fuel tank by New Hampshire Dept. of Environmental Services (DES) revealed the farm's tractor refueling tank did not meet environmental standards and fire code. From an environmental standpoint, there was no safeguards to contain potential spills during dispensing operations. To address this problem the department designed a refueling pad with perimeter limiting barriers and a sump, capable of containing up to a 20-gallon spill, and submitted construction plans to DES for review and approval. Once approved we constructed the pad. From a fire code perspective, the existing farm's tank was a UL 142 rated tank with a tank-mounted refueling dispenser. Per Nation Fire Protection Agency code 30A, the only fuel dispensing equipment compatible with this tank was a remotely operated gas pump that must be at least 50-feet from the tank or any buildings. From cost & environmental standpoints, it was not practical to convert the tank to this configuration. We ordered a new UL2085 listed tank that is

designed for tank-mounted fuel dispensing and installed it on the new refueling pad. Doing this work in-house saved the county thousands of dollars vs. contracting it out.

In closing, I thank the County Administrator for her continued support of the department's maintenance initiatives. I thank the County Commissioners and County Delegation for their approval and financial support of those initiatives. I also thank the hard working men and women of this department who give of themselves daily to keep the facility and grounds clean, groomed and well maintained.

Respectfully submitted

James C. Oakes
Maintenance Superintendent

**UNIVERSITY OF NEW HAMPSHIRE COOPERATIVE
EXTENSION**

Heather Bryant

Annual Report Fiscal Year 2017

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.

Our team welcomed a new member this year. Janene Robie was hired in December as a part-time Food and Agriculture Program Assistant coordinating our Master Gardener Volunteer program. She replaced Becky Colpitts who left in September. Janene joined eight staff members including Heather Bryant, Field Specialist for Food and Agriculture; Michal Lunak, State Dairy Specialist; Jim Frohn, Field Specialist for Natural Resources; Geoffrey Sewake, Field Specialist for Community and Economic Development; and Donna Lee, Program Manager for 4-H Youth Development. Lisa Ford is our Extension Teacher based at the Whole Village Family Resource Center in Plymouth, providing nutrition education to at-risk audiences. Kristina Vaughan and Teresa Locke are our support staff and serve as the initial point of contact for walk-in and phone clients.

In September our Food Safety Field Specialist, Jessica Sprague, left to pursue another opportunity, and a search for a new Field Specialist is underway.

Here are some of our noteworthy impacts during the past year:

Geoffrey Sewake and his colleague Casey Hancock successfully completed the Pilot NH First Impressions Program with the Town of Littleton and City of Rochester and have since fully launched the NH First Impressions Program across the state. The program uses a secret shopper visitation model to engage the public, develop community volunteers, create action plans and encourage cross-community collaboration. He will also lead a presentation at the 2017 National Extension Tourism Conference of his work and work done by other universities on the First Impressions Programs. The other universities

involved in the project are the University of Vermont, University of Minnesota, West Virginia University, Michigan State University and the University of Connecticut.

In the Town of Bethlehem, Geoffrey has been implementing the Business Retention & Expansion Program, a program designed to catalyze community volunteers and leadership to develop a community action plan to better meet the needs of the local business community based on their responses to a business survey and interview. Geoffrey expects the surveys and interviews in Bethlehem to be completed sometime in fall 2017.

With assistance from Janene Robie, seven new Master Gardener volunteers completed training in Littleton this spring. Grafton County Master Gardeners held both a fall and a spring garden day to maintain and enhance the Grafton County Complex. Educational activities led by Master Gardener volunteers included an ornamental pruning demonstration, “ask the expert” tables at library sales and local farmer’s markets, library sessions on indoor plants, beekeeping information-sharing sessions, invasive talks, and treatment consideration sessions at local food stores. Volunteers also shared research-based knowledge by conducting garden store educational seminars involving backyard animal care topics and seed starting and transplanting.

The 4-H year has been a busy one for Donna Lee, with the establishment of seven new clubs in Grafton County. Sixteen new leaders attended a group orientation in May, with a large representation from new clubs in Rumney, Lyme, Warren, Bath, and Haverhill. All five towns will be well represented at the North Haverhill Fair in July 2017.

Michal Lunak continued his collaboration with UNH Professor Peter Erickson on a grant funded by Tillotson Charitable Foundation titled “Developing a Dairy Beef Industry in Coös County”. The goal of this project is to evaluate whether it is economically feasible for dairy and cattle farmers to raise dairy beef using shelled corn as a main feed instead of forages. He is working closely with three local farms in the Lancaster and Milan areas. This year, the test and control group steers were marketed through local marketing channels. Collection of steer

marketing data and sales receipts is on-going. The project will be completed by the end of 2017.

Heather Bryant is working with colleagues in ME, NH and VT on a multi-year high tunnel tomato nutrient and pest management study funded by the Sustainable Agriculture Research and Education program of the U.S. Department of Agriculture. The project is specifically looking at potassium levels in the soil and its impact on yield and fruit quality, and uses habitat plants to try to encourage populations of beneficial insects which prey on pests. Once the yield and quality data is taken on the tomatoes, they are donated to area senior centers and nursing homes. The 2016 season saw almost 1,200 pounds of tomatoes donated.

In the past year, Jim Frohn conducted woodlot visits with 48 different landowners or their foresters, covering approximately 7,000 acres. Each client received a report summarizing the key points of the site visit and information on possible next steps in the stewardship of their land. Jim also organized or participated in 18 workshops and presentations, ranging from Agriculture in the Classroom presentations in schools to the Mud Season Breakfast for 120 forestry professionals.

Lisa Ford, Extension Teacher, taught a 6-week educational series that reached over 400 youth with information about food groups, food safety, and physical activity. In the process she also introduced youth to fruits and vegetables with taste tests. These educational series were conducted in a variety of settings throughout Grafton County: school enrichment classes, afterschool programs, and cooking classes. Lisa also taught over 70 adults, parents, and seniors. Class locations varied from senior centers to the grocery store and shelters. In addition to nutrition education, Lisa also taught a Walk with Ease class, a program of the Arthritis Foundation, which provides participants with a six-week course in warming up, stretching, walking and strengthening exercises that can help reduce the pain of arthritis and improve overall health.

Respectfully submitted,
Heather Bryant

GRAFTON COUNTY NURSING HOME

Craig J. Labore, Administrator
Annual Report Fiscal Year 2017

It has been another eventful year here at Grafton County Nursing Home. The fast-paced nature which we work under is due in large part to the continually evolving healthcare environment we work in. Over the past several years, the one constant we have come to rely on is change from the federal government. Discussions of federal healthcare reform and what that means for long term care providers like Grafton County Nursing Home dominated many conversations and meetings throughout the year. Efforts to control costs associated with operating programs like Medicaid have underscored the importance of nursing homes in the provision of care to New Hampshire's most vulnerable population. As federal healthcare reform continues to be discussed it is important that we all stay educated on what changes at the federal level mean to providers and how those changes could impact the provider landscape going forward, especially as New Hampshire faces the pending "silver tsunami."

At the state level, New Hampshire continued its plan to move its Long Term Services and Supports (LTSS) population into the Medicaid Managed Care program. Thanks to a strong legislative advocacy campaign, which the New Hampshire Association of Counties led along with colleagues across the LTSS provider spectrum, we secured a two year delay in the implementation of LTSS services in managed care. This delay afforded the New Hampshire Association of Counties the opportunity to work with the New Hampshire Department of Health and Human Services on studying alternative delivery models for LTSS services that do not solely rely on a managed care model. As of the time of this report, we have begun our conversations with DHHS and intend to have a formal report ready to present to legislative leadership of both the New Hampshire House and Senate by March 2018, which discusses a potential delivery model that will meet the needs of New Hampshire's LTSS population in addition to reforms that the federal government is urging states across the country to move towards.

This past year also saw Grafton County Nursing Home begin operating under a massive regulatory change issued by the Centers for Medicare and Medicaid Services (CMS), which we in the provider field refer to as the “Mega Rule.” This regulatory update was so large, that CMS broke it up into three phases, the first phase taking effect on November 28, 2016. In total, there were 893 pages of regulatory changes, which providers have called the “Mega rule” that encompass the three phases. On June 30, 2017, CMS issued an additional 696 pages of updates. Nursing Home providers are also facing the implementation of substantial life safety code regulatory changes and Emergency Preparedness changes. Regulatory updates like these create many additional duties for us here at GCNH and provide yet another example of just how busy this past year has been for us, and how busy the coming years will be as we implement systems and procedures to remain in compliance with these regulatory changes.

Despite the fast-paced nature of this past fiscal year, our team at Grafton County Nursing Home was able to produce a strong operating year. Thanks to the dedication and commitment to excellence across all Departments, we realized approximately \$700,000 in additional revenue. We were able to maintain a strong census for most of the fiscal year, which is one of the reasons for the increase in revenue.

We experienced our fair share of challenges throughout the fiscal year. Indeed, one of the biggest challenges we faced was a shortage of licensed nurse staffing, both nurses and Licensed Nursing Assistants (LNAs). The state of New Hampshire (and states across the country for that matter) is experiencing a significant nursing shortage that is affecting all sectors of healthcare. Throughout the past year, our nurses and LNAs have worked many hours of overtime to help ensure our residents received the quality of care Grafton County Nursing Home is known for. There were certainly many challenging days throughout the past year, but we are very fortunate to have such dedicated and caring individuals that are part of our team. We were also fortunate to have support from the County Commissioners and County Delegation, allowing the use of contract nursing, which in turn allowed us to staff our shifts to preferred levels, ensuring our residents received the highest level of quality care. We continue to think of new and creative ways to attract and retain staff, such as our

Loan Forgiveness program. There are also efforts underway at the state level to address this shortage through the re-institution of Licensed Practical Nursing (LPN) programs at the Community College level. Unfortunately, despite these efforts, we do not anticipate a resolution to the nursing shortage in the near future.

This year saw the continuation of many events that bring enjoyment to all of us here at Grafton County Nursing Home, residents and staff alike. In August we held our annual Carnival Day event for staff and residents. The event featured carnival food, clowns, music and a dunk tank. Several members of the nursing home management team climbed up to be “dunked.” A special thank you to Abbott Rentals for donating the dunk tank and to Mountain Milk for donating the water to fill the tank. Also a special thank you to the Grafton County Maintenance Department for picking the tank up and dropping it off.

In September, we held our 3rd annual fireworks show. Thanks to some good timing on the part of our Activities staff, we were able to take advantage of an end of season firework sale that resulted in our residents getting to see a 30 minute fireworks show. A special thank you to Suzi and Mike Wilds who volunteered their time to “launch” the fireworks show for our residents. We would also like to say a special thank you to the North Haverhill Fire Department and Grafton County Sheriff’s Office.

In October, we held our annual “Trick-Or-Treat Street” event. This year, we welcomed well over four hundred (400) little ghouls and goblins to our home. Residents on each of the four nursing neighborhoods had the opportunity to see the children dressed up in their costumes and hand out candy as they passed by. There were lots of smiles and chocolate covered faces and hands that evening!

In November, we held our annual Thanksgiving Day meal for residents and their friends and families. Historically, this meal has taken place on Thanksgiving Day. This year, we decided to hold the event on the Monday before Thanksgiving Day, with the goal of trying to cut down on some of the stress holidays can place on families trying to be in multiple places throughout the day. We had a tremendous response to this change and based on the feedback we

received from those who attended, we intend to make this a new tradition and hope to keep it going for many years to come.

In May, Grafton County Nursing Home celebrated National Nursing Home Week. This year's theme selected by our Resident Council was "The Roaring Twenties". Our Activities Department decorated our nursing home in 1920's nostalgia. There were several activities which took place throughout the week, including a speakeasy pub event and a dance at the end of the week.

This year, Grafton County Nursing Home was again recognized by U.S. News and World Report as one of the best nursing homes in the state of New Hampshire. This recognition confirmed what our community already knows; that our dedicated team of caregivers work hard to ensure our residents receive the highest level of quality care and quality of life.

We are very fortunate to have an active volunteer program here at Grafton County Nursing Home. Our volunteers, comprised of individuals from the community, staff, and in some instances, nursing home residents, provide support and assistance to our residents in so many ways; through entertainment, one-on-one visits and assisting on trips outside of the nursing home, such as our annual visit to the North Haverhill Fair. During the past year, our volunteers donated approximately 1,510 hours of their time to the nursing home. National studies show that if volunteers were paid, their time would equate to an hourly rate of \$24.90 per hour. To put these two numbers in perspective, this means our volunteers contributed \$37,605 worth of their time to our residents. All of us at Grafton County Nursing Home express our heartfelt gratitude to each volunteer, and thank them for their dedication to our residents and to our nursing home.

This year, Nicole Wyman was recognized by her peers as the Licensed Nursing Assistant of The Year for Grafton County Nursing Home. Nicole routinely demonstrates dedication and a caring nature with the residents she cares for. We are all very proud of Nicole as she is most deserving of this special recognition.

In closing, I, along with the rest of the team consider it a privilege to care for our residents and value the opportunity we are given. We are

very thankful for the continued support of so many throughout Grafton County, including the County Commissioners, County Delegation, community members, and local and civic organizations. As we continue to operate in times of uncertainty, I often think about a quote which president John F. Kennedy used in an address to Congress in 1963. During this speech, which centered on the needs of the nation's senior citizens, President Kennedy stated "the strength and durability of a society can be judged in how it treats its elderly." This is such a powerful statement. It is important for the citizens of Grafton County to understand and trust that no matter what reforms come from the federal government, the elders of Grafton County will always have a home at Grafton County Nursing Home, a home comprised of the most dedicated team of caregivers I have ever had the privilege of working alongside.

Respectfully submitted by:

Craig Labore, Administrator

GRAFTON COUNTY DEPARTMENT OF CORRECTIONS

Thomas Elliott

Annual Report Fiscal Year 2017



To the Honorable Board of Commissioners and the Citizens of Grafton County, I present the following report for Fiscal Year 2017 on behalf of the Grafton County Department of Corrections.

The facility averaged 83 inmates per day for a total of 30,295 days. The average per day cost of an inmate was \$158 or \$57,885 per year. In an attempt to keep expenses down as much as possible we managed to come in approximately \$199,561 under budget, thus returning that money to the taxpayers of Grafton County. Department revenues came in at \$244,738 or \$24,207 above projections.

In keeping with the mission of the Grafton County Department of Corrections, while maintaining a balanced correctional system of institutional and community programs, we continue to be successful with our Inmate Programs. Thirteen inmates graduated with their diploma from our nationally recognized HISET program (formally known as the GED program). Crossroads and Decisions, Parenting Classes, Anger Management and vocational certificate programs, along with Substance Abuse programs and faith based programs continue to thrive within the facility with inmates attending the various programs offered a total of 7,214 times throughout the year. It has been proven that the more education and programs that people are offered the less likely they are to return to the facility. In conjunction, I am extremely grateful to all the volunteers and employees who dedicated their time and effort to make these programs function as an integral part of our daily mission.

The Correctional staff processed 985 inmates into the facility (643 males and 342 females *90 Coos females), conducted 455 video hearings from the facility for the various Courts throughout the state, and processed 1,801 visitors into the facility. These actions are all in addition to their normal daily activities and various duties.

COMMUNITY CORRECTIONS

Community Corrections supervised an average of 15 participants per day in the Drug Court and Electronic Monitoring programs. They administered 537 urine tests while travelling over 18,000 miles within the County. In addition, they were also responsible for 68 transports from our facility to various medical and treatment facilities, as well as courtesy rides for individuals being released who cannot find or have the need for transportation.

Operation Impact accomplished 207 presentations throughout the year to a number of schools, thus travelling 7,353 miles.

The Community Work Program provided labor to at least 48 different community sites utilizing a total of 2,137 inmate hours and travelling 6,827 miles. These included clean-up projects, painting and general labor to towns that could not have otherwise afforded to have the work done.

Community Corrections and our internal programs department have combined their efforts to launch two new programs starting in FY18. The FIRRM Program (Focused Intentional Re-Entry and Recovery Movement) is an in-house treatment program which transitions into thorough community supervision and connects participants to treatment services in the Community. Pre-Trial Services will also be launched which releases defendants who would otherwise be held on a low to medium cash bail into the community on supervision with the Community Corrections Department. The Community Corrections Department is able to also link Pre-Trial Services participants to treatment services in the community and provide supervision and support.

In closing I would like to thank the hard working staff at the Department of Corrections and their families who support them. It is a difficult and stressful profession and without family support and understanding it would make the job even more difficult.

Respectfully Submitted,

Thomas Elliott

GRAFTON COUNTY ALTERNATIVE SENTENCING

William N. Gilding

Annual Report Fiscal Year 2017

The Grafton County Alternative Sentencing Program was created to utilize common goals, resources, community connections and valuable insight and support thus maximize the effectiveness of all the Alternative Sentencing Programs. Currently the programs are Drug Treatment Court which have Felony level offenses or enhanced misdemeanor drug crimes and are diagnosed with a substance use disorder and are considered “High Risk/High Need”, Mental Health Court participants have Misdemeanor level offenses and are diagnosed with a mental health disorder, Adult Diversion Program is to hold Felony level offenders accountable while providing the resources, skills and education to reduce the risk of committing crimes in the future, and Juvenile Restorative Justice Programs where participants are first time misdemeanor and violation level offenders. The goal of Alternative Sentencing is to help Grafton County community members who are involved in the criminal justice system become positive, productive and self-reliant members of the community while connecting them to resources such as individual counseling, intensive outpatient group counseling and case management services.

Grafton County Drug Treatment Court Sentencing Program, Jen Stone, Coordinator and Annie Crowley, Case Manager work directly with New Hampshire Probation and Parole, counseling services and the community to assist prison bound felons get and STAY clean, buy providing participants the resources and environment to learn how to live a healthier lifestyle. As of January 1, 2017, this program is now fully funded through the State of New Hampshire.

Mental Health Court Coordinator, Shelly Golden, oversees three Mental Health Courts; Assert in Littleton, Plymouth Mental Health Court and Halls of Hope in Lebanon. She continues to work with stakeholders in the development of the Veteran’s Docket Program. This program will provide services to Grafton County community members and their families who have served in the armed forces.

Adult Diversion Program Case Managers Ashley Belyea and Kenn Stransky. This program began taking participants into the program

November 1, 2015. It is designed as a voluntary program for certain individuals charged with felony level criminal offenses. The participants who successfully completes the program may avoid prosecution and conviction of their charges.

Juvenile Restorative Justice Coordinator, Kenn Stransky oversees the Juvenile Restorative Justice Programs which essentially takes first time juvenile offenders and draws them back into our community while holding them accountable for their actions, rather than processing them through the criminal justice system. Grafton County has contracted Valley Court Diversion Program (VCDP) to cover Lower Grafton County and Communities for Alcohol & Drug-free Youth (CADY) to service Central and Northern Grafton County. As of May 1, 2015 the program has received Accreditation through the State of New Hampshire Judicial Branch – Circuit Court Family Division, which is governed by Administrative Judge Edwin W. Kelly.

On July 1, 2015 David Boulanger MA, M LDAC, was hired to facilitate all SUD screenings, assessments, evaluations and be the therapist for several participants in the various programs.

Respectfully submitted,
William N. Gilding, Director

GRAFTON COUNTY CONSERVATION DISTRICT

Gary Peters, Chair

Annual Report Fiscal Year 2017

GCCD has had tree and shrub sales for 26 years. A saying that fits: The best time to plant a tree was 20 years ago, the next best time is now. In the past 17 years, this program has sold 30,000 trees – softwood and hardwood root stock for replanting. Shrubs such as cranberries, elderberries and lilacs total at 29,500 plants. Fruit trees – apple, plum, cherry total at 5,540. Berries, including strawberries, grapes, blueberries total at 19,775 plants. We at GCCD are proud of these figures and happy to be able to provide this service. It is an even bigger fundraiser to sponsor other events we do.

GCCD has acquired two pieces of equipment to rent. We have spent much time to practice the use and care of these. The soil aerator was obtained by a grant we applied for and received from the NH State Conservation Committee Moose Plate Program. The no-till seed drill was acquired from the Granite State Graziers. The District will be managing both, and I think they should be ready to go this spring.

This year we were able to coordinate a cover crop program on the Grafton County Farm corn fields. This project was planned and carried out by Heather Bryant of UNH Extension Service. This experiment was with different seed mixes, different planting dates, and different methods of application, especially to see what works or doesn't work well in our area. The results are in, and we would like to thank Donnie Kimball, Farm Manager, for his time and cooperation in this endeavor.

We also thank the County Commissioners and Delegation for letting this happen, and also funding our office manager. Thank you.

Conservation District Activities Include:

Fall Tour of Grafton County Conservation Projects Fall 2016:

Lisbon sites - A late winter ice jam caused the water to leave the Ammonoosuc River channel and flow along a hayfield beside the railroad bed, taking hayfield with it. When that water reached a stone culvert, the force of the two streams washed out a major portion of the field, and created a new channel to the Ammonoosuc River. The

landowner qualified for Emergency Conservation Program assistance and worked with Farm Service Agency and Natural Resources Conservation Service (NRCS) to stabilize the channel and plant a riparian forest buffer. This project abuts land owned and conserved by the Ammonoosuc Conservation Trust (ACT). A component of the NH DES wetland permit to repair the hayfield damage included a buffer extending onto the ACT land. The ACT property is managed for wildlife habitat, and is the site of an on-going riparian buffer restoration. Ron Rhodes, Connecticut River Watershed Council (CRWC) assisted with the permit process and financial assistance. This project required partnership, patience and persistence. Sugar Hill site - The GCCD AerWay increases water and nutrient infiltration, and breaks up soil compaction at the surface layer. The airway is great for pasture renovation in smaller areas, and was demonstrated at the Iris Farm in Sugar Hill.

Demonstration Cover Crop Project at the Grafton County Farm:

GCCD has been working with County Farm Manager, Donnie Kimball, planting several cover crop mixes to demonstrate the soil health benefits of cover cropping; reduced soil erosion, improved soil structure, water storage, and nutrient management. In spring 2017, the County Farm was able to plant an early corn variety into four standing cover crop mixes using a no-till drill with a crimper roller to prepare the planting area. Grafton County Farm was one of several NH farms demonstrating this new technology. NRCS and Heather Bryant, UNH Cooperative Extension (UNH CE) Ag Resources provided technical guidance. The Grafton County Farm project was included in a late fall Cover Crop Tour of sites in New Hampshire and Vermont. After the 2017 fall harvest, several new cover crop mixes will be planted in demonstration areas to assist with a state-wide project to determine suitable planting dates, mixes with low and high spring biomass, and planting techniques at different sites.

GCCD Begins Equipment Rental Program to Improve Soil

Health: The District received a Conservation Moose Plate grant to purchase an AerWay aerator to help smaller farmers improve soil health by reducing soil compaction. The AerWay is pulled behind a tractor and has tines on a roller that break up soil to increase air and water movement within the soil. The AerWay is equipped with a broadcast seeder so that seeding can take place in the same pass. An

aerator provides many benefits to soil health and can be used throughout the growing season.

GCCD has entered an agreement with the Granite State Graziers to rent a no-till Eco-Drill to NH farmers. The Eco-Drill brings the benefits of no-till seeding to smaller fields and pastures. Coulters slice the soil, openers form a seed trench, seed is placed directly into the soil, then rolled with a cultipacker. A no-till system reduces erosion and improves moisture conservation. It can also reduce fuel and labor costs while building healthy soil structure.

Annual Meeting at Alumni Hall in Haverhill: GCCD presented the Agriculture Steward of the Year 2016 award to Nate Tullar, Tullando Farm. Nate is the third generation of Tullar dairy farmers exploring ways to produce high quality milk while maintaining a healthy herd, productivity and farm efficiency. Nate uses no-till planting techniques and cover crop varieties that improve soil health, and better manage water and nutrient resources. Nate continues the tradition of constant improvement at Tullando Farm, and hosts tours for potential-to-experienced farmers sharing knowledge gained at Tullando Farm.

Matt Cadreact established Cadreact Logging in 1988, now a fully-mechanized, whole-tree, family-operated logging company. Safety, efficiency, and quality workmanship are principles that keep Cadreact Logging in high demand with foresters and landowners. Matt is well-known and respected for his honesty, integrity and attention to detail in the forestry community. Matt Cadreact, Cadreact Logging received GCCD's Forest Steward of the Year 2016 award.

Stewardship and Outreach: In February GCCD, UNH CE, NRCS and the Wildlife Management Institute presented a workshop on Improving Wildlife Habitat on Your Land, providing information on food, cover and shelter for the wildlife. Staff and Supervisors attended a Soils Education Training Day in May and presented soils information to 150 Grafton County students at the Ag in the Classroom School to Farm event at the Rocks Estate, and the Open Barn at Hatchland Dairy in June.

Respectfully submitted,
Gary Peters, Chair

GRAFTON COUNTY FARM

Donald Kimball

Annual Report Fiscal Year 2017

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

I present the following report for 2017 on behalf of the Grafton County Farm.

Fiscal Year 2017 was an average year for the farm. Milk prices are higher than last year, ranging from seventeen to nineteen dollars per hundredweight. Prices rose a few dollars from the previous year, due to higher cheese and butter prices in the market. Fluid milk production across the country has leveled off allowing prices to rise some.

The Spring of 2017 came extremely late this year due to a very wet season. Some area farms did not plant corn until after June, the County Farm was no exception. This also has affected the County Farms haying season. Our fuel, feed and fertilizer costs have leveled off some.

The Grafton County Farm had an average year due to the milk prices. The herd continues to improve genetically and currently is one of the top producing herds in New England. By harvesting very nice feed for the cows, we are able to produce record amounts of high quality milk without spending extra on grain. With the genetics improving, we are starting to see a much better market for our herd. I encourage people to stop by and give us a visit.

The vegetable crops went in on the beginning of June. We have been able to work around the weather and look to have a nice vegetable crop this year.

Grafton county 4-H, Sheep Shearing Day, Conservation Day and Family Day continue to be popular at the Grafton County Farm.

In submitting this report, I would like to thank my Herdsman Ben White, and Assistant Herdsman Brian Tillotson for their hard work. I

would also like to thank County Administrator Julie Libby and the Board of Commissioners for their support.

Respectfully Submitted,
Donald Kimball
Grafton County Farm Manager

*Meetings of the Grafton County
Executive Committee
&
Full Delegation*

Regular Executive Committee Meetings

Pages

- ❖ November 21, 2016
- ❖ January 23, 2017
- ❖ March 20, 2017
- ❖ May 22, 2017

Executive Committee Budget Meetings

Pages

- ❖ June 5, 2017
- ❖ June 9, 2017
- ❖ June 12, 2017
- ❖ June 16, 2017

Full Delegation Meetings

Pages

- ❖ September 19, 2016 -Vote on Refinancing of DoC Bonds
- ❖ December 12, 2016 - Reorganization Meeting
- ❖ June 26, 2017 - Vote On FY18 Budget

EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
November 21, 2016

PRESENT: Representatives Smith, Sykes, Darrow, Abel, Gionet, Commissioners Cryans, Richards and Lauer, CA Libby and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: RD Monahan, Treasurer Parker, Omer Ahern

EXCUSED: Reps. Rebecca Brown, Townsend, and Erin Hennessey.

10:00AM Rep. Sykes called the meeting to order and began with the Pledge of Allegiance led by Rep. Darrow.

Rep. Sykes stated that there were three (3) sets of minutes to be approved.

Rep. Abel moved to approve the minutes from the June 17th meeting. Rep. Gionet seconded the motion and all were in favor.

Rep. Darrow moved to approve the minutes from the September 19th Public Hearing. Rep. Gionet seconded the motion and all were in favor. Rep. Smith abstained.

Rep. Gionet moved to approve the minutes from the September 19th Delegation Meeting. Rep. Darrow seconded the motion and all were in favor. Rep. Smith abstained.

CA Libby noted a typo in the minutes from the May 23rd Delegation Vote to set Elected Officials salaries. She stated the error was in the chart that lists the Treasurers salary and asked the committee for their permission to adjust that number. She stated that is not the salary that was voted on. The Committee agreed to adjust the set of minutes to reflect the correct salary for the Treasurer.

Treasurer Parker arrived and gave the following report.

Bonnie Parker
Treasurer's Report
Executive Committee Meeting
November 21, 2016

- ⤴ Our Current General Fund balance at Woodsville Guaranty Savings Bank is: \$148,302.73.
- ⤴ The Combined Accumulated interest in the current fiscal year (July 1st to October 31, 2016) is \$1,648.47.

We have investments as follows:

- Our Deeds Surcharge CD valued at \$132,301.86 @ Woodsville Guaranty Savings Bank @.55% will mature 8/20/17.
- Our Dispatch Capital Reserve account valued at \$116,045.86 is invested in a money market account at .35% at Service Credit Union.
- The Nursing Home Capital Reserve valued at \$236,204.17 is invested in an ICS (Insured Cash Sweep) account @ Woodsville Guaranty Savings Bank @ a rate of .30%
- Funds in the General Fund continue to earn interest at a tiered level at Woodsville Guaranty Savings Bank and remain secured with a letter of credit from the Federal Reserve Bank of Boston. Tiered interest takes effect after the balance in the account falls below \$1M. We currently have a balance less than \$1M therefore our rate varies based on the daily balance.

As authorized by the Delegation and the Commissioners, we have secured a \$9 million line of credit at WGSB @.90% for covering expenses in anticipation of tax receipts. Of this LOC, we have utilized \$6,000,000.

The due date for tax payments is December 19th to avoid penalty. As of Friday 11/18 we have collected \$460,078 from three (3) towns (Livermore, Orange and Woodstock)

In an attempt to set up EFT (electronic funds transfer) for tax payments, I have advised that we offer this convenience.

Rep. Sykes thanked Treasurer for her service to Grafton County as this is her last meeting.

Rep. Abel moved to accept the Treasurer's Report. Rep. Smith seconded the motion and all were in favor.

Commissioner Cryans then gave the following Commissioners Report.

Commissioners' Report
November 21, 2016

- The bond refinancing was very successful. The bonds were sold on October 4th and the closing was October 14th. The final savings to the county will be: \$875,593.07. This savings will be realized over the remaining 15 years of the bonds with the largest savings occurring in fiscal year 17. The savings in the current fiscal year will be \$341,174.30
- Annual audit was completed in early October. Copies are available upon request.
- The Commissioners' held the dedication of the annual report on November 1st; the report was dedicated to the following people: District 1: Jeff Hastings; District 2: Dave Harkless and District 3: Cathy Bentwood.
- The Correctional Officers voted in a union on October 7th. The National Association of Correctional Employees Union (NCEU) now represents all full time correctional officers (line staff) at the jail. Negotiations for the first contract will begin soon.
- On November 17th the Commissioners honored 65 employees for their length of service to the County. 19 employees were honored with more than 30 years of service to the County. Each year the county recognizes employees who have been employed 5, 10, 15, 20, 25 and over 30 years of service.
- On October 27th the Commissioners honored former Superior Court Judge Jean Burling by naming Courtroom #2 at the Grafton County Superior Court the "Jean K Burling Courtroom."
- September 22 – 24 was the annual NHAC conference. It was held in Portsmouth. The following Grafton County Employees were recognized: Amy Lynn Kukler as the Nursing Home Employee of the Year; Dustin Taylor (Maintenance) County Employee of the Year; Paul Fitzgerald, County Attorney Employee of the Year and Mike Cryans as the County Commissioner of the Year.

Commissioner Cryans recognized Rep. Gionet, Rep. Rebecca Brown and Rep. Townsend for their service to Grafton County and stated that this is their last meeting. He then recognized Commissioner Richards for her service to Grafton County and noted that this is his last Executive Committee meeting as well.

Rep. Smith moved to accept the Commissioners' report. Rep. Darrow seconded the motion and all were in favor.

CA Libby gave the following County Administrators Report:

County Administrator's Report
November 21, 2016

- ❖ Jail Census: 96 in-house; 6 on EM; Supervising 13 in Drug Court.
- ❖ Nursing Home Census: 128.

Fiscal Year 2016 Yearend:

- ❖ Unassigned fund balance ended at \$999,047 (up \$700K from FY 15)
- ❖ Total FY 2016 budget \$40,349,987 total expended \$39,524,458 (under budget \$825K)
- ❖ Total Revenue budgeted was \$37,349,987 total received \$37,994,002 (over revenue \$644K)
- ❖ Reduction is overall fund balance was \$1,473,828. Our total fund balance at FY 16 yearend was \$3,174,389.

Financial Reports:

- ❖ Monthly Variance Report
 - Revenue: CA Libby stated that she broke out the bed tax and proshare payments in this report because those payments make the Nursing Home's revenue look off due to bed tax payments coming in quarterly and proshare payments coming in one payment. The nursing home is running above in revenue by roughly \$145,000. There are a few other departments that are running behind in revenue but nothing alarming.
 - Expenses: CA Libby noted that there was nothing of concern at this point in time. She noted that IT looks over expended at this time due to paying for all their software renewals at the beginning of the year.
- ❖ Pro-rated Report – CA Libby stated that they are \$230,000 over in revenue and \$1 million under expended. They have an unassigned fund balance of \$1,940,610. She noted that the unassigned fund balance at this same time last year was only \$180K and that this year is looking good thus far. She went on to explain that this trend proves that the nursing home renovation project is really what drove the issues in FY 15 & 16.
- ❖ Over Expenditure Report – CA Libby stated that they are over expended \$11,500 on the repair and maintenance line on the

biomass plant. She explained that they had an issue with pipes that are underground near the barn and nursing home that corroded and had to be replaced. Salt got into the manholes from plowing in the winter which caused the pipes to corrode. They have taken the necessary steps to insure that this will not happen again.

Rep. Gionet moved to accept the County Administrator's report.
Rep. Abel seconded the motion and all were in favor.

Old Business:

Rep. Gionet stated that at the Delegation Meeting on September 19th he had addressed the money that they thought was coming from the contractor on the nursing home issues. He stated that he wants to make sure that the next Delegation pursues that issue moving forward.

New Business:

RD Monahan wanted to inform the Executive Committee that in one year's time they have had \$33,664.32 in copy revenue that previously people were taking without paying. She stated that there was no spike in business, they were getting control of the people who were abusing the system and taking copies without paying for them. She handed out a spreadsheet with information for the Executive Committee to have.

Rep. Sykes stated that on December 12th the full Delegation will meet for the Reorganization Meeting at 10:00am in the UNH Extension Conference Room.

10:45 with no further business the meeting adjourned.

Sincerely,

Stephen Darrow, Vice Chair



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
January 23, 2017

PRESENT: Representatives, Sykes, Darrow, Smith, Binford, Schwaegler, Maes, Abel and Campion. Commissioners Lauer, Ahern and Piper. County Administrator Libby and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: Register of Deeds Kelley Monahan, Human Services Administrator Nancy Bishop, County Attorney Saffo.

EXCUSED: Rep. Hennessey

10:00AM Rep. Sykes called the meeting to order and began with the Pledge of Allegiance led by Rep. Binford.

Rep. Sykes asked if everyone has had a chance to read the minutes from the December 12th Reorganization Meeting.

Rep. Smith moved to approve the minutes from the December 12th Reorganization meeting. Rep. Schwaegler seconded the motion and all were in favor. Reps. Sykes abstained.

Treasurer Hill gave the following Treasurers Report:

TO: GRAFTON COUNTY EXECUTIVE COMMITTEE
FROM: KAREN LIOT HILL, TREASURER
SUBJECT: TREASURER'S REPORT
DATE: JANUARY 22, 2017

GENERAL UPDATE

I was sworn in as Treasurer on 1/5/17 and have been attending to fiduciary duties, including signing checks on a weekly basis and familiarizing myself with County operations and financial procedures. County Administrator Julie Libby and her staff have been extremely gracious in ensuring a smooth transition and answering questions.

Bank accounts with Woodsville Guaranty Savings Bank and Meredith Village Savings Bank have been updated to reflect the change in Treasurer. The three remaining bank accounts (Mascoma Bank, Bank of New Hampshire, and Service Credit Union) are in the process of being updated to reflect the change in Treasurer.

On December 9th, former Grafton County Treasurer Bonnie Parker requested banks and credit unions in Grafton County to submit bids for investment of our incoming tax payments, which were due by December 19th. Attached you will find a copy of former Treasurer Parker’s recommendation for investment of the fiscal year 2017 tax receipts. The Commissioners approved this investment recommendation on December 20, 2016, and County funds are invested accordingly.

CURRENT CASH POSITION (as of 1/20/17)

Grafton County General Fund

Checking Account (ICS @ .70%) (Woodsville Guaranty Savings Bank)	\$10,113,645.32
General Fund CD (.60%) Savings Bank)	\$1,000,000 (Meredith Village)
General Fund Municipal Savings Acct (.50%) Savings Bank)	\$500,000 (Mascoma)

Grafton County Committed Accounts

Deeds Surcharge CD (.55%) (Woodsville Guaranty Savings Bank)	\$132,301.86
Dispatch Capital Reserve (.35%) Credit Union)	\$117,163.42 (Service)
Nursing Home Capital Reserve (.35%) (Woodsville Guaranty Savings Bank)	\$178,127.81

RECENT TRANSACTIONS of NOTE

Property tax payments were due December 19th, and all payments have been received, with two towns receiving a penalty for late payment. See attached list.

Grafton County borrowed a total of \$8,000,000 in Tax Anticipation notes (short-term borrowing). This was paid back to Woodsville Guaranty Savings Bank on December 19, 2016, together with interest of \$14,439.41.

The Combined Accumulated interested in the current fiscal year (7/1/16-12/31/16) is \$6,291.14.

On 1/3/17, the County made a bond payment in the amount of \$991,231.95 to US Bank for the jail.

Rep. Abel moved to accept the Treasurer's Report. Rep. Schwaegler seconded the motion and all were in favor.

Commissioner Lauer gave the following Commissioners' Report:

Commissioners' Report

January 23, 2017

- Introduction of the Board of Commissioners as Re-organized
- FY 2018 Budget Preparation is underway
 - Health Insurance Rates for FY 2018 – County received a 15.74% Not-to-Exceed from NH Interlocal Trust.
 - Currently investigating other options. Final rates from NHIT will be set by the end of March.
 - NH Retirement System rates will increase 7/1/17
 - Group I – 11.17% to 11.68%
 - Group II – Sheriff's Deputies & Corrections Officers 26.38% to 29.43%.
 - County is mandated to contribute to NHRS
 - Commissioners will be meeting with department heads each Thursday in March, except 3/30 to hear budget presentations from departments.
 - There are two (2) Unions at the County
 - United Electrical Workers (UE) represent employees within the nursing home.
 - National Correctional Employees Union (NCEU) represents correctional officers at the jail
 - The county will be negotiating full contracts with both units this year.
- The County is going to be receiving \$300,000 in funding for our Drug Court from the State of NH. This funding should be effective retroactive to January 1, 2017.
- Nursing Home Reimbursement Rate for Medicaid increase \$4.32 to \$161.92 effective January 1st.

Rep. Campion stated that she was contacted by a constituent who was in favor of Alternative Sentencing. She asked how they can learn about the various programs within that department. Commissioner Lauer stated that the descriptions of the departments are listed on the county website. She also

stated that all Executive Committee members are welcome to stop by the Alternative Sentencing Department and speak to Director Bill Gilding.

Rep. Darrow moved to accept the Commissioners' Report. Rep. Smith seconded the motion and all were in favor.

CA Libby gave the following County Administrator's Report:

County Administrator's Report
January 23, 2017

- ❖ Jail Census: 99 in-house; 7 on Electronic Monitoring;
- ❖ Nursing Home Census 127. With 3 planned admissions this week.

Reports that are prepared Monthly:

- ❖ Monthly Department Variance Report
 - Looks at the budget on a monthly basis and compares that to actuals for either positive (black) or negative (red) variances.
- ❖ Pro-rated Report
 - Prorates our Revenue/Expenses based on where we are at in the year.
 - Shows unassigned fund balance at that point.
- ❖ Cash Management Report
 - Shows each of the County's cash accounts.
- ❖ Expense/Revenue Comparison
 - Shows by department the variances between individual department revenue and expense.
- ❖ Over-Expenditure Report
 - Shows each line item that is currently over-expended and a reason for.

Review of Financial Report

- ❖ Monthly Variance Report
 - Revenue:
 - Nursing Home looks good currently. With the increase in our Medicaid rate and if census stays up – should finish well.
 - Proshare – Receive all at once in June. Bed tax revenue is quarterly. These reports only include 1st quarter. Don't receive second quarter until January. We received the 2nd quarter payment of Friday. We have a total revenue of \$681,420.17 through 6 months. The budget annual revenue is \$1.4M so we are tracking slightly under revenue. Should rebound in next 2 quarters due to increased census numbers and Medicaid rate.

- Department of Corrections – grants that haven’t been received yet.
- Farm – Milk prices are finally above budget. If milk prices stay up – farm revenue should finish the year well.
- Sheriff’s Department – There are several revenue accounts that are off at this point that Sheriff Dutile feels will rebound before year end. He has a couple of revenue accounts that are behind and will not rebound. The DCYF Transports are Transport numbers are way down. This is in part due to the Juvenile Restorative Justice Program and Courts not sending to Juvenile holding. This probably won't rebound this fiscal year given the trend. District Court Fines is also behind and will not rebound due to a grant that is no longer received.
- County Attorney/Victim Witness – both grants and will be fully collected at year end.
- Register of Deeds – Doing well.
- Interest – generally get very little interest in first six months due to having no funds.
- Taxes are due December 17th – fully collected.
- Other – Based on previous years returns we budgeted \$100K for a “premium holiday” from Primex (Worker’s Comp) found out in July (after budget) that there would be no premium holiday this year.

○ Expenses

- IT – Pay our software and hardware maintenance contracts which are a large part of the IT budget up front in July. IT will be fine on the expenses at year-end.
- Sheriff’s Department – Property/Liability, WC are large expenses and paid in July. This budget will be fine at year end.
- RSAT (Residential Substance Abuse Treatment) Grant funded program for females at the jail.

Farm – property insurance, real estate taxes, WC all paid up front. Farm budget will be watched and tracked closely.

- Bonded Debt – All principal payments have been made. This line will finish with a \$300K+ surplus due to the bond refinancing that was done in October.
- Nursing Home
 - Several factors going on in the nursing home expense budget.
 - Staffing shortage (RN’s/LPN’s and LNA’s) is cause of contract nursing services. We budgeted \$254K for the year and have spent \$350K in the first 6 months.

- The nursing home budget is based off an estimated census for the year – broken down into different payor sources: Medicaid, Medicare A, Private Pay, Veterans. Medicare A is our highest payor source. This year of Medicare A (skilled rehab) population has been running higher than project. Which, has resulted in an increase in revenue but also there is an expense associated with the residents. Because of the increased census we are seeing an increase in expenses as well.
 - The nursing home budget will be monitored as we go through the next several months.
- ❖ Pro-rated Report –
 - 50% of the fiscal year completed. On the pro-rated report I factor in the revenue and expenses that are either over or under at this point in the fiscal year. Based on the December report we are at 50.45% or over revenue by \$181K and at 49.02% or under expended by \$402K. This all factors into the unassigned fund balance which at this point is \$1,067,777. Compared to FY 16 December we were at (\$11,693)
 - ❖ Over Expenditure Report\
 - Review accounts that are currently over-expended and the rationale.
 - ❖ Grant Report – CA Libby handed out a report with the various grants that are received at the county. Rep. Abel asked if the count is reliable to keep track of the money that is being spent
 - ❖ Fund Balance PowerPoint – CA Libby reviewed the handout regarding fund balance.

Rep. Campion moved to accept the County Administrator’s Report.
Rep. Binford seconded the motion and all were in favor.

New Business:

Rep. Sykes explained that the Executive Committee generally meets at 10:00AM for their November – March meetings due to inclement weather, it gives the members more time to get to the meetings, and 9:00AM for their

summer meetings. The Executive Committee discussed the meeting schedules and agreed to start the March 20th 2017 meeting at 9:00am.

New Business:

CA Libby stated that the UNH Extension Advisory Committee meets six (6) times a year on Monday evenings. The Advisory Committee will need a new member on their committee from the Delegation as Rep. Townsend is no longer a Representative. Rep. Darrow volunteered to be on that committee but stated that it may be hard to make it to the first meeting next Monday. Commissioner Lauer stated that it is a great opportunity to learn what UNH Cooperation Extension does.

Rep. Campion thanked the Commissioners, Treasurer and County Administrator for bringing informative reports.

County Attorney Saffo introduced herself and stated that if any members have any questions for her that she is available to answer them.

RD Monahan introduced herself to the committee and stated that they do have a Register of Deeds Affiliate. She stated that her door is always open if anyone has any questions.

Rep. Smith stated that touring the Correctional Facility and the Nursing Home are very educational and they are always welcoming to anyone who would like a tour.

11:03AM with no further business the meeting adjourned.

Sincerely,

Suzanne Smith, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
March 20th, 2017

PRESENT: Representatives, Sykes, Darrow, Smith, Binford, Schwaegler, Maes, Abel, and Champion. Commissioners Lauer and Piper. County Administrator Libby and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: RD Monahan, Treasurer Hill

EXCUSED: Rep. Hennessey, Commissioner Ahern

9:00 AM Rep. Sykes called the meeting to order and began with the Pledge of Allegiance led by Rep. Campion.

Rep. Sykes asked if everyone has had a chance to read the minutes from the January 23rd Executive Committee Meeting.

Rep. Smith moved to approve the minutes from the January 23rd meeting. Rep. Abel seconded the motion and all were in favor.

Treasurer Hill gave the following Treasurers Report:

TO: GRAFTON COUNTY EXECUTIVE COMMITTEE

FROM: KAREN LIOT HILL, TREASURER

SUBJECT: TREASURER'S REPORT

DATE: MARCH 20, 2017

CURRENT CASH POSITION (as of 2/28/17)

Grafton County General Fund

Checking Account (ICS @ .70%) (Woodsville Guaranty Savings Bank)	\$7,233,493.21
General Fund CD (.60%) Village Savings Bank)	\$1,000,000 (Meredith)
General Fund Municipal Savings Acct (.50%) Savings Bank)	\$500,428.83 (Mascoma)

Grafton County Committed Accounts

Deeds Surcharge CD (.55%) (Woodsville Guaranty Savings Bank)	\$132,301.86
Dispatch Capital Reserve (.35%) Union)	\$168,109.67 (Service Credit
Nursing Home Capital Reserve (.35%) Guaranty Savings Bank)	\$137,563.83 (Woodsville

RECENT TRANSACTIONS of NOTE

The Combined Accumulated interested in the current fiscal year (7/1/16-2/28/17) is \$18,372.35.

Treasurer Hill stated that last year the County borrowed roughly \$8 million in short term borrowing. She explained that many of the towns/cities collect their taxes more than once a year and if there was something they could do legislatively to allow counties to collect taxes more than once a year from those municipalities who collect their taxes more than once a year would benefit the county in terms of interest payments. The Executive Committee discussed this topic and thanked the Treasurer for the suggestion.

Rep. Darrow moved to accept the Treasurer’s Report. Rep. Schwaegler seconded the motion and all were in favor.

Commissioner Lauer gave the following Commissioners’ Report:

Commissioners’ Report
March 20, 2017

- FY 2018 Budget Update
 - Commissioners have been meeting with Department Heads to review budget requests. During April the Commissioners will meet to finalize their recommended FY 2018 budget.
 - Commissioners’ Budget will be out at the beginning of May
 - Final Health Insurance Rates for FY 2018 will be set on March 30th – the County received a 15.74% increase Not-to-Exceed from NH Interlocal Trust. We are hoping for the final rates to come in lower.
- Union Negotiations with either bargaining unit have not begun yet. No schedule dates have been established. The County is waiting on both unions for dates.

- The County has submitted its application for funding to the State of NH Office of the NH Drug Offender Program. We hope that we receive the funding by April 1st and that it will be retroactive to January 1, 2017. We are eligible to receive up to \$300K for the Drug Court Program.
- Felonies First will take effective on April 1st in Grafton County. The County Attorney's office has been working hard to prepare for this change.
- There was a Drug Court Graduation on March 6th.

Rep. Campion moved to accept the Commissioners' Report. Rep. Binford seconded the motion and all were in favor.

CA Libby gave the following County Administrator's Report:

County Administrator's Report
March 20th 2017

- ❖ Jail Census: 91 in-house; 4 on Electronic Monitoring;
- ❖ Nursing Home Census 134.

Review of Financial Reports:

- ❖ Monthly Variance Report
 - Revenue:
 - Nursing Home revenue continues to look good. We budgeted for an average daily census of 127 for fiscal year 2017. Through February the average daily census has been 126. The breakdown of the payor sources that were budgeted were: 25 Private Pay; 6 Medicare A; 3 Veterans and 93 Medicaid patients. Our budgeted Medicaid rate was \$157.50. Through February the average daily census by payor source has been: 29.5 Private; 8.5 Medicare A; 0 Veterans and 88 Medicaid. Our Medicaid Reimbursement Rate also increased to \$161.82 on January 1st. Because of the increase in private pay and Medicare A residents our revenues are up because they are higher reimbursement rates. The average daily census for February was 130. It appears that if the current trends hold the Nursing Home should finish the year well in revenue.
 - Proshare – Receive all at once in June. Bed tax revenue is quarterly. These reports include 2 quarters. I anticipate these revenues will be on target at year end.

- Department of Corrections revenue includes a grant that is not received on a regular monthly basis. The DoC revenues should finish on target.
- Farm – Milk prices are finally above budget. If milk prices and production stay up the farm revenue should finish the year close to projections.
- County Attorney/Victim Witness – both grants and will be fully collected at year end.
- Alternative Sentencing – There have been some restructuring of drug court fees. Participant numbers in all programs are increasing. We should also be receiving Drug Court funding from the State of NH. The application for funding has been submitted. The hope is that the funding will be retroactive to January 1st. If the funding does go retroactive we may receive up to \$140K in unanticipated revenue in this fiscal year.
- Other – Based on previous years returns we budgeted \$100K for a “premium holiday” from Primex (Worker’s Comp) we found out in July (after budget) that there would be no premium holiday this year.

❖ Expenses

- IT – the County pays for our software and hardware maintenance contracts which are a large part of the IT budget up front in July. IT will be fine on the expenses at year-end.
- Bonded Debt – All principal payments have been made. This line will finish with a \$300K+ surplus due to the bond refinancing that was done in October.
- Nursing Home
 - Several factors going on in the nursing home expense budget.
 - Staffing shortage (RN’s/LPN’s and LNA’s) is cause the usage of contract nursing services. We budgeted \$254K for the year and have spent \$436K in the first 8 months.
 - The nursing home budget is based off an estimated census for the year – broken down into different payor sources: Medicaid, Medicare A, Private Pay, Veterans. Medicare A is our highest payor source. This year of Medicare A (skilled rehab) population has been

running higher than projected. Which, has resulted in an increase in revenue but also there is an expense associated with the residents. Because of the increased census we are seeing an increase in expenses as well.

- The Housekeeping department is currently over-expended due to an error with the budget worksheet last year.

❖ Pro-rated Report –

- 66.67% of the fiscal year completed. On the pro-rated report I factor in the revenue and expenses that are either over or under at this point in the fiscal year. Based on the February report we are at 66.97% or over revenue by \$123K and at 64.75% or under expended by \$785K. This all factors into the unassigned fund balance which at this point is \$1,220,233.03. Compared to FY 16 February we were at (\$793,000). That is a \$2M turn around!

❖ Over Expenditure Report

- The largest of the over-expenditures is attributed to the Contracted Nursing services and the Med A census as discussed previously.
- The Special Deputies line in the Sheriff's Department is due to a couple of unanticipated events. Last August 2 of our dispatchers were in an automobile accident. 1 of the gentlemen was killed and the other seriously injured and out of work for several months. There was also a female dispatcher who went out on maternity leave at the same time. We also had 2 dispatchers resign in that time frame. There are only 11 FT dispatchers and we were down by 5. The Sheriff's department used 2 deputy sheriffs to fill shifts in dispatch and had to back fill their shifts with special deputies. We also had an inmate on Dialysis that had to be transported to DHMC. The Sheriff has temporarily suspended all special deputy work until the line item rebounds. We receive drug task force grant money monthly that goes back into that line item.
- All other accounts have been previously discussed or are not out of the ordinary.

Rep. Campion asked in regards to the nursing home how often the county has to turn away residents. CA Libby stated that they do have a waiting list

and they are currently at max. The wait time varies depending on the resident's needs.

Rep. Schwaegler asked how the drought of 2016 affected the farm. CA Libby stated she believes because of how they are situated near the river they did not suffer from the drought nearly as much as other parts of the county and state. They had more crops this year than they had planned on.

Rep. Abel asked how what Grafton County charges for residency in the nursing home compare to commercial nursing homes since we are responsible for paying for all Grafton County residents who go into other nursing homes. He wondered as we begin to be at capacity if it is going to cost us more to have residents in other nursing homes. CA Libby stated that there is a limit to how many beds they are allowed to have. She stated that the nursing home private pay rates are competitive with the market and as far as Medicaid rates go if someone enters a nursing home elsewhere Grafton County is responsible for whatever their reimbursement rate may be.

Rep. Campion stated that there is clearly a need to address the aging population and asked if there is a role that the county can play in it. CA Libby stated that the first thing that needs to happen is the passing of SB155 delaying Medicaid Managed Care for two (2) years.

New Business:

Budget Meetings

CA Libby stated that the Commissioners Recommended Budget will go out first week in May. Rep. Sykes needs to set the Public Hearing Date for that proposed budget hearing. Once that public hearing is held the Executive Committee will then hold their budget meetings. Typically the Executive Committee meets Mondays and Fridays in the beginning of June and the Delegation meets the last Monday to vote on the budget. The Executive Committee discussed the various dates and set the following schedule:

May 22nd - Next Regular Executive Committee Meeting at 4:00pm

May 22nd – Public Hearing on the Commissioners' Proposed Budget at 6:00pm

Executive Committee Budget Meetings – all beginning at 9:00am.

June 5th

June 9th

June 12th

June 16th
June 19th – if needed

June 26th - Full Delegation Vote on the FY18 Budget

Rep. Abel commended the Commissioners, County Administrator, Department heads and staff on their hard work. He stated that he really appreciates the staff's fine work.

10:11AM with no further business the meeting adjourned.

Sincerely,

Suzanne Smith, Clerk



EXECUTIVE COMMITTEE MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
May 22nd, 2017

PRESENT: Representatives, Sykes, Darrow, Maes, Abel, Hennessey, Schwaegler and Campion. Commissioners Lauer, Ahern and Piper. County Administrator Libby and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: RD Monahan, Treasurer Hill

EXCUSED: Rep. David Binford and Rep. Smith

4:00 PM Rep. Sykes called the meeting to order and began with the Pledge of Allegiance led by Rep. Campion.

Rep. Sykes asked if everyone has had a chance to read the minutes from the March 20th Executive Committee Meeting.

Rep. Abel moved to approve the minutes from the March 20th meeting. Rep. Darrow seconded the motion and all were in favor.

Treasurer Hill gave the following Treasurers Report:

TO: GRAFTON COUNTY EXECUTIVE COMMITTEE
FROM: KAREN LIOT HILL, TREASURER
SUBJECT: TREASURER’S REPORT
DATE: MAY 22, 2017

CURRENT CASH POSITION (as of 4/30/17)

Grafton County General Fund

Checking Account (ICS @ .70%) (Woodsville Guaranty Savings Bank)	\$3,726,384.06
General Fund CD (.60%) Savings Bank – mat. 6/22)	\$1,000,000 (Meredith Village)
General Fund Municipal Savings Acct (.50%) (Mascoma Savings Bank)	\$500,972.59

Grafton County Committed Accounts

Deeds Surcharge CD (.55%) (Woodsville Guaranty Savings Bank)	\$132,301.86
Dispatch Capital Reserve (.35%) Credit Union)	\$168,208.01 (Service
Nursing Home Capital Reserve (.35%) (Woodsville Guaranty Savings Bank)	\$137,632.81

RECENT TRANSACTIONS of NOTE

The Combined Accumulated interested in the current fiscal year (7/1/16-4/30/17) is \$26,329.98.

Rep. Darrow moved to accept the Treasurer’s Report. Rep. Abel seconded the motion and all were in favor.

Commissioner Lauer gave the following Commissioners’ Report:

Commissioners’ Report

- Union Negotiations with the NCEU (National Correctional Employees Union) at the Jail have started. There have been two (2) meetings thus far with (2) additional meetings scheduled. Negotiations with the UE (United Electrical Workers) at the Nursing Home still have not begun. No schedule dates have been established.
- The County has been awarded funding from the State of NH Office of the NH Drug Offender Program. The funding was approved retroactive to January 1, 2017. We should receive approximately \$100K in unanticipated revenue in fiscal year 2017 from this funding.
- Felonies First started in Grafton County on April 1st. Thus far things have been working out okay in the Attorney’s Office since implementation.

Rep. Darrow asked if it is unusual for the United Electrical Workers Union at the Nursing Home to be at this point of the year and not have started negotiations. County Administrator Libby stated that it is not normal. They are usually finalized with their contracts by now and explained various changes within the organization that are affecting the process.

Rep. Darrow moved to accept the Commissioners’ Report. Rep. Campion seconded the motion and all were in favor.

CA Libby gave the following County Administrator's Report:

County Administrator's Report

- ❖ Jail Census: 79 in-house; 4 on Electronic Monitoring;
- ❖ Nursing Home Census 130.

Review of Financial Reports:

- ❖ Monthly Variance Report
 - Revenue:
 - Nursing Home revenue continues to look good. We budgeted for an average daily census of 127 for fiscal year 2017. Through April the average daily census has been 127. The breakdown of the payor sources that were budgeted were: 25 Private Pay; 6 Medicare A; 3 Veterans and 93 Medicaid patients. Our budgeted Medicaid rate was \$157.50. Through April the average daily census by payor source has been: 29 Private; 8 Medicare A; 0 Veterans and 90 Medicaid. Our Medicaid Reimbursement Rate also increased to \$161.82 on January 1st. Because of the increase in private pay and Medicare A residents our revenues are up because they are higher reimbursement rates. The average daily census for April was 129. It appears that if the current trends hold the Nursing Home should finish the year well in revenue.
 - Proshare – Receive all at once in June. Proshare transaction is scheduled to take place on June 13th. Bed tax revenue is quarterly. These reports include 3 quarters. We are slightly ahead on bed tax at this point. I anticipate these revenues will be on target at year end.
 - Department of Corrections revenue includes a grant that is not received on a regular monthly basis. The DoC revenues should finish on target.
 - Farm – Milk prices are finally above budget. If milk prices and production stay up the farm revenue should finish the year close to projections.
 - County Attorney/Victim Witness – both grants and will be fully collected at year end.
 - Alternative Sentencing – There have been some restructuring of drug court fees. Participant numbers in all programs are increasing. We have been approved to receive funding for Drug Court through the State. The

first request for reimbursement for January – March has been submitted and we are awaiting receipt. The reimbursement will be for \$40,000+. This is unanticipated revenue. There will be another reimbursement for April – June which will likely be greater than this quarter.

- Other – Based on previous years returns we budgeted \$100K for a “premium holiday” from Primex (Worker’s Comp) we found out in July (after budget) that there would be no premium holiday this year.

○ Expenses

- Bonded Debt – All principal payments have been made. This line will finish with a \$300K+ surplus due to the bond refinancing that was done in October.
- Nursing Home
 - Several factors going on in the nursing home expense budget.
 - The nursing home budget is based off an estimated census for the year – broken down into different payor sources: Medicaid, Medicare A, Private Pay, Veterans. Medicare A is our highest payor source. This year of Medicare A (skilled rehab) population has been running higher than projected. Which, has resulted in an increase in revenue but also there is an expense associated with the residents. Because of the increased census we are seeing an increase in expenses as well. This is the reasoning for the over expenditures in both the pharmacy and contract services departments.

❖ Pro-rated Report –

- 83.33% of the fiscal year completed. On the pro-rated report I factor in the revenue and expenses that are either over or under at this point in the fiscal year. Based on the April report we are at 83.63% or over revenue by \$120K and at 80.33% or under expended by \$1.2M. This all factors into the unassigned fund balance which at this point is \$1,488,831.42. Compared to FY

16 April we were at (\$793,000). That is a \$2.4M turn around!
These numbers continue to improve from last fiscal year.

❖ Over Expenditure Report

- There are quite a few accounts on this report – this is not unusual at this point in the fiscal year. As we go through the remainder of the fiscal year I will identify if there are any departments that will be bottom line over expended by greater than \$5K that will need EC approval. Appropriation transfers as outlined in the Delegation By-laws will be completed during the upcoming weeks.
- The largest of the over-expenditures is attributed to the Contracted Nursing services and the Med A census as discussed previously.

Rep. Schwaegler asked how many departments over \$5,000 over-expended does the county typically have each year. CA Libby stated they typically only have one (1) and that is the farm.

Rep. Abel stated that he is very pleased to see the financial improvement throughout the year. He stated that he wonders if they should consider if there is the ability to use a larger amount used to reduce taxes. CA Libby stated that this year we are holding even this year with the surplus because we lost those funds last year. She stated that she has broken out projected revenues and expenses at year end and is comfortable using the \$1,030,000 for the amount to be used to reduce taxes.

Rep. Maes moved to accept the County Administrator's Report.

Rep. Schwaegler seconded the motion and all were in favor.

New Business:

Rep. Sykes stated that at their last meeting he brought up the idea of having a subcommittee to discuss revenues at the Nursing Home and how changes in laws will have long term effects on the county. CA Libby stated that she thinks that if everything plays out how they are hoping it will in Concord and the implementation of Medicaid Managed Care is delayed to July 1st 2019 there will be a lot of discussion regarding the county's role in long term care funding. Rep. Campion asked if the goal be to understand how all these changes may affect what they can expect for funding, revenue and demand. Rep. Sykes stated that a subcommittee could start taking a look at those questions. Rep. Schwaegler stated that she feels it is a good idea to have a subcommittee to discuss these issues. The committee further discussed the issue of Medicaid Managed Care. Rep. Sykes asked if there was anyone who

would volunteer to be on this subcommittee. Reps. Campion, Abel and Schwaegler volunteered to be a part of this subcommittee.

Audience Comments:

RD Monahan asked how many times they have changed insurances in the last five (5) years. CA Libby stated that she would have to look it up. RD Monahan stated that she wanted to bring it to the attention of the Executive Committee that every time they move insurances they see good rates in the first year but then an increase in the rates the following year. She stated that she believes they have changed insurances three (3) times within the past five (5) years. The employees have jumped through hoops to keep this rate low. CA Libby noted that the first change in health insurance they had no choice. Primex stopped providing health insurance so they had to change providers. They have had one (1) change since then and that was last year when the county switched to Harvard Pilgrim. She noted that they are not changing providers this year; they are changing the structure within their policy. RD Monahan stated that coming from an employee point of view she wanted to note the sacrifice on the employees. Rep. Schwaegler stated that it is typical for a company to shop around each year because the rates increase each year. A lot of time and resources are spent looking to find what is going to be an equal or better policy and very rarely do you get that so unfortunately there has to be a give somewhere. She stated that she understands RD Monahan's frustrations.

Rep. Sykes thanked the Executive Committee members for making the meetings as it is important to have a quorum.

Rep. Sykes discussed the budget meeting process with the Committee and what to expect throughout their meetings in June.

Rep. Darrow stated that they know a member of the committee will not be present for some of the budget meetings. He asked if they can be replaced by someone else on the Delegation. Rep. Sykes stated that there is nothing in the bylaws that he knows of in regards to replacing a member on a temporary basis. If a member is no longer on the Executive Committee because they have resigned or passed away there is a process to replace them but he is not aware of anything in the bylaws regarding a temporary replacement. He stated that they can change the bylaws at some point if they would like and that would be something to look into. CA Libby noted that if that was something the committee wanted to do she would think that whoever they chose to replace that seat should be in attendance at the budget meetings leading up to those few meetings so they have all the information they need.

Rep. Sykes stated that he thinks this would be a good discussion point for new business at their next meeting.

4:50 PM with no further business the meeting adjourned.

Sincerely,

Stephen Darrow, Vice-Chair



EXECUTIVE COMMITTEE BUDGET MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
June 5, 2017

PRESENT: Representatives, Sykes, Abel, Smith, Darrow, Binford, Maes, Schwaegler and Champion. Commissioners Lauer, Piper and Ahern. County Administrator Libby and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: Supt. Elliott, HSA Bishop, Supt. Oakes, Roberta Bernier – GCSCC

EXCUSED: Rep. Erin Hennessey

9:00AM Rep. Sykes called the meeting to order

Department of Corrections – Superintendent Elliott

Revenue

Supt. Elliott stated that there is a \$14,600 increase in revenue projections for FY18.

Rep. Abel asked how often they increase the charges for Coos County females. Supt. Elliott stated that \$50 a day is fair and good to keep that number competitive with other counties who are trying to get that revenue as well. He noted that all medical costs for the Coos County females are covered in full by Coos County.

Expense

Supt. Elliott discussed various statistics from the Department of Corrections with the Committee. The Committee asked if they could have those statistics and Supt. Elliott stated that he will email them to the Committee.

Department of Corrections

He stated that there is a \$175,698 or 3.51% increase to this budget and it is mainly to the retirement increasing as well as the 2% COLA and merit increases.

Community Corrections

Supt. Elliott explained the new FIRRM Program that they have been working to implement. He stated that it is a 240 Day Reentry Program. He handed out a packet to the Committee members with all of the information regarding that program and answered various questions.

Supt. Elliott stated that there is a \$22k increase in the Community Corrections budget. \$15,000 of that is due to a new Sergeant coming on and taking a family health insurance plan where the previous Sergeant did not have a family plan.

Rep. Binford asked if Supt. Elliott has a plan to track the success of the FIRRM program as far as the budget goes. Supt. Elliott stated that they have only increased urine testing and budgeted for books for this first year of the program. He stated that they have not requested extra vehicles or staff for this program not knowing how it will go and will visit those statistics after the first year is completed.

Nightwatchmen - Supt. Elliott stated that this budget is made up of part time employees who work 7pm – 3am to patrol the barns and vehicles throughout the night.

Supt. Elliott noted that he did not request anything in his capital outlay or new personnel.

Rep. Darrow asked about bringing in inmates from other counties to bring in revenue. Supt. Elliott stated that down the line he can look at additional revenue sources but he does not see the DoC as a revenue source being such a small facility and the location that it is in. He stated that what they do bring in for revenue is an added bonus.

Rep. Smith stated that she does not see overtime listed. Supt. Elliott stated that the overtime is included in the salary lines.

Rep. Champion asked what the cost per inmate per day is. He stated that last year they ran about \$135 a day and he will have that number for this fiscal year once the year has ended.

Rep. Maes stated that it has been the trend as of late for people to say they want to reduce a budget by 5% or 10%. He stated that he does not need an answer right now but asked Supt. Elliott if he had a plan if that question were to come to him.

Commissioners' Office/Misc. – County Administrator Libby

Revenue

State/Federal Funds – CA Libby stated that she increased this line \$10,000.

Interest – This line item is the interest that earned on all investments.

Courthouse Rent – CA Libby stated that the county receives rent from three (3) sources in the courthouse; Probation and Parole, Superior/Circuit Court and Dept. Of Safety for the DMV Office.

Surplus - CA Libby stated that they have maintained the \$1,030,000 to reduce taxes this year.

Expense

Commissioners' Office - CA Libby stated that almost all increases in this budget are salary and benefit related.

Audit Services – CA Libby explained that every other year the county has to have an Actuarial Attestation for their Other Post-Employment Benefits and they are due to have one this year which is the reason for the increase in that line item.

Rep. Abel asked that in an effort to reduce property taxes if they could take a closer look at their revenue projections and make increases where it has been noted that they will more than likely be receiving more than what has been budgeted. CA Libby stated that she will certainly take a look at the projections and make some adjustments but noted that those adjustments will be small.

Conservation District

CA Libby stated that the county pays for the Conservation District's Administrative Assistant position and this budget is salary and benefits for that position.

Wage and Benefit

Health Reimbursement Account – CA Libby stated that this line is increased due to the LP plan offered to employees having a higher deductible. She did reduce the original projection by \$15,000 due to the employee deductible reimbursement being lowered from 75% to 50%.

Tan Anticipation – CA Libby stated that she increased based on this year’s numbers and not knowing what the interest rate will be.

Contingency

County Government Promo – CA Libby stated that they will be hosting an Open Barn Day in 2018 and have budgeted for that. The last Open Barn Day was held in 2014. She also noted that last year they started a new tradition for presenting years of service pins to employees. She stated that the Commissioners hosted a dinner off campus for the employees. It was very well received and good for employee morale.

Maintenance – Superintendent Jim Oakes

Supt. Oakes stated that he has a 1.3% overall increase

Supt. Oakes listed the following rate increases for FY18:

Water – 10% increase

Propane Rates – 5% increase

Off Road Diesel – 9.5% increase

Admin Building – Supt. Oakes stated that there is an increase of \$3,838 and the largest portion of that increase is to replace 115 sprinkler heads that are fifty (50) years old in the attic per National Fire Protection Agency 25.

Contracted Services – DoC Facility – Supt. Oakes stated that a Generator Load Banking and Fuel Analysis per NFPA 110 need to be performed on the generator at the Department of Corrections oversized generator. He explained that they are required to run the generators monthly underload for roughly an hour. He stated that this generator is so oversized that even though the entire DoC is on that generator it only puts about 16% load of what it is capable of doing and you need to have at least 30% load in order to have any affect. The NFPA states that if you cannot reach that 30% you need to load bank annually. Rep. Sykes asked why we have such an oversized generator. Supt. Oakes stated it goes back to the contractors and architect and is not sure why they put such a large generator in that facility. Supt. Oakes went on to further discuss the issue and answered various questions from the Committee.

Commissioner Ahern noted that we do not have the opportunity to shop for electric rates as we are statutorily obligated to use Woodsville Water and Light. It was noted that there was legislation in years past by Rep. Ladd that would have done away with that obligation and allow the county to shop for its electric rates but the legislation did not pass.

Capital Outlay

Replacing Forced Sewage Main – Supt. Oakes explained that the main sewage line is rotting from the outside in. He has talked to engineers and they are thinking that there is corrosive soil that is causing this issue. He explained that he has split the cost in to two years at \$105,000 each year.

Paving – Supt. Oakes stated that his department has done everything they can over the years to mitigate water under the pavement with crack sealing. He explained that they switched from using sand to using rock salt roughly eight (8) years ago to lower the slips and falls in the parking lots during the winter but that salt has ruined the parking lots. They are at a point where something needs to be done with the Courthouse parking lot. Supt. Oakes noted that he had Blacktop Paving come out to take a look at the parking lots and give him an idea of what areas need what for repairs.

Sprinkler Modification – Supt. Oakes stated that he is looking to eliminate twenty nine (29) dry pendant heads and replace them with an exposed system with standard response heads in the amount of \$7,700 in the maintenance/farm building. He explained that the dry pendant heads require batch testing or replacement every ten (10) years per NFPA 25. Batch testing of four (4) heads cost \$2,500 and often results in a high failure rate. One (1) failure requires all to be replaced at a cost of \$6,525. Standard Response heads replace a ten (10) year inspection requirement with a fifty (50) year one.

Circuit Court Office Ceiling Replacement – Supt. Oakes stated that they will abate the asbestos ceiling and install suspended ceiling which includes new light fixtures and HVAC vents. He explained that they currently cannot access failed mechanical equipment above the ceiling. The cost for this will be \$27,400.00.

Human Services – Administrator Nancy Bishop

Expense

HSA Bishop stated that the current cap is \$115,268,000. She has been told that the cap may increase 2% which would be an additional \$137,044 increase to her budget.

Social Services – HSA Bishop & Commissioners

HSA Bishop explained that historically social service funding has been done to provide assistance to agencies that will help reduce county costs either by keeping elderly in their homes longer or by keeping people out of jail. Rep. Binford asked that if the social service agencies are supposed to offset costs to the county is there any way to track that? HSA Bishop stated that she doesn't have a set way to answer that question but if they didn't have these services she believes you would see increases throughout the budgets.

The Commissioners spoke to a few of their agencies and explained why they have requested funding and answered questions from the Committee.

Rep. Sykes stated that he will be requesting that \$5,000 be added to the budget for Twin Pines Housing trust to help with the homeless population. He stated that there is already funding for homeless programs in Plymouth and in the northern part of the County but nothing for Lebanon.

Commissioner Lauer noted that in FY12 the Social Services budget was at \$523,000 so they have not reached FY12 funding levels.

11:17AM with no further business the meeting adjourned.

Sincerely,

Suzanne Smith, Clerk



EXECUTIVE COMMITTEE BUDGET MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
June 9, 2017

PRESENT: Representatives, Sykes, Abel, Smith, Darrow, Binford, Schwaegler and Champion. Commissioners Lauer, Piper and Ahern. County Administrator Libby and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: Nursing Home Administrator Craig Labore, Finance Manager Dawn Jurentkuff, Human Resources Director Karen Clough, Alternative Sentencing Director Bill Gilding, UNH Extension Office Administrator Heather Bryant.

EXCUSED: Reps. Maes & Hennessey

9:00AM Rep. Sykes called the meeting to order

Nursing Home – Administrator Craig Labore & Finance Manager Dawn Jurentkuff

Revenue

The nursing home received positive news regarding the Medicaid rate effective July 1st. The rate is expected to increase \$10.93 a day compared to what they originally budgeted for. NHA Labore stated they expect final confirmation on those rates next week. Grafton County's Medicaid rate will be \$172.75 or an extra \$188,980.00 in revenue. He explained that these rates get set July 1st and January 1st. They typically calculate a 2% decrease for the January 1st rate in case there is a decrease in their rates. The new estimated Medicaid revenue for the nursing home for FY 18 is 215,231.00.

NHA Labore stated that they are projecting an average daily census of 129. FY17 they projected 127 and have been running ahead of that and feel comfortable budgeting for 129 in FY18.

Last year they had a VA contract put in place. Based on discussions with the VA they felt that they were going to be receiving more referrals than they did. They only received one (1) this year. The nursing home had their recertification with the VA in March and they were not sure why they were not referring veterans to the nursing home based on their inspection. He stated that they budgeted for only (1) this year and if they receive anything more than that it will be extra.

NHA Labore stated that they increased their Medicaid Proshare payment for FY18 to \$1.3 million based off their census.

NHA Labore stated they are projecting a 5% increase in revenue for FY18.

Expense

NH Admin

NHA Labore noted that all salary lines reflect the 2% COLA that has been budgeted for all employees.

Bed Tax Expense – NHA Labore stated that there is a \$57,000 increase in this line due to the increase census. He explained that this is the 5.5% tax that they have to pay.

Telephone – NHA Labore noted that they reallocated expenses for cost reporting purposes so there is a decrease in this line item but that has been transferred to the Equipment Lease/Rental line.

Software Maint/Training - NHA Labore stated of that part of the Point Click Care contract is a onetime payment of \$3,100 to move forward with an electronic medication administration and electronic treatment administration program. This is a part of the new electronic health record that was implemented last year. It is the next step in the progression of moving towards having a fully convertible electronic health record.

Computer Hardware & Maint – NHA Labore stated that they postponed the replacement of 35 computers in their capital line so they have requested an increase of \$2,500 in this line to allow IT to fix any problems that may arise with any computers.

Dietary

NHA Labore noted that the Commissioners will see decreases in overall wages due to a more extensive analysis of FTEs and actual hours worked.

Nursing

NHA Labore handed out a supplemental budget for the Nursing Department and noted that they have made some changes to this department since his budget presentation in March.

NHA Labore stated that he has done some additional thinking on the Clinical Compliance Director position. They had a consultant come and look at the MDS Department, specifically on their quality measures. They performed an

audit of their coding and analysis of what is being entered into the assessments. They found that there were some improved opportunities for education for certain individuals working in the department as well as looking at some systems for the Nursing Home as a whole. The good news is based on that report the areas that they had been flagging on they were not flagging on any longer. Through conversations with the consultant, a lot of what they talked about is where they need to be going forward as a whole for the Nursing Department and the MDS operation. Based on those discussions NHA Labore stated that he has changed his thinking along the lines that the MDS Coordinator should be capable of doing the education that needs to be done. They should be capable to go out and research and follow up much sooner on things that need to be done in areas that they are triggering for rather than just letting it build. They will not going to be moving forward with the Clinical Compliance Director position.

Contracted Nursing Services – NHA Labore stated they are requesting an additional \$400,000 in this line based on the usage of contracted nurses that are currently being used. He further discussed this issue with the committee and answered various questions.

Travel Expense – NHA Labore stated that they renegotiated a contract with the nurse staffing agency that was charging housing and are no longer paying for that so there is a decrease in this line.

Restorative Nursing

Rehab Supplies - NHA Labore explained that this accounts for an increased need to have different types of parts for wheel chairs and update on pressure relieving cushions.

Plant Operations

NHA Labore stated that these are the expenses that are required to keep the nursing home up and running.

Minor Equipment Repairs – This is a reflection on the CMS plan to move forward with Quality Assurance & Process Improvement.

Pharmacy & Physician

This budget is made up of the costs associated with prescriptions for residents in the Med A census.

Contract Services

Therapy & Rehab – Medicare A – There is an increase due to the Med A census that the nursing home currently has.

Therapy & Rehab – Medicare B – This number is based on the acuity of the residents.

Contract Physician – NHA Labore stated that he is requesting a \$5,000 increase. He stated that the contracted physician did not receive increase last year. He is looking at about three (3) more years before she retires and they need to work on increasing that line item over the next couple of years to make that position attractive to potential hires when she retires.

NHA Labore stated that there is a total expense budget of \$16,792,000 which is roughly a \$780,000 increase over last year.

Capital Reserve Account

NHA Labore stated they are requesting \$101,479.87 in capital reserve projects for this year.

CA Libby explained that this is its own bank account reserved for equipment purchases for the nursing home and does not affect the budget.

Human Resources- Director Karen Clough

HR Director Clough stated that the increases in the salary and benefits lines are all due to step increases and the insurance rate increase.

Education and Conference – This line includes the Nurse Practitioner education and training, the annual Employment Law Update at Sheehan, Phinney, Bass & Green for the three (3) HR staff members, the County Conference, HR Certification for Infinite Visions software, Professional HR Education/ Certification (course, materials and certification exam) for the Sr. HR Generalist and varied continuing educational courses.

Employee Recruitment/Retention (Previously Employee Medical & Wellness) – HR Director

Clough stated that this is based on usage and projections. They are going to begin offering lunch and learn as well as updating their presentation materials for job fairs.

Allocated Service – Nursing Home – HR Director Clough explained that 80% of the Human Resources budget is allocated back to the nursing home

for their hiring, orientations, benefits, employee relations, labor relations and polices/procedures.

Dues, Licenses & Subscriptions – HR Director Clough stated that this includes the criminal record checks based on hiring data from the first eight (8) months of FY17. It also includes the Nurse Practitioner’s annual membership to the American Psychiatric Nurses Association.

Travel Expense – HR Director Clough stated that she based this off usage and was able to decrease this line item.

New Equipment – HR Director Clough stated that they are requesting a new chair and a desk mat.

HR Director Clough stated that she has an increase of \$2,864.00 for FY18.

Rep. Abel asked about increased advertising for the nursing home. HR Director Clough discussed various ways that the HR department advertises for vacant positions and answered questions from the Committee.

Alternative Sentencing – Director Bill Gilding

Director Gilding stated that Alternative Sentencing has come a long way from where they were a year ago. He also noted that they have secured the State Drug Court funding so the Drug Court is now fully funded. The department is now reaching many more people.

AS Director Gilding stated that he has some unfortunate news about the Veterans Court. He stated that the judges who are involved have met to go over the court cases and what will be available. He stated that they were given two (2) options. The first was to limit the number of mental health cases for Lebanon Court down to five (5) and are only going to allow ten (10) cases total. If the county were to go forward with the Veteran’s Court they were going to cut back on the Mental Health Court. AS Director Gilding stated that they need to put the Veterans track on hold because there is such a demand for the Mental Health Court at this time. He stated that as veterans cases come in they will integrate those cases into the Mental Health Court. With Felonies First any veteran that is convicted of a felony will come into Drug Court and they will treat them in a separate track but keep them in the same program. ASD Gilding stated that he will be working with the Veterans Administration to help these veterans.

Rep. Schwaegler asked where the state funding is reflected in the budget. CA Libby stated that they will see the funding in the revenue budget which totals

\$290,000. All of the Drug Court budget is funded except for the Sheriff's deputy position which she noted the state will not fund.

CA Libby noted that the cost to the tax payers is being reduced \$142,000 over last year.

Rep. Abel asked where Director Gilding would like to see the programs go within the next few years. Director Gilding stated that he feels he has an obligation to the Commissioners to have a more consistent curriculum within the programs and rely more on his team to provide these services rather than the various providers throughout the county.

UNH Cooperative Extension – County Office Administrator Bryant

COA Bryant stated that her office has two (2) Administrative Assistant positions who are county employees. She stated that most of the line items in her are associated to those employees' salaries and benefits which accounts for majority of the increase in her budget.

Salary – Professional Staff – COA Bryant stated that this line is for the Field Specialists and Coordinators. UNH Cooperative Extension pays a percentage and the county pays a percentage. The county also pays a percentage of travel and supplies costs.

11:04 AM with no further business the meeting adjourned.

Sincerely,

Suzanne Smith, Clerk



EXECUTIVE COMMITTEE BUDGET MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
June 12th, 2017

PRESENT: Representatives, Sykes, Abel, Smith, Darrow, Binford, Schwaegler, Erin Hennessey and Campion. Commissioners Lauer, Piper and Ahern. County Administrator Libby and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: Farm Manager Donnie Kimball, County Attorney Saffo, Register of Deeds Kelley Monahan, IT Manager Brent Ruggles

EXCUSED: Rep. Maes

9:00AM Rep. Sykes called the meeting to order

Farm – Manager Donnie Kimball

Revenue

Sale of Milk – FM Kimball stated he budgeted to sell 2.2 million lbs. of milk at \$18.00 per hundredweight.

Sale of Livestock – This line item increased \$10,000. He stated that their herd is built up and they are able to sell some to help offset the price of milk.

Sale of Produce – FM Kimball stated that he has been reaching his projected revenue the last few years on sale of produce at the farm stand. He budgeted \$60,000.

Misc. – FM Kimball stated they are getting extra feed which helps this line out.

FM Kimball stated that his total projected revenue for FY18 is \$534,761.00

Rep. Schwaegler asked FM Kimball if there were any other sources of revenue in the future that he could look into such as raspberries or other fruits. FM Kimball stated that it is tough because he does not want to hurt other local farmers who sell those products as they pay county taxes as well.

He stated that they are focusing on their dairy production. They are the last standing county dairy farm and are the number one (1) dairy farm in the state for productivity.

Expense

Sawdust – He stated that he had to increase this line roughly \$4,500.

Equipment Repair and Maintenance - FM Kimball stated that this line item is increased by \$3,000 to replace tires for one (1) of his tractors that he had budgeted to replace in his capital budget but it was not funded.

Rep. Abel stated that if we look at the figures that are on the budget it looks like the farm is running a deficit of \$63,000 in terms of the revenue and expenses but there are all these things that can't be shown in the budget for donations. He stated that they cannot be too hard on the farm budget because it is skewed with the all of the donations that are made. Rep. Binford stated that they are not looking at the full aspect of the farm. He stated that if there is a way to find out the amount of produce that is being donated as well as what all the labor would cost that could give them a better idea of the overall farm operation.

Rep. Hennessey commended FM Kimball on the farm deficit for FY18 being cut in half from where it was in FY17. She stated that she feels looking at other sources of revenue to reduce that deficit even further would be a great benefit to the county.

Sheriff's Dept./Dispatch- Sheriff Doug Dutile & Director of Communications Tom Andross

Revenue

Sheriff Dutile stated that their overall projected revenue increased over FY17.

District Court Prisoners – Sheriff Dutile explained that this line item is when they take prisoners to the District Courts. They receive a flat rate of \$65 a day no matter how many transports are made.

Rep. Campion asked why the DCYF Transports have decreased. Sheriff Dutile stated there are no beds available for juveniles so the numbers of transports have decreased.

Sheriff's Department Expense

Sheriff Dutile stated that 95% of what they do is mandated by law. There have been no large increases in his budget for FY18.

Rep. Hennessey asked about the Out of State Expense line and what it is used for. Sheriff Dutile explained that once a letter for a felony level court arraignment is sent out it is the Sheriff's Department's responsibility to find that person if they do not show up for court no matter where they are located and this line item covers any costs associated with that.

Rep. Abel asked how video arraignments have affected the inmate transports. Sheriff Dutile stated that the number of transports that are being made have stayed about the same but the number of inmates per transport have decreased.

Capital

Sheriff Dutile stated they are requested three (3) new cruisers this year. The total cost of \$91,767.00 includes all the equipment needed for the cruisers as well.

Dispatch Revenue

Rep. Abel asked how dispatch billing is calculated. Director Andross explained that the billing is based on a percentage of usage. He stated that they feel this is the fairest way to bill for the services.

Expense

Director Andross stated that the increases in his expense budget are all due to salary and benefits.

Dispatch Capital Reserve

Director Andross explained to the Commissioners that the Dispatch Capital Reserve account was created many years ago. It is its own account that does not have any impact to the taxpayers. The Delegation takes 10% of the revenue coming back from the dispatch fees and puts that into the capital reserve account. They then spend out of that account with the permission of the Commissioners and Delegation for things that are related to Communications only. Rep. Erin Hennessey asked how much is in the account. County Administrator Libby stated that they currently have \$168,208.01

Director Andross discussed the various items budgeted in his Capital Reserve account for FY18.

County Attorney's Office – Attorney Lara Saffo & Office Administrator Alison Farina

Expense

Medical Referee – CA Saffo stated that this line item is increased slightly based on this year's numbers.

County Attorney's Office

Atty. Saffo stated that she has a \$237,125.00 increase in the salary and benefit lines. She stated that she is requested a new assistant county attorney as well as one (1) new clerical position. She noted that one position is also being upgraded from part time to full time.

Travel – Atty. Saffo noted that they do have a county car that they use but with seventeen (17) staff members that car is not always available so they have increased that line item \$2,000 to cover extra travel costs.

Victim Witness

Atty. Saffo stated that the main increases are salary and benefits related. She noted that one of the positions was upgraded as a part of the HR Wage Study.

Atty. Saffo explained her need for a new Assistant County Attorney due to an increase in number/complexity of caseloads and the implementation of felonies first. She answered various questions from the Committee.

Rep. Abel asked what a rough number would be to add a second attorney position. CA Libby stated that for salary and benefits they have budgeted roughly \$91,000. Rep. Abel stated that this seems like a much needed position and maybe they should look elsewhere in the budget to make cuts.

Atty. Saffo noted that they just filled a vacant position in the Victim Witness department. She stated that the employee was a transfer from another department who has a higher insurance plan than the employee who left. She explained that there is normally a three (3) month window when there is no insurance for a new employee but because this was a transfer from another department they do not have that window. She stated that she needs to

increase the health insurance line in that department by \$10,000. She also needs to increase the wage line by \$1,632.

Information Technology – Manager Brent Ruggles

Expense

Contracted Services – ITM Ruggles stated that there is an increase in this line item of roughly \$4,000. He explained that this is due to a need for additional consultation.

New Equipment – ITM Ruggles stated that there is an increase of roughly \$7,500. He discussed the various equipment throughout the campus that he has budgeted to replace with the Committee.

Software – ITM Ruggles stated that there is an increase in the software line item and discussed each of the various increases with the Committee. The Committee requested to have that list of items sent to them.

Capital

ITM Ruggles discussed the various capital budget items with the Committee.

He noted one of the large items on the list is the replacement of twenty (20) PC's at the Department of Corrections which are a part of his replacement plan for PC's across the complex.

He also noted the purchase of a scale computing storage system which will allow for additional network storage and backup. This is a thirty – six (36) month lease and the cost in FY18 will be \$21,850.00.

ITM Ruggles stated that his total Capital budget is \$88,634.00.

Rep. Abel asked if there was a revenue line item for the services that the IT Department provides to various Police Departments. ITM Ruggles stated that they do not charge for the services provided. He explained that it was requested from Director Andross to provide these services and he is not sure how Dispatch goes about billing for services and that question would be best directed to Director Andross.

Register of Deeds – Kelley Monahan

Revenue

RD Monahan noted that there is no significant change in her projected revenue from FY17.

Expense

New Hire – RD Monahan stated that they have been down one (1) employee for two (2) years. A member of the staff is considering retirement. She noted that it is imperative that they hire someone and have agreed to put off that new hire six (6) months into the fiscal year.

Rep. Sykes asked if there was some way to change scheduling to accommodate overtime. RD Monahan stated that she has all veteran staff and does not feel that she should change their schedules at this time. She also noted that with the work that is performed in her office she needs her staff working the same schedules as they all work together.

Education and Conference – RD Monahan stated that she will not be attending the PRIA Conference in Nashville or the Fidler Conference in Davenport. She will attend the NHAC Conference in Portsmouth in September, for the one (1) day that the Register of Deeds Affiliate holds their annual meeting with speaker.

Rep. Sykes asked what the breakdown would be for this new position. CA Libby stated that they have budgeted \$26,526.62 in the budget for six (6) months of that position.

Travel – RD Monahan stated that their affiliate has relied more on conference calls for their meetings so there is a decrease in this line item.

Capital Reserve

RD Monahan discussed her items under equipment repair and maintenance as well as equipment rental with the Executive Committee.

New Equipment – RD Monahan stated that she would like to use the open space in the basement to display their historic books and artifacts. She is requesting \$13,000 for museum quality cabinets that will provide security and control humidity. She is also requesting the purchase of new Mylar cabinets.

12:05 PM with no further business the meeting adjourned.

Sincerely,

Suzanne Smith, Clerk

EXECUTIVE COMMITTEE BUDGET MEETING

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
June 16th, 2017

PRESENT: Representatives Sykes, Maes, Abel, Smith, Darrow, Hennessey and Campion. Commissioners Lauer, Piper and Ahern. County Administrator Libby and Administrative Asst. Samantha Norcross.

OTHERS PRESENT: Register of Deeds Monahan, County Attorney Saffo, Human Services Administrator Nancy Bishop.

EXCUSED: Rep. Binford and Rep. Schwaegler

9:15AM Rep. Sykes called the meeting to order

Rep. Sykes asked CA Libby what departments have reserve accounts. CA Libby stated that the Nursing Home and Dispatch have Capital Reserve Accounts and the Register of Deeds has a Surcharge account which is a different type of account that is statutorily required.

CA Libby reviewed the financial reports with the Committee and explained where they are at with the budget as of their meeting. She discussed the changes that have been made since the Commissioners presented their budget. She noted that it reduced the tax increase from a 5.7% increase to a 4.93% increase

Revenue

Abandoned Property – CA Libby stated that the average payment the last six (6) years has been \$77,131.50 and that numbers varies from \$25,000 up to \$125,000. She stated that she feels that if they would like to increase that revenue line item they need to keep in mind that number varies greatly from year to year and there are no guarantees that they will receive that amount. Rep. Sykes asked CA Libby if there was a number she was comfortable with. CA Libby stated that she would be comfortable with increasing it to \$30,000. She stated that with the PILT payment they have been as low as \$102,000 and as high as \$134,000 or an average of \$113,500. They have budgeted \$100,000 which is a \$10,000 increase over last year's budgeted number. Rep. Smith expressed concerns increasing revenue coming from federal money.

Rep. Campion moved to increase the Abandoned Property revenue by \$10,000 to \$30,000 and the PILT revenue by \$10,000 to \$110,000. Rep. Abel seconded the motion

Discussion:

Rep. Erin Hennessey stated that she is comfortable in increasing the Abandoned Property to \$30,000 but not comfortable with increasing the PILT by \$10,000. She would like to see that increased \$5,000. Rep. Smith and Rep. Darrow both agreed.

Rep. Campion amended her motion to increase the Abandoned Property by \$10,000 and the PILT by \$5,000. Rep Abel agreed to the amendment. The Committee voted on the amended motion. With the motion being six (6) in favor and one (1) opposed the motion passes.

Transfers to Capital Reserve Accounts – CA Libby stated that there is \$110,840.14 for the anticipated balance in the Nursing Home Capital Reserve at the end of FY17. The current balance is \$137,667.88. In FY18 it is being requested to spend \$101,479.87 and they are budgeting to add \$50,000 to that account.

Rep. Hennessey moved to reduce the amount to be transferred into Dispatch Capital Reserve by \$40,000. Rep. Darrow seconded the motion.

Discussion – Rep. Hennessey stated she would like to reduce that amount to \$24,000 to be transferred into the Dispatch Capital Reserve. Rep. Smith asked how much that would leave them with. CA Libby stated that the expected balance at the end of FY17 \$133,347.57. The anticipated balance for the end of FY18 with the 10% contribution would be \$153,347.57. Rep. Sykes stated that he agrees with reducing the amount to be contributed to the Dispatch but feels reducing it \$40,000 is too aggressive. He stated that he would entertain a different number to reduce it by. Rep. Abel asked Rep. Hennessey how she came to the figures she's proposing. Rep. Hennessey stated that just because they have historically contributed 10% to the account is not a good enough reason for her.

Rep. Hennessey amended her motion to reduce the amount to be transferred to \$34,000. Rep. Darrow seconded the motion.

Rep. Hennessey moved to table the motion until further information is obtained. Rep. Darrow seconded the motion and all were in favor.

Expense Budget
County Attorney

Rep. Hennessey stated that she has done some research into the request to add two (2) additional employees. She asked if Felonies First will increase the workload or would it just decrease the time the staff she has to put out work. She would like to reduce the additional staff request of the Assistant County Attorney and the Legal Assistant to one (1) and let the County Attorney decide which position they want to fund.

Rep. Hennessey moved to reduce the headcount to the County Attorney's Office by one (1) and let the County Attorney decide which position they want to fund. Rep. Darrow seconded.

Discussion:

Rep. Campion asked how Rep. Hennessey arrived at her decision that it is not an increased work load. Rep. Hennessey stated that she has spoken with local law enforcement officials who have stated that it will not increase their workload. Commissioner Lauer noted that the request for additional staff is not solely driven by Felonies First but the increase in case load. Rep. Smith stated that it sounds like the office is much busier than they were a few years ago. Rep. Abel agreed that the County Attorney's Office is facing an increase work load and complexity of those cases. Felonies First takes away from the time that they can spend on those increases and it would seem appropriate to have an additional attorney. Rep. Sykes stated that he is opposed to making motions that do not specify what money needs to be reduced. Rep. Hennessey stated that she did not give a specific dollar amount because she wanted to leave it up to the County Attorney to decide which position is more important.

The committee voted on the motion. With the vote being two (2) in favor and five (5) in opposition the motion fails.

Rep. Abel moved to establish an additional assistant county attorney position to start January 1st, 2018 in the amount of approximately \$45,500. Rep. Sykes seconded for discussion purposes.

Discussion:

Rep. Sykes stated that he supports this motion with the knowledge that as they work through this budget they will look to other areas to cut to bring the budget in at the end of the day where they started now. It has been demonstrated to him that the County Attorney's

Office is often strapped for help and resources. He strongly suggests the committee voting in favor of this motion and looking elsewhere in the budget to make up for this increase. Rep. Darrow stated that he will oppose the motion. He stated that they are working with a tight budget and the County Attorney did not request this position. If they use their resources we can make due with we have.

Rep. Smith moved to table the motion. Rep. Campion seconded the motion and all were in favor.

Victim Witness

CA Libby stated that the Victim Witness budget has \$10,000 that needs to be added to the health insurance line and the \$1,632.00 to the clerical line due to the new staff member that was hired. The new bottom line is \$288,904.

Rep. Smith moved to add \$10,000 to the Victim Witness Health Insurance Line and \$1,632.00 to the clerical line. Rep. Maes seconded the motion.

Discussion:

Rep. Smith asked what line item these increases are being made too. CA Libby stated that the \$1,632.00 is the Clerical Line which now has a total of \$54,862.00 and the Health Insurance line has the \$10,000 increase and the new total is \$56,152.00.

The Committee voted on the motion with the vote being six (6) in favor and one (1) in opposition the motion passes.

Register of Deeds

Rep. Abel moved to reduce the new clerical position from six (6) months to three (3) months. The new position was budgeted at \$26,000 for six (6) months. Rep. Hennessey seconded.

Discussion:

Rep. Hennessey stated that her understanding is that this new position is to train someone because they have a pending retirement. RD Monahan was present and spoke to her new position stating that they had a staff member move to another department two (2) years ago and put off hiring a new employee due to the training involved and budget restraints. She stated that they now have a pending retirement and need to get a new hire in to start the training process. Rep. Abel stated that he misunderstood and felt that this was for

someone who was retiring and felt six (6) months was a lot of training.

Rep. Abel withdrew his motion based on the information from RD Monahan. Rep. Hennessey withdrew her second.

Information Technology

Rep. Abel stated that he had a question about the replacement of equipment. He asked what the replacement cycle was. CA Libby stated that they are trying to get on a replacement cycle of every five (5) years. She stated that the Nursing Home and Jail are the two (2) largest facilities for computers and they have split up the replacement of those computers to help keep down on costs. The rest are staggered throughout the complex

Human Services

CA Libby stated that she has added money to this budget due to the 2% increase in the CAP. The Nursing Home Expenses Line is now \$5,241,923.00 and the Home and Community Based Care line is \$1,747,308.00 or a total increase of \$137,044. The new bottom line is \$7,107,112.00.

Rep. Campion moved to increase the Nursing Home Expenses Line to \$5,241,923 and the Home and Community Based Care line to \$1,747,308.00 for a total increase of \$137,044. Rep. Smith seconded the motion and all were in favor.

Department of Corrections

CA Libby stated that they have a tentative agreement with the Union at the Jail and with that tentative agreement there will be no changes to this budget

Farm

CA Libby stated that they discussed numbers with the farm manager the other day and it was the number of inmate hours and labor costs were requested. She stated that inmate hours for the ones who work on the farm during calendar year 2016 was 15,381 inmate hours or \$153,810.00 in labor from the jail to the farm.

Social Services

Rep. Hennessey moved to reduce the total department to \$500,000 and reduce each line item accordingly. Rep. Darrow seconded the motion.

Discussion:

Rep. Hennessey stated that she is a large supporter of social services but this budget keeps increasing each year. Rep. Maes thinks that some towns who are making decisions to cut their social services funding are saying that because they say the agencies should go to the county for funding. These issues are not going to be going away. This is an obligation that they have and he feels they can't back away from. Rep. Darrow stated that he is a strong supporter of social services but the system in which these agencies are funded is flawed as they go to two (2) public entities for funding. The towns need to pick up the responsibilities and know that if they do not fund these agencies the county will not be there to back them up. Rep. Sykes stated that it is a flawed argument to say they are double dipping because the solution is to put the burden on one or the other and he feels that they should be spreading the funding out. Rep. Sykes stated that he does not support the motion. Rep. Sykes noted that these are dollars well spent that avoid other costs. Rep. Hennessey agrees that they have a moral obligation to support these agencies and she does on a town level and doesn't agree to support it at the county level. Commissioner Ahern stated that because of rules and regulations these agencies are having to hire additional staff to keep up with the paperwork. We are paying for a lot of administrative services that are taking away from services that could be provided to people in the communities. Rep. Maes stated that part of the reason the money is coming in to these agencies is because of the administrative staff taking care of the paperwork.

The Committee voted on the motion. With the vote being two (2) in favor and five (5) in opposition the motion fails.

Rep. Sykes moved to appropriate \$5,000 to Twin Pines Housing Trust. Rep. Abel seconded.

Discussion:

Rep. Sykes stated that he provided the committee with information about Twin Pines Housing Trust. He stated that this appropriation vital for several reasons. The county supports homeless efforts in the Plymouth and Northern Grafton County areas. Homelessness in

Lebanon has been a problem. In a very innovative approach of a public private partnership, Twin Pines found money to purchase an eighteen (18) unit apartment building. This will be transitioned into housing for the homeless. They do not receive money to do some of the administrative work that goes along with keeping these funds moving forward in the future. They have requested \$5,000. Rep. Sykes stated that spending money here can save elsewhere. By state law if someone who is homeless receives a fine and they cannot pay it they are sent to jail. It costs \$147 a day to keep that homeless person in jail. Last year Lebanon contributed \$9,000 to jail fees. He feels funding \$5,000 is money well spent. Rep. Smith asked when people will be moving into this complex. Rep. Sykes stated that they are saying theoretically possible right away as long as they can find housing for some of the people currently living there who may no longer need those services. Rep. Smith stated that she is concerned because this is not operational yet.

The Committee voted on the motion. With the vote being four (4) in favor and three (3) in opposition the motion passes.

Capital Outlay

Rep. Sykes stated that he has been looking at the paving and is strongly aware that if we do not spend money on paving they will spend more money down the road. The current expenditure of \$95,000 is a part of the plan to complete this project over four (4) years. He has taken a walk of the parking lot and wonders if we can split this project up over five (5) years. Commissioner Lauer noted that the paving price listed is for the courthouse and you cannot split this up. CA Libby stated that the project total cost wasn't split up into four (4) payments. It is split up based on cost of each section of the parking lot.

Rep. Abel asked about the sewer line project and how that is split up. CA Libby explained the process and stated that they will be having the planning study done in the spring with the rest of the project to be completed in the summer of 2018. She stated that this allows them to break up the cost of the project over two (2) fiscal years due to the timeline of when things will be done.

Rep. Sykes stated that he is looking at priority.

Rep. Sykes moved to eliminate the paving for FY18 in the amount of \$95,000. Rep. Abel seconded the motion.

Discussion:

Rep. Darrow stated that when they are elected by constituents they are being asked to maintain the grounds of which they own and not let it get in disrepair. Rep. Hennessey stated that as much as she would love to support taking \$95,000 out of the budget she has learned that the longer you put off road maintenance the more expensive it will be to replace it later. Commissioner Ahern stated that the courthouse is used by a lot of people. He noted that Supt. Oakes had stated that they use a lot of salt to prevent trips and falls but also ruins the pavement over time. Rep. Maes stated they need to maintain infrastructure in order to keep costs down in the future. Rep. Smith stated that there is a law now that requires a certification to put down the responsible use of salt and asked if our maintenance staff is certified with that training. CA Libby stated that she did not have an answer. Rep. Sykes stated he doesn't feel that the consequences of putting off the paving for a year are as dire as some may think.

The Committee voted on the motion. With the vote being two (2) in favor and five (5) opposed the motion fails.

Unemployment Insurance

CA Libby stated that if the committee would like to reduce the budget based off of current figures she is willing to decrease it down to \$10,000.

Rep. Darrow moved to reduce the Unemployment Insurance \$5,000 to \$10,000. Rep. Maes seconded the motion and all were in favor.

Nursing Department

CA Libby noted that there is a \$17,000 reduction in this line and NHA Labore handed out an updated budget last week at his presentation reflecting that amount.

Dispatch Capital Reserve Contribution

CA Libby stated that she received a response from Director Andross as to what his long term plan is for the capital reserve account. He stated that if they want to reduce the contribution to the reserve account for FY18 he is ok with that.

Rep. Hennessey moved to reduce the contribution to the Dispatch Capital Reserve Account down to \$34,000 from \$64,000. Rep. Smith seconded the motion and all were in favor.

Dispatch Capital Reserve Expenses

MDT Replacements - \$24,000
IT Costs - \$2,000
Communications Infrastructure - \$18,000
Total - \$44,000

Rep. Hennessey moved to take the motion off the table. Rep. Abel seconded the motion and all were in favor.

Rep. Smith moved to accept the Dispatch Capital Reserve Account requests. Rep. Hennessey seconded the motion and all were in favor

Nursing Home Capital Reserve Account

CA Libby stated that they have budgeted to contribute \$50,000 to this account in FY18. It is budgeted to spend \$101,479.87 in FY18.

Rep. Campion moved to approve the request to expend \$101,479.87 from the Nursing Home Capital Reserve. Rep. Smith seconded the motion.

Discussion:

Rep. Hennessey stated that she was not here for this discussion. She stated that the four (4) Tornado Battery Glazer 17in Burnishers for \$10,400 have been budgeted and it states that they will do a better job on keeping the floors clean. She stated that the Nursing Home is very clean and asked if this was a necessary expense. Commissioner Lauer stated that the current cleaners are coming to the end of their life and these are to replace them and will do a better job than the current brand they have.

The Committee voted on the motion and all were in favor.

Register of Deeds Surcharge

CA Libby stated that the total request for FY18 is \$36,854.98. Rep. Hennessey stated that per the RSA the only items that can be expended out of this account are for equipment. She asked if some of the items in the operating budget could be expended out of this account such as

microfilming. RD Monahan stated that she has put everything in the surcharge account that she can.

Rep. Abel moved to approve the request to spend \$36,854.98 out of the Register of Deeds Surcharge. Rep. Maes seconded the motion and all were in favor.

CA Libby reviewed the changes that have been made so far with the committee. She stated that after all changes that have been made and including a six (6) month added Assistant County Attorney they are at \$25,170,129.00 or 4.94% increase in the amount to be raised by taxes. CA Libby stated that the salary and benefits for a six (6) month Assistant County Attorney is \$46,354.61.

Rep. Hennessey stated that she sees the changes that have been made are one (1) time changes and they cannot account for them being sustainable changes. She also stated that she is not sure if next year they'll be able to reduce the contribution to the Dispatch Capital Reserve. She stated that she does not like using one (1) time decreases to fund an ongoing expense and strongly suggests not funding the additional expense for a second new Assistant County Attorney. Rep. Abel stated that they are adding a position that will enhance the ability of the County Attorney's Office to serve the people of the county and avoid a potential situation where charges are dropped against someone because the attorneys did not have the time to get the information they needed.

Rep. Darrow stated that he agrees with Rep. Hennessey in that this is an ongoing expense and the changes they made this year are one (1) time changes. They need to be fiscally responsible. Commissioner Lauer noted that three (3) departments came to the Commissioners requesting new positions and one (1) was not funded and the other was cut in half to a six (6) months of the fiscal year. The County Attorney's Office was the only office to receive all the positions they requested.

Rep. Campion moved to take the motion off the table. Rep. Abel seconded the motion.

Atty. Saffo was present at the meeting and Rep. Campion asked her to speak to her requests for additional staff. CA Saffo explained the increase in case load and how having that second attorney added to her staff would be a large help for her office.

Commissioner Lauer noted that they asked all Department Heads for lean budgets and the County Attorney came in with a bare bones budget.

The Committee voted on the motion to add \$46,000 into the County Attorney budget for an additional Assistant County Attorney position to start January 1st 2018. With the vote being five (5) in favor and two (2) in opposition the motion passes.

Rep. Abel moved to appropriate \$43,105,252.00 with \$25,170,129.00 to be raised by taxes or a 4.94% increase. Rep. Smith seconded the motion. With the vote being five (5) in favor and two (2) opposed the motion passes.

Rep. Hennessey stated that Executive Committee created a subcommittee to learn more about Medicaid Managed Care. She stated that she believes they should start another subcommittee to learn about employee compensation. She stated that she feels learning more about this subject will be beneficial in the budgeting process. She believes that as a committee they do not know enough about the compensation and skim over those line items in the budget. She feels they should address this issue with the full Delegation to see if this committee is something that will be created. Commissioner Lauer noted that the employee handbook is on the website that breaks down longevity and wage charts. The Committee felt that creating a new subcommittee is a good idea. They agreed that at the full Delegation meeting they will discuss who would like to be on this committee. Rep. Hennessey stated that she will be stepping down from the Executive Committee but would still like to be on the Committee as a member of the Delegation.

12:40 PM with no further business the meeting adjourned.

Sincerely,

Suzanne Smith, Clerk



DELEGATION MEETING
Vote on Bond Refinancing
Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
September 19, 2016

PRESENT: See attached sign in sheet

Rep. Sykes called the meeting to order at 10:23 AM.

Rep. Darrow called the role. Fifteen (15) members were present and a quorum was declared.

Rep. Abel moved to approve the minutes from the June 27th 2016 Delegation Meeting. Rep. Ford seconded the motion and all were in favor.

GRAFTON COUNTY, NEW HAMPSHIRE

Authorization of Refunding Bonds by County Convention **September 19, 2016**

WHEREAS, Grafton County, New Hampshire (the “County”) has issued (i) certain \$17,500,000 2010 General Obligation Bonds dated as of June 1, 2010, which mature on December 1 of the years 2021 through 2030, inclusive, in the aggregate principal amount of \$8,750,000 (the “2010 Bonds”), which are eligible to be refunded at par on any interest payment date on or after December 1, 2020; and (ii) certain \$15,500,000 2011 General Obligation Bonds dated as of April 1, 2011, which mature on January 1 of the years 2023 through 2032, inclusive, in the aggregate principal amount of \$7,750,000 (the “2011 Bonds”), which are eligible to be refunded at par on any interest payment date on or after January 1, 2022 (the 2010 Bonds and the 2011 Bonds are hereafter collectively referred to as the “Refunded Bonds”); and

WHEREAS, it appears likely that bonds issued today would have a net interest cost less than the net interest cost on the Refunded Bonds;

WHEREAS, the County may be able to realize debt service savings by issuing certain refunding bonds (the “Refunding Bonds”), the proceeds of which would be utilized to refund the Refunded Bonds on a current or advance basis and to pay certain other costs relating thereto, including any necessary redemption premium and the costs of issuing the Refunding Bonds; and

WHEREAS, pursuant to the provisions of RSA 28:24, after the County Convention has authorized the issuance of the Refunding Bonds, the interest rate, maturity and other terms and conditions of the Refunding Bonds will be approved by the County's Board of Commissioners at a publicly noticed meeting after hearing the results of a bidding and pricing process for the purchase of the Refunding Bonds that will be managed for the County by Piper Jaffrey & Co., the underwriter which has been selected to manage this process;

WHEREAS, in the aforesaid process the interests of the County will be represented by its independent financial advisor, Northeast Municipal Advisors, LLC (the "Financial Advisor")

Rep. Darrow moved that NOW, THEREFORE, in consideration of the foregoing, it is hereby:

RESOLVED: that the Convention hereby authorizes the issuance of the Refunding Bonds in such principal amounts, with such interest rates, maturities and other terms and conditions as may be determined by the County's Board of Commissioners, the proceeds of which shall be utilized to pay or refund the Refunded Bonds on a current or advance basis, to pay the redemption premium, if any, applicable thereto, any principal and interest coming due on the Refunded Bonds prior to any redemption date, and to pay the costs of issuance of the Refunding Bonds;

RESOLVED: that the County is hereby authorized to execute and deliver such documents and other materials and to take such other actions as may be required for the closing and delivery of the Refunding Bonds;

RESOLVED: that all actions heretofore taken in a manner consistent with the foregoing are hereby ratified and confirmed.

Rep. Ford seconded the motion.

Discussion:

Rep. Duane Brown stated that he wants the savings to be reflected in the bottom line of the budget to show that the savings are going to the tax payers.

Rep. Duane Brown moved to amend the motion and have the savings from the refinancing reflected in the bottom line of the budget. Rep. Ladd seconded the motion.

Discussion:

Rep. Almy stated that she will be voting against that motion. She stated that in the future she does not want to over expend our reserve and end up in the position we are in now. She went on to state that she does not believe that this delegation can make motions to dictate to the future delegations what they have to do.

Rep. Ladd stated that his primary concern with seconding the motion is that there are some communities within Grafton County where the property taxes have gone out of sight and any savings that we can recognize we should aim for. He stated that they are not where we need to be with the fund balance. His concern is that he does not want to push the fund balance up to the 17% that DRA wants us to be at but rather get to a point where we feel that we can take care of ourselves if we have those unforeseen issues. He went on to state that his primary purpose in seconding the motion was to get the discussion out that refinancing and saving money is a good idea but we should push it further in future budget actions, for those who come back, and work on increasing the fund balance as well as looking at how we spend our money.

Rep. Ford stated that she agrees with Rep. Ladd and stated those who come back can take this conversation and apply it to the next budget. She stated she will also be voting against this motion because they cannot hold the next session to this standard but we all have the same feeling that more money needs to be put in the reserve and they need to work on lowering taxes. Rep. Sykes stated that he will also be voting against the motion because he does not feel it is the correct way to implement that process but is glad the conversation will be reflected in the minutes.

A roll call vote on the amendment was called. Five (5) Reps., Duane Brown, Darrow, Gionet, Erin Hennessey and Ladd voted in favor. Ten (10) Reps., Abel, Almy, Cooney, Ford, Higgins, Maes, Massimilla, Nordgren, Piper and Sykes voted in opposition. With

the vote being five (5) in favor and ten (10) in opposition the amendment to the motion fails.

A roll call vote on the main motion was called. Fifteen (15) Reps., Duane Brown, Darrow, Gionet, Erin Hennessey, Ladd, Abel, Almy, Cooney, Ford, Higgins, Maes, Massimilla, Nordgren, Piper and Sykes voted in favor. With the vote being fifteen (15) in favor and none in opposition the motion is adopted.

Treasurer Parker arrived to request authorization for additional Tax Anticipation Notes and handed out the following information:

Rationale for Request for Authorization for up to an additional \$2M in Tax Anticipation Notes

- Started off fiscal year 2017 with \$2M less in cash due to a couple of years of our expenses exceeding our revenues, we have obviously spent more than we have taken in. The items below are more in-depth descriptions.
 - In FY 2015 we had to borrow more money than we had in previous years, which meant when we collected tax money in FY 16 we had less to invest to carry us through.
 - We also received less ProShare monies in FY 16 than we did in FY 15 this had an impact on the cash at year end.
 - In addition, in FY 16 we had three (3) payrolls in June which has not happened for many years. That added approximately \$575K in cash going out in June than in the previous year.
 - Also contributing to this was the spending down of fund balance for the unanticipated nursing home life safety/renovation project during FY 15 and FY 16.
 - The County paid \$415,406 more in human services payments in FY 16 than in FY 15.
- Other factors for the additional request:
 - To-date FY 2017 - \$3M has been drawdown
 - Same time FY 2016 - \$750K had been drawdown down.
 - Nursing home bond payment \$830,668.75 – paid 9/14/16
 - Jail 2010 bond payment due 12/01/16 - \$1,024,036.95
 - FY 2016 – Taxes collected in November - \$1,804,894
 - FY 2015 – Taxes collected in November - \$945,189
 - Tax collections prior to 12/17 cannot be counted on for cash flow purposes. As the data above

shows the amount collected in November can vary greatly year to year. FY 2016 was one of the largest months in recent history. We also had more towns than usual wait until the due date to pay.

In summary – This is a precautionary measure. We do not believe that we will have to use these additional funds but wanted to seek authorization for them just in case they are needed at the end of November or beginning of December. We currently have a line of credit through Woodsville Guaranty Savings Bank for the \$7M that was previously authorized at a rate of .95%.

Rep. Nordgren stated that the rate stated is .95%. She asked if they shop around to find better rates. CA Libby stated that they do an invitation to bid on the Tax Anticipation Note and that was the lowest rate that they received.

Rep. Darrow moved to authorize the Treasurer to borrow additional Tax Anticipation Loans in an amount up to \$2,000,000. Rep. Almy seconded the motion.

A roll call vote on the motion was called. Fifteen (15) Reps., Duane Brown, Darrow, Gionet, Erin Hennessey, Ladd, Abel, Almy, Cooney, Ford, Higgins, Maes, Massimilla, Nordgren, Piper and Sykes voted in favor. With the vote being fifteen (15) in favor and none in opposition the motion is adopted.

Rep. Gionet moved that the county pursue reimbursement for cost associated with the nursing home due to the shabby work prior. Rep. Ladd seconded the motion.

Discussion:

Rep. Gionet stated that he has brought the issue up for several months to get costs associated with the project because we knew there were significant discrepancies. At the budget meeting he was told by Commissioner Cryans that it was a \$45,000 figure and it did not seem necessary to pursue it because it did not amount to anything. He stated that he feels it is not too late to show the people they represent that they are looking out for them and they are going to see that these issues are taken care of. Commissioner Cryans stated that he thinks he was misinterpreted. He stated that the numbers Supt. Oakes received stated that there could be up to \$45,000 and it was not a clear number. Commissioner Cryans explained that when you pursue a lawsuit you can spend tens of thousands of dollars and the Commissioners felt that it was not

worth pursuing on a potential number. Omer Ahern asked if there was an arbitration clause in the contract with the contractor that says if the contractor messes up and the county has to sue them for not doing the work correctly that the contractor will pay the legal fees associated with the lawsuit if the county were to win. Commissioner Cryans stated he does not know that answer.

Rep. Sykes stated that he will vote against this motion because he does not feel they need to be reminded as the new Delegation that comes in that they should pursue this. He stated that he agrees with Rep. Gionet that they should continue to do good fact finding. CA Libby stated that in regards to Rep. Gionet asking repeatedly about find out costs associated with the project, they were waiting to find out those numbers from the (new) contractors once they finished the recent project work at the nursing home. Supt. Oakes asked repeatedly and it took until June for them to get those numbers. She stated that they were not withholding that information from Rep. Gionet, they were waiting themselves to get that information from the contractors. They were told upfront that they need to track those costs and they did not do so which is why they do not have a clear number as to what those costs would be. She noted that the other thing to take into consideration is that they are talking about going back to a contract that was signed in 2002. There is a statute of limitations, there is going to be a good deal of legal work to determine if the statute of limitations is something they can overcome.

Rep. Almy stated that at the time when they signed this contract in 2001, the Executive Committee, backed by the Delegation, told the Commissioners to cut the contract by \$1.5 million or they would not support it at the last minute. She stated that she felt at the time that it was their fault and that they should have figured out where to cut with them rather than telling them they had to do it. She feels a contract from 2001 is going to be very hard to enforce at this time.

A roll call vote on the motion was called. Six (6) Reps., Duane Brown, Darrow, Gionet, Higgins, Ladd, and Massimilla voted in favor. Eight (8) Reps., Abel, Almy, Cooney, Ford, Maes, Nordgren, Piper and Sykes voted in opposition. With the vote being six (6) in favor and eight (8) in opposition the motion fails.

Rep. Sykes asked if there were any more comments. There were none.

11:03am with no further business the meeting adjourned.

Sincerely,

Stephen Darrow, Vice-Chairman



DELEGATION MEETING
Reorganization Meeting
Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
December 12, 2016

PRESENT: See attached sign in sheet

Rep. Darrow called the meeting to order at 10:00AM and began with the Pledge of Allegiance led by Rep. Abel.

The Representatives took time to introduce themselves to each other.

Rep. Smith called the role. Eighteen (18) members were present and a quorum was declared.

Rep. Darrow went over the various attendance and mileage sheets with the committee and explained to them what needs to be filled out.

10:15 AM Republican members left to caucus in another room.

10:29 AM Republican members returned and the meeting was reconvened.

Rep. Darrow stated that the Delegation will be operating under the old by laws until the new ones are adopted.

Rep. Darrow stated that it was time for nominations for chair, vice chair, and clerk of the Delegation.

Rep. White nominated Rep. Sykes as Chairman of the Delegation. Rep. Ladd seconded the nomination. Rep. White asked to speak to his nomination. He stated that Rep. Sykes has been here four (4) years. His absences are quite rare, he has been a good steady leader of the Delegation and he has worked well with the board of Commissioners.

No other nominations were offered and nominations were closed.

When the vote was taken all members present were in favor. Rep. Sykes was elected as the Chairman of the Grafton County Delegation.

Rep. Darrow opened nominations for Vice-Chair. Rep. Brown nominated Rep. Darrow for Vice-Chair. Rep. Nordgren seconded the motion.

No other nominations were offered and nominations were closed.

When the vote was taken all members present were in favor. Rep. Darrow was elected as the Vice-Chairman of the Grafton County Delegation.

Rep. Darrow opened nominations for clerk. Rep. White nominated Rep. Smith. Rep. Massimilla seconded. Rep. White stated that Rep. Smith has done well with having minutes done in a timely manner and does a good job in her role as clerk.

No other nominations were offered and nominations were closed.

When the vote was taken all members present were in favor. Rep. Smith was elected as the Clerk of the Grafton County Delegation.

Rep. White moved to elect Representatives Campion, Abel, Sykes, Smith, Maes, Darrow, Hennessey, Schwaegler and Binford to the Executive Committee. Rep. Rand seconded the motion.

Rep. Smith noted that Rep. Josephson arrived before the chair was elected.

CA Libby welcomed all new members and returning members.

New Business:

Rep. Darrow stated that handouts of the by-laws have been made available to all members. Rep. Hennessey stated that they came up close to the last Monday in June for budget vote. She asked if that was an appropriate or if it should be pushed back. Rep. Almy explained that there are timelines that need to be followed and a county budget has to be passed by July 1st so they are unable to push back the budget vote date.

Rep. Nordgren stated that they will be voting on a budget in house and need to keep that in mind. It is better to have this budget vote on the last Monday in June. Rep. Hennessey asked if they could change the language from June to late May – early June. Rep. White stated he thinks the issue is stating that it states that they will meet the last Monday in June. Rep. White recommended changing the wording to read on or before the last Monday. Rep. Ladd noted that he felt it was wise to keep meetings on a Monday, Tuesday – Thursday there are committees going on in Concord.

Rep. Ladd suggested that it reads Grafton County Budget Development Process Timeline guideline worksheet which would make it a guideline and not a set schedule that has to be followed.

Rep. White moved that Addendum #1 reads Grafton County Budget Development Guideline. Rep. Rand seconded. When the vote was taken all members present were in favor

Rep. Smith moved to adopt the 17-18 Delegation Bylaws. When the vote was taken all members present were in favor.

Rep. Duane Brown asked in the future that the by-laws get mailed out prior to the meeting.

10:53AM with no further business the meeting adjourned.

Sincerely,

Suzanne Smith, Clerk



DELEGATION VOTE ON FY18 BUDGET

Administration Building
3855 Dartmouth College Highway
North Haverhill, NH
June 26th, 2017

PRESENT: See Attached Sheet

9:00 AM Rep. Sykes called the meeting to order

Rep. Smith called the role. Twenty one (21) members were present and a quorum was declared.

9:05 AM Rep Sykes recessed the meeting for Party Caucuses. Party members left the room to caucus with their respective parties

9:44 AM Party members returned and the meeting was reconvened

Rep. White move to appropriate \$43,105,252 for fiscal year 2018 of which \$25,170,129 is to be raised by taxes. Rep. Abel seconded the motion.

Rep. Brown moved to amend the motion by taking the FY17 budget and adding the rate of inflation of 2.1% to make the FY18 Budget. Rep. Ladd seconded the motion.

Discussion:

Rep. Sykes asked CA Libby what that impact would be on the budget. She stated that she would figure that number out and let the Delegation know.

Rep. White asked the Commissioners for an explanation regarding some of the salary lines. He stated that in the Commissioners memo it states that there is a 2% cost-of-living adjustment for non-bargaining unit affiliated members but when he looks at the budget it appears that some of the single office positions have a 4% increase and he would like an explanation as to why that is. Rep. Sykes stated that he would like to have the impact of this motion to the budget before they discuss that question.

Rep. Almy stated that she will be opposing any motion like this because they are the ones who are supposed to be responsible for deciding which programs get cut and by how much. If they are

requesting that a large cut be made they will not know where it is being cut from and it is their responsibility to decide where those cuts need to be made.

Rep. Brown stated that they have a responsibility to our constituents. He feels this budget is over inflated and bloated which is why he made his motion. Rep. Abel stated that he respects the comment that was made but would like to reiterate what Rep. Almy had stated. If they are going to protect the taxpayer, in their role as the Delegation, they need to make decisions and say where the cuts need to come from. He would oppose that motion as well.

Rep. Higgins stated that she is becoming aware of the amount of extra work the Executive Committee does and would like to have them stand up and thank them personally.

Rep. Maes stated that on the Executive Committee they looked at the figures that were given to them and made cuts where they felt were necessary. He feels that in making a random figure to cut a budget they need to take a look at who and how that is going to effect the people involved. Rep. Smith noted that there are many items in this budget that are out of their control.

CA Libby stated the impact of the motion would be a reduction in the budget by \$1,301,234.00. Rep. White asked CA Libby how that might affect the operation of the county. CA Libby stated that it would be tough. She stated that she does not know where they would take it from as 60% of the budget is salary and benefits. She stated that many items such as the health insurance and retirement rates go into effect July 1st which does not give them a lot of time to work with. She stated that if this motion were to pass it would require sitting down with the department heads and Commissioners to figure out where the money would be cut and it is a good likelihood that it would come from staff which impacts the services that they can provide. Rep. Almy asked CA Libby if she would be empowered by the motion to go further into the surplus we have and use more Tax Anticipation Notes to get through until property taxes are due at the end of the year. CA Libby stated that they do not have the surplus to do that. They are projected to have a \$1.3 million unassigned fund balance at the end of this year and that is very low.

Rep. Hennessey recognized that the county employees are having increases in their health insurance but that does not reflect what the average Grafton County constituent is paying.

Rep. Schwaegler stated that she would like to speak in favor of this motion. Senior citizens make up a large part of Grafton County and in 2016 Social Security received a 0% increase and a .3% increase in 2017. She stated that she has not received a raise in six (6) years. They are asking constituents to pay for something they cannot afford. Rep. Bennett stated that we have one of the most regressive tax structures in New Hampshire. He stated that he thinks that it is hypocritical to say that we do not want tax increases but they are not doing anything at the state level to make changes. Rep. Smith if we start cutting people in this service oriented county we won't be able to provide the services that we currently do.

A roll call vote on the amendment was called. Twelve (12) Reps., Bailey, Binford, Boutin, Brown, Darrow, Ham, Hennessey, Hull, Johnson, Ladd, Massimilla and Schwaegler voted in favor. Thirteen (13) Reps., Abel, Almy, Bennett, Campion, Dontonville, Higgins, Josephson, Maes, Mulligan, Rand, Smith, Sykes and White voted in opposition. With the vote being twelve (12) in favor and thirteen (13) in opposition the motion fails.

Rep. White stated that he would like to inquire about the question he raised regarding the COLA for non-bargaining unit employees is set at 2% yet in some budget line items employees have a 4-5% total increases and step increases are not noted in all of those line items. Commissioner Lauer explained the pay structure in the county budget. She stated that the county uses a step and grade system for salaries. The individuals that are maxed out on steps at their current grade will get the 2% COLA only. Some employees have not reached the max step on the wage chart. These step increases are awarded based on performance. She explained that you may see that an employee is getting their step increase as well as a COLA. CA Libby noted that each department head does their own descriptions in their budgets and everyone does them a little differently and you will not see step increases labeled for each line item. She explained that if there is more than a 2% increase in a salary line it is either because there is also a step increase included or it is an upgraded position based on the wage study that was performed this past year.

Rep. White moved to reduce the Maintenance Capital Outlay by the sum of \$95,000. Rep. Bennett seconded the motion.

Discussion:

Rep. White stated that he is concerned about the growth of the county. He feels the parking lot paving can be put off another year and is not necessary this year. He stated that they need to make cuts where they can that do not affect the people and services that are provided.

A roll call vote on the motion was called. Twenty – three (23) Reps., Abel, Almy, Bailey, Bennett, Binford, Brown, Campion, Darrow, Dontonville, Ham, Hennessey, Higgins, Hull, Johnson, Josephson, Ladd, Maes, Massimilla, Mulligan, Rand, Schwaegler, Sykes and White were in favor. One (1) Rep. Smith was in opposition. With the vote being twenty three (23) in favor and one (1) in opposition the motion passes.

Rep. Hennessey moved to remove one (1) Legal Assistant and one (1) Assistant County Attorney from the County Attorney's Budget totaling \$140,000. Rep. Binford seconded the motion.

Discussion:

Rep. Hennessey stated that the County Attorney's Office is adding three (3) and a half new positions and she feels that is a lot and if this amount is needed they should be added one (1) at a time. Atty. Saffo was asked to speak to her positions. Atty. Saffo explained the increased work load as well as Felonies First with the Delegation and answered various questions Rep. Abel spoke against the motion and stated that he felt very strongly about the Attorney's Office needing an additional attorney if they are to continue to provide the best service that they can. Rep. White stated that he feels that cutting the new positions out seems problematic. Rep. Hennessey clarified that she is not trying to cut all the new positions. Her motion would leave in place the second added attorney who would start in January.

A roll call vote on the motion was called. Ten (10) Reps., Bailey, Binford, Brown, Darrow, Ham, Hennessey, Hull, Johnson, Ladd and Schwaegler voted in favor. Fourteen (14) Reps., Abel, Almy, Bennett, Campion, Dontonville, Higgins, Josephson, Maes, Massimilla, Mulligan, Rand, Smith, Sykes and White voted in opposition. With the vote being ten (10) in favor and fourteen (14) in opposition the motion fails.

Rep. Ladd moved to reduce the Social Services budget by \$21,923.00 to the level of \$500,000. Rep. Hennessey seconded the motion.

Rep. Ladd stated that local towns also contribute to these agencies as well so taxpayers are being hit twice. Certain services are important but there are new agencies and this budget continues to grow. Rep. Sykes stated that this is an example of where county expenditures in this part of the budget keep other expenditures throughout the budget down whether it is keeping people in their homes and out of the nursing homes or others out of the jail. He noted that they have not caught up with 2012 levels of funding as of yet. Rep. White stated that a blanket reduction and not specific cuts he cannot support. Rep. Ladd stated that the \$21,000 will have to be split up amongst the agencies and the people who present these figures will have to decide where to make these cuts. He stated that they cannot continue at this pace of spending.

A roll call vote on the motion was called. Ten (10) Reps., Bailey, Binford, Brown, Darrow, Ham, Hennessey, Hull, Johnson, Ladd and Schwaegler voted in favor. Fourteen (14) Reps., Abel, Almy, Bennett, Campion, Dontonville, Higgins, Josephson, Maes, Massimilla, Mulligan, Rand, Smith, Sykes and White voted in opposition. With the vote being ten (10) in favor and fourteen (14) in opposition the motion fails.

11:00 AM Rep. Sykes recessed the meeting for Party Caucuses. Party members left the room to caucus with their respective parties.

11:15 AM Party members returned and the meeting was reconvened

Rep. Brown moved to reduce the Farm budget by \$67,378. Rep. Hull seconded the motion.

Discussion: Rep. Brown stated that it seems like it is costing the tax payers \$100,000 to subsidize a farm. He stated they have a farm with free labor and is losing \$63,000 a year. Rep. Brown stated that the Farm Manager either needs to make money, break even or do away with the farm. Rep. Smith stated that there are benefits that the farm provides to the county that are not reflected in the budget. The jail is able to provide better quality food to the inmates as is the nursing home. If the inmates are in the minimum unit they are working and it is benefiting them to learn a skill. The jail provides the labor and the farm provides the food. Rep. Massimilla asked if

the dairy program benefits the county. Rep. Sykes stated that the herdsmen have bettered the quality of the herds and they are the #1 farm in the state for milk production in pounds. Rep. Campion stated that in terms of dollars, there is almost \$59,000 worth of produce used to feed the residents and inmates. Rep. Ladd stated that he feels there are two (2) issues. The dairy business throughout New England is having a difficult time. The cost of agricultural insurance is increasing dramatically and the real question is if the dairy aspect is a venture they want to continue. He noted that they do need to teach work ethic but needs to know if this is the way to do it. Rep. Ladd stated that he has always supported the dairy farm but knows there is not another farm here in the area other than Hatchland that is not running in a lot of debt. Rep. Sykes stated that they have made progress and the promise for a lot more progress in years to come. Rep. White asked what the revenue expense ratio looked like in the last full year. Rep. Ladd stated that the dairy business is not in good shape and they need to look into it. CA Libby stated last year we budgeted \$534,761.00 in revenue and collected \$511,670.54. They had total expenditures of \$581,856.25 or a gap of \$70,000 and that does not include capital expenses. Rep. Sykes noted that this year they have put off the purchase of capital equipment on the farm in an effort to reduce that gap.

A roll call vote was called on the motion. Eleven (11) Reps., Bailey, Binford, Brown, Darrow, Ham, Hennessey, Hull, Johnson, Ladd, Massimilla and Schwaegler were in favor. Thirteen Reps., (13) Abel, Almy, Bennett, Campion, Dontonville, Higgins, Josephson, Maes, Mulligan, Rand, Smith, Sykes, and White were in opposition. With the vote being eleven (11) in favor and thirteen (13) in opposition the motion fails.

Rep. White asked if a subcommittee will be looking into this issue with the Farm and try to find some answers. Rep. Sykes stated as an Executive Committee they are fully open to subcommittees and invite members of the Delegation to join.

Rep. Darrow stated that it has come to his attention that when they eliminated the \$95,000 for the Courthouse parking lot paving it was explained that Supt. Oakes would need the \$2,000 added back into the budget for crack sealing that was taken out.

Rep. Darrow moved to restore the \$2,000 back to the Maintenance budget. Rep. White seconded the motion. A roll call vote was called on the motion. Twenty-four (24) Reps., Abel, Almy, Bailey,

Bennett, Binford, Brown, Campion, Darrow, Dontonville, Ham, Hennessey, Higgins, Hull, Johnson, Josephson, Ladd, Maes, Massimilla, Mulligan, Rand, Schwaegler, Smith, Sykes and White voted in favor. With the motion being twenty-four (24) in favor and none in opposition the motion passes.

Rep. White stated that this is a \$42 million budget and asked if there is an expenditure policy that departments are following. CA Libby stated that there is a statute that they are required to follow that states anything that is to be purchased for over \$5,000 is put out to bid but a bid waiver can be requested by the department head and approved by the Board of Commissioners.

Rep. Massimilla asked what the break down is of the \$314,000 Community Corrections line in the Department of Corrections. Supt. Elliott explained that the Community Corrections line item is made up of six (6) full time employees; one (1) Lieutenant, two (2) Sergeants, one (1) Corporal, one (1) officer and an Administrative Assistant. Rep. Ladd asked Supt. Elliott if Grafton County is still receiving inmates from other counties. Supt. Elliott stated that they receive Coos County females and this year they have received roughly \$95,000 in revenue from those inmates. They charge \$50 a day and Coos County pays for medical expenses. Rep. Massimilla asked if there are grants that are applied for within the Department of Corrections on a regular basis to help with costs. Supt. Elliott stated that they have two (2) grants within the Department of Corrections. The Governor's Commission Grant from the Bureau of Drug and Alcohol funds 75%-80% of their programing inside the facility. They also have an RSAT grant from the Attorney General's Office that allows counseling for female inmates in the jail.

Rep. Sykes moved to appropriate \$43,012,252.00 of which \$25,077,129.00 is to be raised by taxes. A roll call vote was called on the motion. Thirteen (13) Reps., Abel, Almy, Bennett, Campion, Dontonville, Higgins, Josephson, Maes, Mulligan, Rand, Smith, Sykes and White voted in favor. Eleven (11) Reps., Bailey, Binford, Brown, Darrow, Ham, Hennessey, Hull, Johnson, Ladd, Massimilla, and Schwaegler voted in opposition. With the vote being thirteen (13) in favor and eleven (11) in opposition the motion passes.

Rep. Campion moved to authorize the Treasurer to borrow Tax Anticipation Loans in an amount up to \$10,000,000. Rep. Rand seconded the motion.

Discussion: CA Libby read the following email from Treasurer Hill as she was unable to make it to the meeting:

Dear Members of the Grafton County delegation,

A last minute emergency with my business has prevented me from attending this morning's important meeting regarding the County budget. Please accept my apology that I cannot be with you in person.

As many of you know, county property taxes are collected at the end of the calendar year, and there is each year a period of time around mid/late summer through December when the County depends on short-term borrowing (tax anticipation notes) to maintain adequate funds in our accounts to pay bills and cover payroll. This has become a standard practice in Grafton County, as well as in counties (and towns) across the state facing similar challenges.

I hope that the County delegation will support the prudent proposal offered by our County Administrator to authorize the County to follow this course of action once again this year. Her experience and expertise are a true asset to the County, and I support her recommendation wholeheartedly.

Again, I apologize that I cannot be with you in person due to a work emergency. But I do feel confident that Julie will be able to answer any questions or concerns that you may have.

Best wishes,
Karen Liot Hill
Grafton County Treasurer

A roll call voted was called on the motion. Twenty –two (22) Reps., Abel, Almy, Bailey, Binford, Campion, Darrow, Dontonville, Ham, Hennessey, Higgins, Hull, Johnson, Josephson, Ladd, Maes, Massimilla, Mulligan, Rand, Schwaegler, Smith, Sykes and White voted in favor. With the motion being twenty-two (22) in favor and none in opposition the motion passes.

Rep. Josephson moved to contribute \$34,000 from Dispatch Fees for fiscal year 2018 to the Dispatch Capital Reserve Account. Rep. White seconded the motion. A roll call vote was called on the motion. Twenty –three (23) Reps., Abel, Almy, Bailey, Bennett,

Binford, Campion, Darrow, Dontonville, Ham, Hennessey, Higgins, Hull, Johnson, Josephson, Ladd, Maes, Massimilla, Mulligan, Rand, Schwaegler, Smith, Sykes and White voted in favor. With the motion being twenty-three (23) in favor and none in opposition the motion passes.

Rep. Maes moved to expend \$44,000 from the Dispatch Capital Reserve account for equipment for the Dispatch Center. Rep. White seconded the motion. A roll call vote was called on the motion. Twenty –three (23) Reps., Abel, Almy, Bailey, Bennett, Binford, Campion, Darrow, Dontonville, Ham, Hennessey, Higgins, Hull, Johnson, Josephson, Ladd, Maes, Massimilla, Mulligan, Rand, Schwaegler, Smith, Sykes and White voted in favor. With the motion being twenty-three (23) in favor and none in opposition the motion passes.

Rep. Almy moved to contribute \$50,000 from Medicaid ProShare funds to the Nursing Home Capital Reserve account. Rep. Bennet seconded the motion. A roll call vote was called on the motion. Twenty –three (23) Reps., Abel, Almy, Bailey, Bennett, Binford, Campion, Darrow, Dontonville, Ham, Hennessey, Higgins, Hull, Johnson, Josephson, Ladd, Maes, Massimilla, Mulligan, Rand, Schwaegler, Smith, Sykes and White voted in favor. With the motion being twenty-three (23) in favor and none in opposition the motion passes.

Rep. Rand moved to expend \$101,479.87 from the Nursing Home Capital Reserve account for equipment at the nursing home. Rep. White seconded the motion. A roll call vote was called on the motion. Twenty –three (23) Reps., Abel, Almy, Bailey, Bennett, Binford, Campion, Darrow, Dontonville, Ham, Hennessey, Higgins, Hull, Johnson, Josephson, Ladd, Maes, Massimilla, Mulligan, Rand, Schwaegler, Smith, Sykes and White voted in favor. With the motion being twenty-three (23) in favor and none in opposition the motion passes.

Rep. Bennett moved to expend \$36,854.98 from the Register of Deeds Surcharge account for equipment. Rep. White seconded the motion. A roll call vote was called on the motion. Twenty –three (23) Reps., Abel, Almy, Bailey, Bennett, Binford, Campion, Darrow, Dontonville, Ham, Hennessey, Higgins, Hull, Johnson, Josephson, Ladd, Maes, Massimilla, Mulligan, Rand, Schwaegler, Smith, Sykes and White voted in favor. With the motion being twenty-three (23) in favor and none in opposition the motion passes.

Rep. Darrow stated that throughout the course of the Executive Committee meetings if someone was absent there was no one to take their place. He stated that he would like to propose a change to the bylaws that would allow someone from the Delegation to sit in on the Executive Committee and take the absent member's place. Rep. Sykes stated that a change in the bylaws is something that should be entertained. Rep. White stated that he understands the concept but the purpose of the Executive Committee is to have stability throughout the term and when substituting members you lose that stability. He stated that you are bringing someone in to that role for a first time and it puts that person in an uncomfortable position. The members on the Executive Committee are subject matter experts and it would be a difficult situation to be in if you are substituting in for a meeting. Rep. Ladd stated that he worked with Rep. White on the Executive Committee and agrees with what he said. Rep. Ladd suggested that each caucus appoints an alternate from their group. If the alternate is on board with what is going on at the Executive Committee meetings that would be a benefit to all. Rep. Sykes stated that changing by laws is a serious matter and he is anxious to change them short notice. He also noted that they are not sure of the exact wording to change the bylaws. They discussed working on the wording at their Executive Committee meetings and have the vote in Concord with the full Delegation as that would be an easier way to get the group together. Rep. Darrow stated that he likes the idea of the alternate. CA Libby noted that the next Executive Committee meeting is Sept. 18th.

Rep. Sykes thanked the members of the Executive Committee who made it to the meetings as they did not have a quorum issue this year.

12:24 PM with no further business the meeting adjourned.
Sincerely,

Suzanne Smith, Clerk



COUNTY OF GRAFTON, NEW HAMPSHIRE

Annual Financial Statements

For the Year Ended June 30, 2017

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
County of Grafton, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the County of Grafton, New Hampshire, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County of Grafton, New Hampshire's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

The County's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the County of Grafton, New Hampshire, as of June 30, 2017, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the OPEB and Pension schedules appearing on pages 40 to 42 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 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2017 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Melanson Heath

October 17, 2017

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, 2017.

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 required 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 Position presents information on all assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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 and sick leave).

The governmental activities include general government, public safety, corrections, county farm, human services, cooperative extension, economic development 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 the 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.

An annual appropriated budget is adopted for the General Fund. 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 County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support County 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 liabilities and deferred inflows exceeded assets and deferred outflows by \$(8,976,798) (i.e., net position), a change of \$(1,144,602) in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$3,639,835, a change of \$349,094 in comparison to the prior year.
- At the end of the current fiscal year, the fund balance for the General Fund was \$3,593,729, a change of \$419,340 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>NET POSITION</u>	
		<u>Governmental Activities</u>
	<u>2017</u>	<u>2016</u>
Current assets	\$ 6,526,359	\$ 6,254,574
Noncurrent assets	<u>48,941,905</u>	<u>49,806,828</u>
Total assets	55,468,264	56,061,402
Deferred outflows	10,639,636	2,107,443
Current liabilities	6,982,473	6,852,494
Noncurrent liabilities	<u>67,743,530</u>	<u>58,164,834</u>
Total liabilities	74,726,003	65,017,328
Deferred inflows	358,695	983,713
Net position:		
Net investment in capital assets	20,266,951	18,886,289
Restricted	46,106	116,352
Unrestricted	<u>(29,289,855)</u>	<u>(26,834,837)</u>
Total net position	<u>\$ (8,976,798)</u>	<u>\$ (7,832,196)</u>

	<u>CHANGE IN NET POSITION</u>	
		<u>Governmental Activities</u>
	<u>2017</u>	<u>2016</u>
Revenues:		
Program revenues:		
Charges for services	\$ 15,935,281	\$ 14,271,881
Operating grants and contributions	1,378,525	1,045,402
General revenues:		
County taxes	23,985,628	22,372,127
Investment income	35,511	27,961
Miscellaneous	706,319	1,110,192
Loss on disposals	<u>(7,165)</u>	<u>(42,385)</u>
Total revenues	42,034,099	38,785,178

(continued)

(continued)

CHANGE IN NET POSITION

	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Expenses:		
General government	5,954,303	5,412,257
Public safety	2,819,862	2,624,794
Corrections	6,840,275	6,216,955
County farm	667,093	592,939
Human services	7,492,436	7,645,497
Cooperative extension	403,363	374,153
Economic development	825,825	848,015
Nursing home	17,068,312	15,003,602
Interest expense	906,526	1,200,083
Other	200,706	-
Total expenses	<u>43,178,701</u>	<u>39,918,295</u>
Change in net position	(1,144,602)	(1,133,117)
Net position - beginning of year	<u>(7,832,196)</u>	<u>(6,699,079)</u>
Net position - end of year	<u>\$ (8,976,798)</u>	<u>\$ (7,832,196)</u>

As noted earlier, net position 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 position was \$(8,976,798), a change of \$(1,144,602) from the prior year.

The largest portion of net position, \$20,266,951, reflects our investment in capital assets (e.g., land, land improvements, buildings and improvements, and equipment and vehicles), 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 position, \$46,106, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is in a deficit of \$(29,289,855), primarily resulting from the unfunded net OPEB obligation (see Note 13) and the unfunded net pension liability (see Note 14).

Governmental activities. Governmental activities for the year resulted in a change in net position of \$(1,144,602). Key elements of this change are as follows:

Governmental funds operating results	\$ 349,094
Purchase of capital assets	765,211
Loss on disposals of capital assets	(7,165)
Principal debt service in excess of depreciation expense	698,975
Change in accrued interest liability	(97,674)
Change in compensated absence liability	55,158
Change in net OPEB obligation	(1,623,379)
Change in net pension liability	(8,194,021)
Change in deferred outflows of resources	6,284,181
Change in deferred inflows of resources	<u>625,018</u>
Total	<u>\$ (1,144,602)</u>

D. FINANCIAL ANALYSIS OF THE COUNTY'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 the County'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 \$3,639,835, a change of \$349,094 in comparison to the prior year. Key elements of this change are as follows:

General Fund operating results	\$ 419,340
Nonmajor Governmental Funds operating results	<u>(70,246)</u>
Total	<u>\$ 349,094</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 \$1,619,257, while total fund balance was \$3,593,729. 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>6/30/17</u>	<u>6/30/16</u>	<u>Change</u>	<u>Percentage of Total Budgeted Expenditures</u>
Unassigned fund balance	\$ 1,619,257	\$ 999,047	\$ 620,210	4.0%
Total fund balance	\$ 3,593,729	\$ 3,174,389	\$ 419,340	8.9%

The total fund balance of all funds changed by \$349,094 during the current fiscal year. Key factors in this change are as follows:

Revenues in excess of budget	\$ 967,394
Expenditures less than appropriations	787,831
Use of fund balance - reduce taxes	(1,030,000)
Use of fund balance - prior year reserves	(196,459)
Transfer to reserve funds	88,152
Nonmajor governmental funds operating results	(70,246)
Use of Deeds surcharge funds	(20,472)
Use of committed reserve funds	(177,106)
Total all funds	<u>\$ 349,094</u>

Included in the General Fund are the County's Delegation voted reserve funds with the following balances:

	<u>6/30/17</u>	<u>6/30/16</u>	<u>Change</u>
Nursing Home Reserve	\$ 110,581	\$ 236,026	\$ (125,445)
Dispatch Capital Reserve	<u>153,401</u>	<u>115,908</u>	<u>37,493</u>
Total	<u>\$ 263,982</u>	<u>\$ 351,934</u>	<u>\$ (87,952)</u>

E. BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget resulted in an overall change in appropriations of \$196,459. This change relates to a use of prior year reserves (fund balance) for various purposes.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental activities at year-end amounted to \$48,941,905 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings and improvements, and equipment and vehicles.

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 \$30,863,719, 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.

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 POSITION

JUNE 30, 2017

	<u>Governmental Activities</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	
Current:	
Cash and short-term investments	\$ 3,983,922
Restricted cash	446,374
Accounts receivable, net of allowances	1,664,901
Inventory	383,662
Other assets	<u>47,500</u>
Total current assets	6,526,359
Noncurrent:	
Capital Assets:	
Land	214,190
Other capital assets, net of accumulated depreciation	<u>48,727,715</u>
Total noncurrent assets	<u>48,941,905</u>
Total Assets	55,468,264
Deferred Outflows of Resources:	
Related to pensions	8,391,623
Loss on bond refunding	<u>2,248,013</u>
Total Deferred Outflows of Resources	<u>10,639,636</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	66,107,900
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current:	
Accounts payable	2,494,811
Accrued expenses	363,142
Other liabilities	28,571
Accrued interest	448,850
Current portion of noncurrent liabilities:	
Bonds payable	2,654,581
Capital lease payable	44,366
Compensated absences	<u>948,152</u>
Total current liabilities	6,982,473
Noncurrent:	
Bonds payable, net of current portion	28,209,138
Capital lease payable, net of current portion	14,882
Compensated absences, net of current portion	427,573
Net OPEB obligation	10,686,106
Net pension liability	<u>28,405,831</u>
Total noncurrent liabilities	<u>67,743,530</u>
Total Liabilities	74,726,003
Deferred Inflows of Resources - Pension Related	<u>358,695</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	75,084,698
NET POSITION	
Net investment in capital assets	20,266,951
Restricted for grants and other statutory restrictions	46,106
Unrestricted	<u>(29,289,855)</u>
TOTAL NET POSITION	\$ <u>(8,976,798)</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2017

		<u>Program Revenues</u>		<u>Net (Expenses) Revenues and Change in Net Position</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:				
General government	\$ 5,954,303	\$ 1,086,526	\$ 76,520	\$ (4,791,257)
Public safety	2,819,862	1,114,479	279,308	(1,426,075)
Corrections	6,840,275	9,798	246,872	(6,583,605)
County farm	667,093	521,959	-	(145,134)
Human services	7,492,436	-	-	(7,492,436)
Cooperative extension	403,363	5,000	-	(398,363)
Economic development	825,825	-	775,825	(50,000)
Nursing home	17,068,312	13,197,519	-	(3,870,793)
Interest expense	906,526	-	-	(906,526)
Other	<u>200,706</u>	<u>-</u>	<u>-</u>	<u>(200,706)</u>
Total Governmental Activities	<u>\$ 43,178,701</u>	<u>\$ 15,935,281</u>	<u>\$ 1,378,525</u>	(25,864,895)
		General Revenues:		
				23,985,628
				35,511
				706,319
				<u>(7,165)</u>
				Total general revenues <u>24,720,293</u>
				Change in Net Position (1,144,602)
		Net Position:		
				<u>(7,832,196)</u>
				End of year <u>\$ (8,976,798)</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2017

	General <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
ASSETS			
Cash and short-term investments	\$ 3,782,196	\$ 201,726	\$ 3,983,922
Restricted cash	446,374	-	446,374
Accounts receivable, net of allowances	1,664,901	-	1,664,901
Inventory	383,662	-	383,662
Other assets	<u>47,500</u>	<u>-</u>	<u>47,500</u>
TOTAL ASSETS	<u>\$ 6,324,633</u>	<u>\$ 201,726</u>	<u>\$ 6,526,359</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 2,339,191	\$ 155,620	\$ 2,494,811
Accrued expenses	363,142	-	363,142
Other liabilities	<u>28,571</u>	<u>-</u>	<u>28,571</u>
Total Liabilities	2,730,904	155,620	2,886,524
Fund Balances:			
Nonspendable	383,662	-	383,662
Restricted	169,999	46,106	216,105
Committed	263,982	-	263,982
Assigned	1,156,829	-	1,156,829
Unassigned	<u>1,619,257</u>	<u>-</u>	<u>1,619,257</u>
Total Fund Balances	<u>3,593,729</u>	<u>46,106</u>	<u>3,639,835</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,324,633</u>	<u>\$ 201,726</u>	<u>\$ 6,526,359</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

RECONCILIATION OF TOTAL GOVERNMENTAL FUND
BALANCES TO NET POSITION OF GOVERNMENTAL
ACTIVITIES IN THE STATEMENT OF NET POSITION

JUNE 30, 2017

Total governmental fund balances	\$ 3,639,835
• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	48,941,905
• Deferred outflows of resources from net pension liability.	8,391,623
• Loss on debt refunding is deferred and amortized over the remaining life of the reissued debt.	2,248,013
• In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	(448,850)
• Long-term liabilities not due and payable in the current period and, therefore, are not reported in the governmental funds:	
Bonds payable	(30,863,719)
Capital lease payable	(59,248)
Compensated absences	(1,375,725)
Net OPEB obligation	(10,686,106)
Net pension liability	(28,405,831)
• Deferred inflows of resources from net pension liability.	<u>(358,695)</u>
Net position of governmental activities	<u>\$ (8,976,798)</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2017

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
County taxes	\$ 23,985,628	\$ -	\$ 23,985,628
Nursing home	13,197,519	-	13,197,519
Charges for services	2,727,964	9,798	2,737,762
Intergovernmental	321,259	1,057,266	1,378,525
Investment income	35,511	-	35,511
Miscellaneous	<u>701,855</u>	<u>4,464</u>	<u>706,319</u>
Total Revenues	40,969,736	1,071,528	42,041,264
Expenditures:			
Current:			
General government	4,931,460	4,704	4,936,164
Public safety	2,396,190	-	2,396,190
Corrections	5,423,302	5,578	5,428,880
County farm	567,118	-	567,118
Human services	7,477,259	-	7,477,259
Cooperative extension	374,976	-	374,976
Economic development	50,000	775,825	825,825
Nursing home	15,631,264	-	15,631,264
Capital outlay	496,333	279,308	775,641
Debt service:			
Principal	2,393,641	76,359	2,470,000
Interest	<u>808,853</u>	<u>-</u>	<u>808,853</u>
Total Expenditures	<u>40,550,396</u>	<u>1,141,774</u>	<u>41,692,170</u>
Excess (deficiency) of revenues over expenditures	419,340	(70,246)	349,094
Other Financing Sources (Uses):			
Refunding bonds issued	16,180,000	-	16,180,000
Refunding bond premium	2,768,719	-	2,768,719
Payment to refunded bonds escrow agent	(18,748,013)	-	(18,748,013)
Cost of issuance	<u>(200,706)</u>	<u>-</u>	<u>(200,706)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	419,340	(70,246)	349,094
Fund Equity, at Beginning of Year	<u>3,174,389</u>	<u>116,352</u>	<u>3,290,741</u>
Fund Equity, at End of Year	\$ <u><u>3,593,729</u></u>	\$ <u><u>46,106</u></u>	\$ <u><u>3,639,835</u></u>

The accompanying notes are an integral part of these 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, 2017

Net changes in fund balances - Total governmental funds	\$ 349,094
<ul style="list-style-type: none"> • 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 outlay	765,211
Loss on disposals	(7,165)
Depreciation	(1,622,970)
<ul style="list-style-type: none"> • The issuance of long-term debt 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 position: 	
Proceeds of refunding bonds	(16,180,000)
Proceeds of refunding bond premium	(2,768,719)
Loss on bond refunding	2,248,013
Refunding of bonds payables	16,500,000
Repayments of bonds payable	2,470,000
Repayments of capital lease payable	52,651
<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. 	
	(97,674)
<ul style="list-style-type: none"> • Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. 	
Compensated absences	55,158
Net OPEB obligation	(1,623,379)
GASB 68 changes:	
Net pension liability	(8,194,021)
Deferred outflows of resources	6,284,181
Deferred inflows of resources	<u>625,018</u>
Change in net position of governmental activities	\$ <u><u>(1,144,602)</u></u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

GENERAL FUND

STATEMENT OF REVENUES AND OTHER SOURCES, AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts				Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original Budget	From Prior Years' Budgets	Approved Transfers	Final Budget		
Revenues:						
County taxes	\$ 23,985,628	\$ -	\$ -	\$ 23,985,628	\$ 23,985,628	\$ -
Nursing home	12,487,857	-	-	12,487,857	13,197,519	709,662
Charges for services	2,566,185	-	-	2,566,185	2,727,964	161,779
Intergovernmental	300,531	-	-	300,531	321,259	20,728
Investment income	25,300	-	-	25,300	35,511	10,211
Miscellaneous	636,841	-	-	636,841	701,855	65,014
Total Revenues	40,002,342	-	-	40,002,342	40,969,736	967,394
Expenditures:						
Current:						
General government	5,049,335	35,118	4,867	5,089,320	4,931,460	157,860
Public safety	2,633,442	-	-	2,633,442	2,396,190	237,252
Corrections	5,652,289	-	-	5,652,289	5,423,302	228,987
County farm	577,515	-	-	577,515	567,118	10,397
Human services	7,494,290	-	-	7,494,290	7,477,259	17,031
Cooperative extension	375,370	-	-	375,370	374,976	394
Economic development	50,000	-	-	50,000	50,000	-
Nursing home	15,340,089	105,907	291,070	15,737,066	15,631,264	105,802
Capital outlay	276,527	55,434	(5,300)	326,661	298,755	27,906
Debt service:						
Principal	2,395,000	-	-	2,395,000	2,393,641	1,359
Interest	1,100,333	-	(290,637)	809,696	808,853	843
Total Expenditures	40,944,190	196,459	-	41,140,649	40,352,818	787,831
Excess (deficiency) of revenues over expenditures before other financing sources	(941,848)	(196,459)	-	(1,138,307)	616,918	1,755,225
Other Financing Sources(Uses):						
Use of fund balance - reduce taxes	1,030,000	-	-	1,030,000	1,030,000	-
Use of fund balance - prior year reserves	-	196,459	-	196,459	196,459	-
Transfer to reserve funds	(88,152)	-	-	(88,152)	(88,152)	-
Total Other Financing Sources	941,848	196,459	-	1,138,307	1,138,307	-
Excess of revenues and other sources over expenditures	\$ -	\$ -	\$ -	\$ -	\$ 1,755,225	\$ 1,755,225

The accompanying notes are an integral part of these financial statements.

COUNTY OF GRAFTON, NEW HAMPSHIRE

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

JUNE 30, 2017

	Agency Funds
<u>ASSETS</u>	
Cash and short-term investments	\$ <u>77,261</u>
Total Assets	\$ <u><u>77,261</u></u>
<u>LIABILITIES</u>	
Due to others	\$ <u>77,261</u>
Total Liabilities	\$ <u><u>77,261</u></u>

The accompanying notes are an integral part of these 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 (primary government) and applicable component units for which the County is considered to be financially accountable. In fiscal year 2017, it was determined that no entities met the required GASB 14 (as amended) 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 Position 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*, as are the fiduciary fund financial statements. 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.

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 fund:

- The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the County, except those required to be accounted for in another fund.

The fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred.

The County reports the following fiduciary funds:

- *Agency Funds* are used to account for funds held by the County on behalf of others (e.g., inmate funds and patient 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. Inventory

Inventory is valued at cost using the first-in/first-out (FIFO) method. Inventory includes dietary, housekeeping, and activity supplies for use at the nursing home, maintenance supplies, and corrections supplies.

F. Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, and equipment and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with a grouped 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 three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition 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	20
Buildings and improvements	20 - 40
Equipment and vehicles	3 - 20

G. 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.

H. 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 Position.

I. 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 position".

Fund Balance - Generally, fund balance represents the difference between 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.

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 Position - Net position represents the difference between assets/deferred outflows and liabilities/deferred inflows. Net investment in capital assets consists 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 position is 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. The remaining net position is reported as unrestricted.

J. Fund Balance Policy

There is no rule or law in New Hampshire that governs the level of fund balance for counties. However, by looking at other guidelines that exist and by comparing the County to other counties in the state and in other states, the County arrived at a policy that fits the County's needs and standards:

- 1) The NH Department of Revenue Administration recommends that municipalities maintain a fund balance that represents between 5% and 10% of its total annual appropriations, including municipal, school, and county obligations.
- 2) The Government Finance Officer Association recommends as a best practice that "general-purpose governments, regardless of size, maintain unrestricted fund balance in their General Fund of no less than two months of regular General Fund operating revenues or regular General Fund operating expenditures. Furthermore, a government's particular situation often may require a level of unrestricted fund balance in the General Fund significantly in excess of this recommended minimum level. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the General Fund at any one time". Two months of operating revenues for operations funded by the General Fund for the County is approximately \$6 million, which is about 15% of the budgeted appropriations.

Through this fund balance policy, the County will endeavor to achieve and maintain an undesignated fund balance that is between 7% and 14% of its annual budgeted appropriations, which represents one to two months of operations.

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.

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

The County follows the following procedures for 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 and line item transfers.

C. Budget/GAAP Reconciliation

The budgetary data for the General Fund 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.

<u>General Fund</u>	Revenues and Other <u>Financing Sources</u>	Expenditures and Other <u>Financing Uses</u>
Revenues/Expenditures - (GAAP Basis)	\$ 40,969,736	\$ 40,550,396
To reverse unbudgeted use of Deeds Surcharge restricted funds	-	(20,472)
To reverse use of reserve funds:		
Nursing Home Reserve	-	(150,961)
Dispatch Capital Reserve	-	(26,145)
Budgetary Basis	<u>\$ 40,969,736</u>	<u>\$ 40,352,818</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, 2017, none of the County's bank balance was exposed to custodial credit risk as uninsured or uncollateralized.

4. **Restricted Cash**

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. Within the General Fund, the restricted cash amount of \$446,374 is composed of amounts from the Nursing Home Capital Reserve, the Registry of Deeds Surcharge Fund, the Dispatch Capital Reserve, and the Pandemic Fund.

5. **Allowance for Doubtful Accounts and Contractual Allowances**

The allowance for doubtful accounts for Nursing Home receivables has been estimated at approximately \$83,000 at June 30, 2017. Nursing Home receivables are also reported net of contractual allowances.

6. Capital Assets

Capital asset activity for the year ended June 30, 2017 was as follows (in thousands):

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Governmental Activities:				
Capital assets, being depreciated:				
Land improvements	\$ 2,794	\$ 15	\$ -	\$ 2,809
Buildings and improvements	56,933	157	-	57,090
Equipment and vehicles	<u>4,419</u>	<u>593</u>	<u>(164)</u>	<u>4,848</u>
Total capital assets, being depreciated	64,146	765	(164)	64,747
Less accumulated depreciation for:				
Land improvements	(998)	(45)	-	(1,043)
Buildings and improvements	(10,630)	(1,216)	-	(11,846)
Equipment and vehicles	<u>(2,925)</u>	<u>(362)</u>	<u>157</u>	<u>(3,130)</u>
Total accumulated depreciation	<u>(14,553)</u>	<u>(1,623)</u>	<u>157</u>	<u>(16,019)</u>
Total capital assets, being depreciated, net	49,593	(858)	(7)	48,728
Capital assets, not being depreciated:				
Land	<u>214</u>	<u>-</u>	<u>-</u>	<u>214</u>
Total capital assets, not being depreciated	<u>214</u>	<u>-</u>	<u>-</u>	<u>214</u>
Governmental activities capital assets, net	<u>\$ 49,807</u>	<u>\$ (858)</u>	<u>\$ (7)</u>	<u>\$ 48,942</u>

Depreciation expense was charged to functions of the County as follows (in thousands):

Governmental Activities:	
General government	\$ 346
Public safety	146
Corrections	669
County farm	71
Nursing home	<u>391</u>
Total depreciation expense - governmental activities	<u>\$ 1,623</u>

7. Deferred Outflows of Resources

Deferred outflows of resources represent the consumption of net position by the County that is applicable to future reporting periods. Deferred outflows of resources have a positive effect on net position, similar to assets. Deferred outflows of resources related to pensions, in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, are more fully discussed in Note 14.

Other deferred outflows of resources consist of loss on bond refunding (see Note 10).

8. Anticipation Notes Payable

At June 30, 2017, the County had no anticipation lines of credit available. The following summarizes notes payable activity during fiscal year 2017:

<u>Purpose</u>	<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	\$ 9,000,000	08/04/16	0.90%	\$ -	\$ 8,000,000	\$ (8,000,000)	\$ -
Total				\$ -	\$ 8,000,000	\$ (8,000,000)	\$ -

On July 27, 2017, the County issued a \$10,000,000 tax anticipation note with a maturity date of December 31, 2017 and an interest rate of 1.29%.

9. Capital Lease Obligations

The County is the lessee of certain equipment under capital leases expiring in various years through fiscal year 2019. Future minimum lease payments under the capital leases consisted of the following as of June 30, 2017:

<u>Fiscal Year</u>	<u>Amount</u>
2018	\$ 46,709
2019	<u>15,198</u>
Total payments	61,907
Less amounts representing interest	<u>2,659</u>
Present value of minimum lease payments	\$ <u>59,248</u>

Equipment financed by capital lease payable totaling \$174,942 is reported in capital assets net of \$73,443 accumulated depreciation.

10. 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>6/30/17</u>
Nursing Home Additions and Renovations	09/01/23	3.00 - 4.30%	\$ 4,350,000
Fire sprinkler system water tank	01/01/19	4.50 - 5.00%	190,000
Jail construction - 2010	12/01/20	3.00 - 4.00%	3,500,000
Jail construction - 2011	01/01/22	3.00 - 4.00%	3,875,000
2016 General Obligation Refunding bonds	07/01/31	2.50 - 5.00%	<u>16,180,000</u>
Total Governmental Activities			<u>\$ 28,095,000</u>

B. Future Debt Service

The annual payments to retire all general obligation long-term debt outstanding as of June 30, 2017 are as follows:

<u>Governmental</u> <u>Activities</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 2,470,000	\$ 1,039,213	\$ 3,509,213
2019	2,470,000	955,600	3,425,600
2020	2,375,000	871,263	3,246,263
2021	2,375,000	783,381	3,158,381
2022	2,345,000	695,588	3,040,588
2023-2027	8,855,000	2,313,813	11,168,813
2028 - 2032	<u>7,205,000</u>	<u>768,750</u>	<u>7,973,750</u>
Total	<u>\$ 28,095,000</u>	<u>\$ 7,427,608</u>	<u>\$ 35,522,608</u>

C. Changes in General Long-Term Liabilities

During the year ended June 30, 2017, the following changes occurred in long-term liabilities (in thousands):

<u>Governmental Activities</u>	<u>Total</u> <u>Balance</u> <u>7/1/16</u>	<u>Additions</u>	<u>Reductions</u>	<u>Total</u> <u>Balance</u> <u>6/30/17</u>	<u>Less</u> <u>Current</u> <u>Portion</u>	<u>Equals</u> <u>Long-Term</u> <u>Portion</u> <u>6/30/17</u>
Bonds payable	\$ 30,885	\$ 16,180	\$ (18,970)	\$ 28,095	\$ (2,470)	\$ 25,625
Bond premium	-	2,769	-	2,769	(185)	2,584
Subtotal	<u>30,885</u>	<u>18,949</u>	<u>(18,970)</u>	<u>30,864</u>	<u>(2,655)</u>	<u>28,209</u>
Capital lease payable	112	-	(53)	59	(44)	15
Compensated absences	1,431	-	(55)	1,376	(948)	428
Net OPEB obligation	9,063	1,920	(297)	10,686	-	10,686
Net pension liability	<u>20,212</u>	<u>8,194</u>	<u>-</u>	<u>28,406</u>	<u>-</u>	<u>28,406</u>
Totals	<u>\$ 61,703</u>	<u>\$ 29,063</u>	<u>\$ (19,375)</u>	<u>\$ 71,391</u>	<u>\$ (3,647)</u>	<u>\$ 67,744</u>

D. Advance Refunding

On October 14, 2016, the County issued general obligation bonds in the amount of \$16,180,000 with a variable interest rate ranging from 2.50% to 5.00% to advance refund \$16,500,000 of term bonds with an interest rate of 3.00% to 4.75%. The term bonds mature on December 1, 2030 and January 1, 2032 and are callable on December 1, 2020 and January 1, 2022, respectively. The general obligation bonds were issued at 3.00% and, after paying issuance costs of \$200,706, the net proceeds were \$18,948,719. The net proceeds from the issuance of the general obligation bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the term bonds are called on December 1, 2020 and January 1, 2022, respectively. The advance refunding met the requirements of an in-substance debt defeasance and the term bonds were removed from the County's financial statements.

As a result of the advance refunding, the County decreased its total debt service cash flow requirements by \$875,596, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$638,904.

Defeased debt still outstanding at June 30, 2017 is \$16,500,000.

11. Deferred Inflows of Resources

Deferred inflows of resources are the acquisition of net position by the County that is applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities. Deferred inflows of resources related to pension will be recognized in pension expense in future years and is more fully described in Note 14.

12. Fund Balances

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 spent.
- 3) Committed funds are reported and expended as a result of motions passed by the highest decision-making authority in the County (i.e., 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.

The following is a summary of fund balances at June 30, 2017:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:			
Inventory	\$ 383,662	\$ -	\$ 383,662
Total Nonspendable	383,662	-	383,662
Restricted:			
Deeds surcharge account	169,999	-	169,999
Unexpended grant funds	-	46,106	46,106
Total Restricted	169,999	46,106	216,105
Committed:			
Delegation voted reserves:			
Nursing Home Reserve	110,581	-	110,581
Dispatch Capital Reserve	153,401	-	153,401
Total Committed	263,982	-	263,982
Assigned:			
Commissioner voted encumbrances	126,829	-	126,829
Use of fund balance in subsequent year budget	1,030,000	-	1,030,000
Total Assigned	1,156,829	-	1,156,829
Unassigned:			
Remaining fund balance	1,619,257	-	1,619,257
Total Unassigned	1,619,257	-	1,619,257
Total Fund Balances	\$ 3,593,729	\$ 46,106	\$ 3,639,835

13. Other Post-Employment Benefits – OPEB (GASB 45)

GASB Statement No. 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 of 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 Position over time.

A. Plan Description

The County provides post-employment healthcare benefits for certain eligible retirees.

B. Benefits Provided

The County provides medical benefits to its eligible retirees. The benefits are provided through HealthTrust.

C. Funding Policy

The County pays 100% of the retiree's medical benefits. Eligible retirees of the County also receive a subsidy from the New Hampshire State Retirement System that is used to offset OPEB.

The County does not contribute towards the cost of retiree spouses' medical coverage. 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 year 2017 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, 2017, 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, 2016.

Annual Required Contribution (ARC)	\$ 2,071,252
Interest on net OPEB obligation	362,509
Adjustment to ARC	<u>(513,921)</u>
Annual OPEB cost	1,919,840
Contributions made	<u>(296,461)</u>
Increase in net OPEB obligation	1,623,379
Net OPEB obligation - beginning of year	<u>9,062,727</u>
Net OPEB obligation - end of year	<u>\$ 10,686,106</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>
2017	\$ 1,919,840	15%	\$ 10,686,106
2016	\$ 1,592,002	23%	\$ 9,062,727
2015	\$ 1,496,680	24%	\$ 7,841,459

E. Funded Status and Funding Progress

The funded status of the plan as of July 1, 2016, the date of the most recent actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	\$ 18,405,319
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 18,405,319</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>0%</u>
Covered payroll (active plan members)	<u>\$ 13,222,395</u>
UAAL as a percentage of covered payroll	<u>139.2%</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 OPEB 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, 2016 actuarial valuation, the projected unit credit cost method was used. The actuarial value of assets was not determined, as the County has not advanced funded its obligation. The actuarial assumptions included a 4.0% investment rate of return and an initial annual healthcare cost trend rate of 9%, which decreases to a 5% long-term rate for all healthcare benefits after eight years. The amortization costs for the initial UAAL is a level percentage of payroll for a period of 29 years, on a closed basis.

14. New Hampshire Retirement System

The County follows the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, with respect to the State of New Hampshire Retirement System (NHRS).

A. Plan Description

Full-time employees participate in the State of New Hampshire Retirement System, a cost-sharing, multiple-employer defined benefit contributory pension plan and trust established in 1967 by RSA 100-A:2 and qualified as a tax-exempt organization under Section 401(a) and 501(a) of the Internal Revenue Code. The plan is a contributory, defined benefit plan providing service, disability, death, and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters, and permanent police officers within the State of New Hampshire are eligible and required to participate in the system. Full-time employees of political subdivisions, including counties, municipalities, and school districts are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The New Hampshire Retirement System, a Public Employees Retirement System (PERS), is divided into two membership groups. State or local employees and teachers belong to Group I. Police officers and firefighters belong to Group II. All assets are held in a single trust and are available to each group. Additional information is disclosed in the NHRS' annual report publicly available from the New Hampshire Retirement System located at 54 Regional Drive, Concord, New Hampshire 03301-8507.

B. Benefits Provided

Group I members at age 60 or 65 (for members who commence service after July 1, 2011) qualify for a normal service retirement allowance based on years of creditable service and average final salary for the highest of

either three or five years, depending on when their service commenced. The yearly pension amount is 1/60 or 1.667% of average final compensation (AFC), multiplied by years of creditable service. At age 65, the yearly pension amount is recalculated at 1/66 or 1.515% of AFC multiplied by years of creditable service.

Group II members who are age 60, or members who are at least age 45 with at least 20 years of creditable service, can receive a retirement allowance at a rate of 2.5% of AFC for each year of creditable service, not to exceed 40 years. Members commencing service on or after July 1, 2011 or members who have a nonvested status as of January 1, 2012 can receive a retirement allowance at age 52.5 with 25 years of service or age 60. The benefit shall be equal to 2% of AFC times creditable service up to 42.5 years. However, a member who commenced service on or after July 1, 2011 shall not receive a retirement allowance until attaining the age of 52.5, but may receive a reduced allowance after age 50 if the member has at least 25 years of creditable service where the allowance shall be reduced, for each month by which the benefit commencement date precedes the month after which the member attains 52.5 years of age by $\frac{1}{4}$ of 1% or age 60.

Members of both groups may qualify for vested deferred allowances, disability allowances and death benefit allowances subject to meeting various eligibility requirements. Benefits are based on AFC or earned compensation and/or service.

C. Contributions

Plan members are required to contribute a percentage of their gross earnings to the pension plan, for which the contribution rates are 7% for employees and 11.55% for sheriff's deputies and correctional officers. The County makes annual contributions to the pension plan equal to the amount required by Revised Statutes Annotated 100-A:16, and range from 10.86% to 25.32% of covered compensation. The County's contribution to NHRS for the year ended June 30, 2017 was \$2,023,429, which was equal to its annual required contribution.

D. Summary of Significant Accounting Policies

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the NHRS and additions to/deductions from NHRS's fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

E. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the County reported a liability of \$28,405,831 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the County's proportion was .51020249 percent.

At June 30, 2016, the County's proportion was .53418565 percent, which was an increase of .02398316% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the County recognized pension expense of \$3,410,466. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 78,939	\$ 358,695
Changes of assumptions	3,495,855	-
Net difference between projected and actual earnings on pension plan investments	1,777,215	-
Changes in proportion and differences between contributions and proportionate share of contributions	1,016,185	-
Contributions subsequent to the measurement date (fiscal year 2017)	<u>2,023,429</u>	<u>-</u>
Total	<u>\$ 8,391,623</u>	<u>\$ 358,695</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	
2018	\$ (3,280,524)
2019	(1,257,095)
2020	(1,869,706)
2021	(1,545,083)
2022	<u>(80,520)</u>
Total	\$ <u>(8,032,928)</u>

F. Actuarial Assumptions

The total pension liability in the June 30, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent per year
Salary increases	5.6 percent average, including inflation
Investment rate of return	7.25 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 Employee generational mortality table for males and females, adjusted for mortality improvements using Scale MP-2015, based on the last experience study.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

The long-term expected rate of return on pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class are summarized in the following table:

Asset Class	Target Allocation Percentage	Weighted Average Average Long-Term Expected Real Rate of Return
Large Cap Equities	22.50 %	4.25%
Small/Mid Cap Equities	7.50	4.50%
Total domestic equities	30.00	
Int'l Equities (unhedged)	13.00	4.75%
Emerging Int'l Equities	7.00	6.25%
Total international equities	20.00	
Core Bonds	5.00	0.64%
Short Duration	2.00	-0.25%
Global Multi-Sector Fixed Income	11.00	1.71%
Absolute Return Fixed Income	7.00	1.08%
Total fixed income	25.00	
Private Equity	5.00	6.25%
Private Debt	5.00	4.75%
Opportunistic	5.00	3.68%
Total alternative investments	15.00	
Real Estate	10.00	3.25%
Total	100.00 %	

G. Discount Rate

The discount rate used to measure the total pension liability was 7.25%. This is a decrease of .50% from the previous valuation and has contributed to the significant deferred outflow of resources balance for changes of assumptions. The projection of cash flows used to determine the discount rate assumed that the plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the pension plan's actuarial funding policy and as required by RSA 100-A:16. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

H. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the County’s proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

<u>Fiscal Year Ended</u>	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
June 30, 2017	\$ 36,499,558	\$ 28,405,831	\$ 21,693,367

I. Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued NHRS financial report.

15. 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 County 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.

16. Commitments and Contingencies

Outstanding Legal Issues – On an ongoing basis, there are typically pending legal issues in which the County is involved. The County’s management is of the opinion that the potential future settlement of these issues 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.

17. **Implementation of New GASB Standard**

The Governmental Accounting Standards Board (GASB) has issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, replacing requirements of Statements No. 45 and 57, effective for the County beginning with its year ending June 30, 2018. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. In addition, the Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specific criteria and for employers whose employees are provided with defined contribution OPEB.

COUNTY OF GRAFTON, NEW HAMPSHIRE
SCHEDULE OF OPEB FUNDING PROGRESS (GASB 45)
REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2017

(Unaudited)

Other Post-Employment Benefits

Actuarial Valuation <u>Date</u>	Actuarial Value of Assets <u>(a)</u>	Actuarial Accrued Liability (AAL) - Projected Unit Credit Cost <u>(b)</u>	Unfunded AAL (UAAL) <u>(b-a)</u>	Funded Ratio <u>(a/b)</u>	Covered Payroll <u>(c)</u>	UAAL as a Percent- age of Covered Payroll <u>[(b-a)/c]</u>
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%
7/1/2012	\$ -	\$ 15,022,208	\$ 15,022,208	N/A	\$ 10,508,186	143%
7/1/2014	\$ -	\$ 14,141,964	\$ 14,141,964	N/A	\$ 12,540,379	113%
7/1/2016	\$ -	\$ 18,405,319	\$ 18,405,319	N/A	\$ 13,222,395	139%

See Independent Auditors' Report.

COUNTY OF GRAFTON, NEW HAMPSHIRE

**SCHEDULE OF PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (GASB 68)**

REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2017

(Unaudited)

New Hampshire Retirement System

<u>Fiscal Year</u>	<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position Percentage of the Total Pension Liability</u>
June 30, 2015	June 30, 2014	0.50926609%	\$ 19,115,739	\$ 12,936,696	147.76%	66.32%
June 30, 2016	June 30, 2015	0.51020249%	\$ 20,211,810	\$ 13,421,888	150.59%	65.47%
June 30, 2017	June 30, 2016	0.53418565%	\$ 28,405,831	\$ 14,276,178	198.97%	58.30%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

COUNTY OF GRAFTON, NEW HAMPSHIRE

SCHEDULE OF PENSION CONTRIBUTIONS (GASB 68)

REQUIRED SUPPLEMENTARY INFORMATION

JUNE 30, 2017

(Unaudited)

New Hampshire Retirement System

<u>Fiscal Year</u>	<u>Contractually Required Contribution</u>	Contributions in Relation to the <u>Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	Contributions as a Percentage of Covered <u>Payroll</u>
June 30, 2015	\$ 1,652,177	\$ (1,652,177)	\$ -	\$ 13,421,888	12.31%
June 30, 2016	\$ 1,810,593	\$ (1,810,593)	\$ -	\$ 14,276,178	12.68%
June 30, 2017	\$ 2,023,429	\$ (2,023,429)	\$ -	\$ 14,163,311	14.29%

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

See Independent Auditors' Report.

Grafton County Telephone Directory
3855 Dartmouth College Hwy.
North Haverhill, NH 03774

Located in the Admin Building

Commissioners' Office	787-6941
Treasurer's Office	787-6941
Human Resources Dept.	787-2034
Human Services Dept.	787-2033
Cooperative Extension Office	787-6944
Register of Deeds	787-6921
Information Technology	787-2043
Maintenance	787-2700

Nursing Home 787-6971

Grafton County Farm 787-2755

Department of Corrections 787-6767

Alternative Sentencing 787-2042

Located at the Courthouse

Sheriff's Dept.-Non Emergency 787-2111

Sheriff's Dept. - **Emergency** 787-6911

And 800-564-6911

County Attorney's Office 787-6968

Victim/Witness Department 787-2040

Probation and Parole (State) 787-6900

Superior Court & Circuit Court 1-855-212-1234

Grafton County Conservation District 353-4652

19 Archertown Road, Suite 1, Lyme Ext. 103

No. Haverhill Office, Wednesdays Only 787-6973