

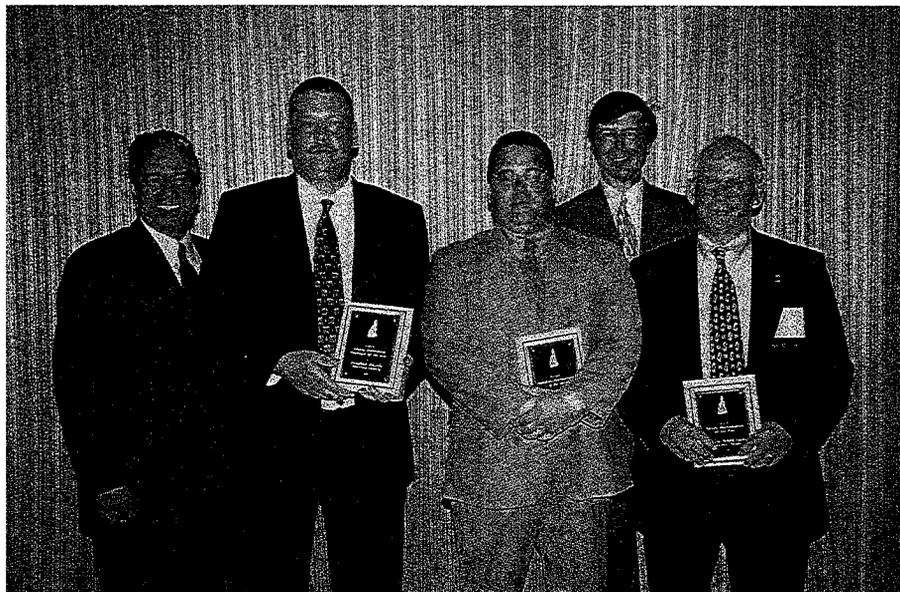
**SULLIVAN
COUNTY
New Hampshire**



**Annual Report
Of the
Board of Commissioners,
Other Elected Officials and
Department Heads**

Fiscal Year 2007

NHAC 2006 COUNTY AWARDS



**2006 NHAC County Corrections Employee of the Year
Lieutenant Douglass Roberts**

**2006 NHAC County Corrections Superintendent of the Year
Scott Hagar**

**2006 NHAC County Commissioner of the Year
Donald S. Clarke**

Pictured left to right:

Ed Gil de Rubio - County Manager
Lt. Douglass Roberts - DOC: THU, Director of Inmate Programs
Scott Hagar - DOC Superintendent
Bennie Nelson - Commissioner
Donald Clarke - Former Commissioner

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DIRECTORY (Current Information)

Board of Commissioners

Ethel Jarvis, Chair – District 3
Elected Position Serving a 4 Yr Term.
Term expires 12/31/2010

Bennie C. Nelson, V. Chair – District 2
Elected Position: Serving a 4 Yr Term.
Term expires 12/31/08

Jeffrey Barrette, Clerk – District 1
Elected Position: Serving a 2 Yr Term.
Term expires 12/31/08

Address:
14 Main Street
Newport NH 03773
Tel. 603.863-2560
Fax. 603.863-9314
Email:
commissioners@sullivancountynh.gov
Web Site: www.sullivancountynh.gov

(District towns listed on page:)

Interim County Manager

Greg Chanis
Appointed Position
(previous: Ed Gil de Rubio to
12/31/07)

Address:
14 Main Street
Newport NH 03773
Tel. 603.863-2560
Fax. 603.863-9314
Email: gchanis@sullivancountynh.gov

County Treasurer

(Mark Pitkin 7/1/2006 – 12/31/2006)

Cynthia Sweeney 1/01/2007 - Current
Elected Position: Serving a 2 Yr Term
Term expires 12/31/08

Address:
14 Main Street
Newport NH 03773
Tel. 603.863-2560
Fax. 603.863-9314

Conservation District

Janice Heighes, District Manager

Address:
24 Main Street
Newport NH 03773
Tel. 603.863-4297
Fax. 603.863-4730
Email: Janice.Heighes@email.nacdnet.org

Board of Supervisors:

- ❖ David Grobe – Chair, Plainfield
- ❖ Leon Stevens – V. Chair, Claremont
- ❖ John Luther – Treasurer, Acworth
- ❖ Cornelia Sargent, Claremont
- ❖ Doddridge Johnson, Sunapee
- ❖ Associate Supervisor:
 - o Richard Elsesser (Acworth)

County Attorney's Office

Marc Hathaway, Attorney

Address:
14 Main Street
Newport NH 03773
Tel. 603.863-7950/9365
Fax. 603.863-0015
Email: ca3@sullivancountynh.gov

- ❖ Assistant Attorneys:
 - David Park
 - Jack Bell

County Facilities & Operations

Address:
5 Nursing Home Drive
Claremont NH 03773-7344
Tel. 603.542-9511 Ext. 234
Fax. 603.542-2829
Email: facilities@sullivancountynh.gov

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Department of Corrections

Ross Cunningham, Superintendent
(Effective 8/20/2007)

Address:

103 County Farm Road
Claremont NH 03743
Tel. 603.542-8717
Fax. 603.542-4311
Email: doc@sullivancountynh.gov

Human Resources Office

Peter Farrand, Director

Address:

5 Nursing Home Drive
Claremont NH 03773-7344
Tel. 603.542-9511 Ext. 286
Fax. 603.542-9214
Email:
humanresources@sullivancountynh.gov
Web site: www.sullivancountynh.gov

Human Services Department

Sherrie Curtis, Coordinator

Address:

5 Nursing Home Drive
Claremont NH 03773-7344
Tel. 603.542-9511 Ext. 210
Fax. 603.542-9214
Email:
humanservices@sullivancountynh.gov
Website: www.sullivancountynh.gov

Registry of Deeds

Sharron King, Registrar
Elected Position: 2 Yr Term
Term Expires - 12/31/08

Address:

PO Box 448
Newport NH 03773
Tel. 603.863-2110
Fax. 603.863-0013

Deputy Registrar:

Chaunee Baker (Appointed)

Sheriff's Office

Michael L. Prozzo, Jr., High Sheriff
Elected Position: 2 Yr Term
Term Expires - 12/31/08

Address:

PO Box 27
Newport NH 03773
Tel. 603.863-4200
Fax. 603.863-0012
Email: sheriff@nhvt.net
Web site: sullivancounty-nh.com
Chief Deputy Sheriff:
Denis O'Sullivan, Captain
Secretary/Special Deputy:
Barbara Sprague

**Sullivan County Health Care
(Nursing Home)**

Ted Purdy, Administrator

Previous Administrators in 2007:

Ed Gil de Rubio, 9/14/07 - 11/12/07
Dave Laplante, 7/1/07 - 9/13/07
Scott Wojtkiewicz, 9/5/06 - 6/30/07

Address:

5 Nursing Home Drive
Claremont NH 03773-7344
Tel. 603.542-9511 Ext. 217
Fax. 603.542-9214
Email:
nursinghome@sullivancountynh.gov
Web site: www.sullivancountynh.gov
Admissions Coordinator:
Susan Bergeron, Ext. 292
Director of Nursing:
Rebecca Trudelle, Ext. 287

UNH Cooperative Extension

Seth Wilner, Office Manager

Address:

24 Main Street
Newport NH 03773
Tel. 603.863-9200
Fax. 603.863-4730
Web site: <http://www.ceinfo.unh.edu>

Educators & Program Assistants:

- o *4-H Development*
Nancy Berry and Robin Luther
- o *Agricultural Resources &
Environmental Stewardship*

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- Seth Wilner
- o *Forester* – Chuck Hersey
 - o *Family & Consumer Resources*
Gail Kennedy
 - o *Nutrition Connections*
Sandy Trybulski

Victim Witness Program

Cindy Vezina, Coordinator

Address:
14 Main Street
Newport NH 03773
Tel. 603.863-8345
Fax. 603.863-0015
Email: ca4@sullivancountynh.gov

State & District Courts

Claremont District Court
Tel. 603.542-6064

Newport District Court
Tel. 603.863-1832

Probate Court
Tel. 603.863-3150

Superior Court
Tel. 603.863-3450

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SULLIVAN COUNTY FACTS PAGE

BRIEF HISTORY

Sullivan County is located in the West Central area of New Hampshire. The county was named after Brigadier General John Sullivan, a Revolutionary war hero in late 1700's. Previously Sullivan County was part of Cheshire County. On July 5, 1827 Sullivan County came into being and established its own recording site in Newport, which is currently the county seat. The county consists of 528 square miles and includes fourteen towns and one city*:

Acworth, Charlestown, Claremont, Cornish, Croydon, Goshen, Grantham, Langdon, Lempster, Newport, Plainfield, Springfield, Sunapee, Unity, and Washington.*

The population in Sullivan County is currently 42,061 (Data extracted from LGC 2007 - 2008 NH Municipal Officials Directory).

COUNTY GOVERNMENT

- ❖ Sullivan County employs 274 employees (part and full time, effective 6-29-07 pay end).
- ❖ The majority of the employees are employed at the Sullivan County Health Care (nursing home) in Unity, followed by Department of Corrections, Facilities & Operations, Sheriff's Office, Registry of Deeds, Attorney's Office, County Commissioners' Office, Cooperative Extension, and Conservation Department. Per NH State mandates the County subsidizes employees in the following programs: Victim Witness Protection, Conservation and Human Services.
- ❖ The County owns approximately 1,500 acres of land, which includes, in Newport, the Remington B. Woodhull County complex and Records Building on Main Street, and in Unity, the

Sullivan County Health Care (nursing home), Department of Corrections and several out buildings, along with several land properties located in the Town of Unity.

COUNTY GOVERNMENT IS MADE UP OF TWO BRANCHES

The Executive Branch consists of three Commissioners with two commissioners elected every two years and the third commissioner every four years. The three districts are separated as follows:

- ❑ District 1 - Claremont
- ❑ District 2 - Cornish, Croydon, Grantham, Newport, Plainfield, Springfield
- ❑ District 3 - Acworth, Charlestown, Goshen, Langdon, Lempster, Sunapee, Unity, and Washington

The Board of Commissioners duties are mandated by NH Statute RSA 28. The Commissioners are part-time elected officials responsible for overall supervision of County Departments, buildings and land, and exercise budgetary oversight over all County expenditures. The Commissioners meet the first and third Tuesday, of each month, with department heads to discuss old and new business. The Commissioners submit, on a fiscal year (July 1st to June 30th), a budget to the County Delegation for approval. Minutes from the Commissioners public meetings may be attained through the Commissioners Office or can be viewed on line at: www.sullivancountynh.gov

The Legislative Branch, the County Delegation, consists of thirteen elected Representatives. The role of the County Delegation is to approve the necessary funds to operate the County. The Delegation Executive Finance Committee reviews the

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Commissioners' budget, then submits the budget (with any modifications) to the full County Delegation who then vote on the funds. County Delegation minutes may also be attained from the Commissioners Office or can be viewed on line at: www.sullivancountynh.gov.

COUNTY GOVERNMENT DEPARTMENTS & THEIR ROLE

Commissioners Office - The Commissioners Office is located on Main Street in Newport, the County seat. This office is the primary office for the Board of Commissioners, and currently employs four employees: a Payroll Clerk, an Accounts Payable Clerk, an Administrative Assistant, and a Secretary/Receptionist. The employees perform a number of duties which include: coordinating meetings among officials and public, preparing budgetary reports for Department Heads and Auditors, handling employee benefits, accounts payable & receivable, monitoring grants as the fiscal agent and maintaining records for all County Offices. The Board of Commissioners convene the first and third Tuesday of each month @ 3 p.m. The first Tuesday meeting is held in Newport, at the Commissioners' Office Conference Room, while the third Tuesday meeting is held in Unity, at the Sullivan County Health Care facility Recreation Room. Commissioners' meetings are open to the public, excluding Executive Sessions (non public). The Board's goal with each meeting is to allow discussion of old and new business and to monitor the progress and performance levels of each of the following departments: County Manager, Sullivan County Health Care, Facilities & Operations, Department of Corrections, Registry of Deeds, Sheriff's Office, Human Services, UNH Cooperative Extension, Conservation, County Attorney's

Office, Victim / Witness Program, Payroll, and the County Commissioners' Office.

County Manager - The County Manager serves as the Commissioners' agent, for the financial and administrative management of Sullivan County. The Manager oversees and coordinates the business, fiscal, purchasing and human resources activities of the following departments and functions: 1) Sullivan County Health Care, 2) Department of Corrections, 3) Commissioners' Office, 4) Maintenance of all County Property, 5) Human Relations, 6) Communications and Information Technology, 7) Cooperative Extension, and 8) Conservation District. (Please note, effective 12/4/07, the DOC Superintendent and SCHC Administrator report directly to the Board of Commissioners.)

County Treasurer - The Treasurer is a two-year elected term, with the position receiving its authorization from the NH Constitution. The position is part time with duties, mandated by RSA's (NH State RSA Chapter 29) that include the accountability of all moneys belonging to the county, with a follow up report at the end of each fiscal year.

Registry of Deeds - The position of Registrar is a two year elected position, receiving its authorization from NH Constitution, Part #2 Article 71 & 72. Sullivan County Registry of Deeds is located on Main Street in Newport. The duties of the Registrar, dictated by RSA's, include the recording, reproduction and indexing of legal documents pertaining to real estate, and the reporting to the cities and towns (for tax purposes) of all transfers of property and the maintenance of records dating back to 1827. The Registry records an average of 50-75 documents a day,

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with people utilizing the facility in person or through the Registry website:

<http://www.nhdeeds.com/slvn/web/start.htm>

each day. Along with the elected Registrar, the Registry of Deeds currently employs a Deputy Registrar and three full time clerks.

Sheriff's Office - The Sheriff's Office receives its legally mandated authorization from NH Constitution, Part #2 Article 71, and additionally from RSA section 104:6. The Sheriff's Office is located on Sunapee Street in Newport. Along with the High Sheriff (the chief law enforcement officer to each Sheriff's Office, a two year elected term) there is a Chief Deputy, three full time and seven part time Deputies, and a full time Secretary/Special Deputy. In New Hampshire, the Sheriff's authority reaches throughout and within the boundaries of the State, sharing jurisdiction with local law enforcement agencies. Some of their duties include: rural patrols, criminal investigations, support of local law enforcement initiatives, vehicle escorts, transport of inmates/juveniles/involuntary emergency admissions, prisoner control, civil services, and Superior Court capias & extraditions. Check out the Sheriff's Office Web site @: sullivancounty-nh.com for further details and to view the County's "Most Wanted".

Attorney's Office - The County Attorney's Office is located on Main Street in Newport. The County Attorney is a constitutionally elected official and is the chief law enforcement officer in the County. The County Attorney is charged with prosecution of felonies and misdemeanor appeals from the district courts and works in conjunction with the State Attorney General's Office, Sheriff's Department, NH State Police

and local police departments. In addition, the County Attorney represents the County in all civil matters involving the departments or agents of the county, and works with the medical referee in cases of untimely deaths. Along with the County Attorney, the County Attorney's Office currently employs two Assistant Attorneys and two full time secretaries. The office also works closely with the **Victim Witness Program**. The Victim Witness Program was created to ensure that the rights of the victim are protected; reducing the impact the crime and resulting involvement in the criminal justice system has on the lives of victims and witnesses. State, Local, and County resources fund this program, which staffs one Victim Witness Program Coordinator.

Sullivan County Health Care - The Sullivan County Health Care facility (nursing home) is located on the County Farm Road in Unity. The Health Care employs approximately 198 (total includes Facilities & Operations) and provides both Skilled and Intermediate levels of care for its residents. The Sullivan County Health Care Rehabilitation Department has available to them a registered Physical Therapist as well as Occupational Therapist when needed, and the home assists in applying for Nursing Home assistance. Along with the MacConnell Unit, which was built specifically to meet the needs of the resident with Alzheimer's Disease, the home also helps with Respite Care - a service allowing someone to take time off from caring for a family member at home.

DAILY RATES - Medicaid: Effective August 2006 \$140.81, Effective Feb 2007 \$148.42, Effective August 2007 \$155.66. Semi-Private: \$195. effective 7-1-03 to current date. Private rate: \$225, effective

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December 1, 2006. These rates include: room accommodations, meals (including special diets ordered by physicians), 24 hour nursing care, assistance with activities, personal care items, laundry service, routine dental treatments, prescribed medical dressing items, social services, most recreational activities, and oxygen concentrators or tanks. Additional items such as physician services, podiatrist services, pharmacy services, medical supplies are billed to insurance carriers first then to the responsible party. An updated list of items available can be obtained by contacting the Nursing Home at 603.542-9511.

Conservation District - The Conservation District Office is located on Main Street in Newport. Sullivan County Conservation District is a subdivision of state government established in 1946 under NH RSA, Chapter 432. The Conservation District is a branch of county government and funded through the County budget. District programs are administered by one full-time employee under the direction of an all-volunteer Board of Supervisors who must be residents of the County. Among the many services provided are soil interpretation and capability information, assistance with the preparation of NH Wetland Permit Applications, calculation of Soil Potential Indexes for Farmland in Current Use, and sales of native trees and shrubs in the spring. The Conservation District also provides technical assistance for the installation of conservation practices in partnership with USDA Natural Resources Conservation Service through the many Farm Bill cost share programs. The conservation districts act as a link between federal and state agencies and landowners for conservation of soil and water resources.

UNH Cooperative Extension - UNH Cooperative Extension is located in the same building as the Conservation District office. In partnership with Sullivan County, the State of New Hampshire and the Federal Government, Cooperative Extension provides practical, research-based education and information to people of all ages in Sullivan County. Sullivan County Extension Educators in Natural Resources, Family, Community and 4-H Youth Development, advised by a local advisory council, work together to strengthen the local economy, enhance the environment, develop human potential and strengthen families and communities. Activities include face-to-face technical assistance, group workshops and program series, volunteer support, web-based and printed information including fact sheets, newsletters and updates on timely topics. The County subsidizes a portion of Cooperative Extension through the use of one of its buildings, Extension Educator travel and expenses, payroll for two full time support staff and one part time, and through grants.

Department of Corrections

The Department of Corrections is located at the Unity complex, near the County Health Care facility. The Department of Corrections employs 34 employees (eff. 6/29/07), which includes a Superintendent, a Corrections Secretary, three nurses, a LADC, 4 Community Corrections Officers and 24 Corrections Officers.

The Department of Corrections consist primarily of three main divisions.

1. Jail and House of Corrections Division: pretrial detention of adult males and females awaiting trial and sentencing ranging from minimum to maximum Security and secure detention of adult

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males and females sentenced to 1 year or less on felony and misdemeanor crimes.

2. Community Corrections Division: consisting of a Inmate Transitional Housing Unit, Work Release, Home Confinement and GPS/RF Electronic monitoring. Community Corrections is also responsible for the Sullivan County Intervention Program, Community Service Program, and the newly implemented Sullivan County Pretrial Services Program.
3. Medical Services Division: provides medical and mental health services and substance abuse treatment and education programs to the men and women incarcerated, regardless of their judicial status.

The current jail facility was built in 1978 for approximately 44 inmates. Today, the facility's average population range is between 85 and 95 offenders, with a peak population of 125 inmates.

SULLIVAN COUNTY COMMISSIONERS REPORT

Fiscal year 2007 has been another busy year for your Board of Commissioners. It is a year that has brought about many changes in the Delegation, Treasurer and County Commissioners due to the November election. It is difficult to come into a position with the budget already set and this year has been no exception for the new and experienced alike. The County Commissioners' activities were varied to say the least but can be divided into 4 primary issues.

Our primary focus, as always, is to continue to bring high quality care to our residents at Sullivan County Health Care. In June 2007 the Board of Commissioners decided to discontinue the contract with Genesis, who has served since January 1st 2005 as the management/consulting firm for Sullivan County Health Care. The commissioners felt the time was right to be on our own again, so to speak. We also knew the transition would not be easy, as Genesis was providing consultants when needed and the nursing home administrator, but the cost of consulting was becoming prohibitive for the number of hours provided. A public/private business walks a fine line. Transparency becomes a problem. The commissioners are dedicated to continuing in the tradition of the past, taking care of our elderly, while pursuing the future with skilled care nursing.

Another pressing issue is the Department of Corrections. The commissioners continued the study of the Department of Corrections, which had been ongoing for a couple of years. Several meetings were held with Ricci Greene Associates and the Sullivan County Criminal Justice Committee. The "Needs Assessment Study" was completed regarding the entire criminal justice system in Sullivan County. The commissioners received recommendations for a new jail and or renovation of the present jail with a price tag of \$45,000,000. This will be further studied and discussed in 2008.

A success story is The Greater Sullivan County All Hazards Health Region Committee (GSCAHHRC) has been created to put together a regional plan that will coordinate a response to major health hazards such as the Pandemic Flu. Most towns/city in Sullivan County are members of this group. Valley Regional Hospital and New London Hospital are participating members as well as all of the area school districts. Private businesses have also become members of our committee.

Several meetings have been held to provide information on a Materials Recovery/Dual Stream Recycling facility. Along with other local officials and representatives from Antioch New England Institute, Sullivan County has sent out a RFQ "Request for Qualifications" for a consultant to assist the county in a comprehensive business plan/feasibility assessment regarding a regional dual stream (MRF) program. The RFQ was awarded to Resource Recycling Systems (RRS) Inc. in June 2007. We anticipate the final RRS report by October 2007.

The commissioners have supported, under Fund 42, a Capital Improvement Program to renovate and improve all our county buildings. The costs have tripled after we approved a budgeted amount so we have not been able to complete some projects. Health care costs increase by the year, energy costs are up, retirement costs are up, monetary support from the federal/state government for our elderly are down. It makes it very difficult to balance a budget so it is very possible we are in a deficit budget this year.

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There are many projects that are ongoing keeping your County Commissioners very busy from the state level down to the local officials who are in need of our help and support.

Our thanks and appreciation goes out to all the employees of Sullivan County. We are truly grateful for their dedication to our motto: "All day, every day, we make life better."

Ethel Jarvis, Chair
Bennie Nelson, Vice Chair
Jeffrey Barrette, Clerk

SULLIVAN COUNTY ATTORNEY'S OFFICE REPORT

The past year was a busy one for the Sullivan County Attorney's Office. In Sullivan County Superior Court last year (July to July) there were 400 new criminal cases filed and 311 criminal re-entries. In addition to the work in Superior Court, we continue to work closely with area law enforcement by providing legal advice in criminal investigations and prosecution services in the District Court, as circumstances require.

The prosecution function of the office is in good hands with Assistant County Attorney's David Park and John Bell each having more than 20 years of criminal trial experience. The experience, professionalism, and integrity of Attorney's David Park and John Bell continue to serve the citizens of Sullivan County well.

Office Manager Melanie O'Sullivan and her capable assistant, Holly Pariseau, continue to serve as the backbone of our office. Melanie and Holly do a superb job of managing the huge volume of paper and information which is processed by our office each year while always presenting a friendly and professional image to those dealing with our office.

The prosecutorial responsibilities of the office are made easier by the competent and compassionate work of our Victim/Witness Coordinator Cindy Vezina. More important, however, is that Ms. Vezina's efforts insure that the concerns of victims and/or witnesses are addressed promptly and professionally. Ms. Vezina plays a major role in our continued commitment to the victims of violent crimes. Ms. Vezina works closely with Sullivan County law enforcement to schedule periodic training in timely subjects such as domestic and sexual violence.

In 2006 we saw the birth of the Grafton-Sullivan County Child Advocacy Center (after this "CAC"), which was the end result of several years of planning, coordinating and grant writing. The CAC is designed to serve and protect abused and neglected children in the Sullivan and Grafton Counties through the collaborative efforts of a multi-disciplinary team of community professionals including law enforcement, prosecution, child protection services, and victim/crisis support services. The CAC has opened offices in Newport and Lebanon has proven its value under the competent direction of Cathy Bean who has proven an exceptional CAC coordinator. Assistant County Attorney David Park, who is this offices liaison to the CAC, has worked with law enforcement and victims in a number of successful prosecutions in CAC involved cases.

Substance abuse remains a major threat to the safety of our community. Heroin, Crack Cocaine, Cocaine, Oxycontin, together with other drugs and alcohol continue to play a prominent role in the majority of our criminal cases. The continued efforts of law enforcement, coupled with effective prosecution and sentences that recognize the need for both punishment and treatment remain the most effective response to this continuing problem.

The significant substance abuse problem and its link to criminal activity was confirmed by the April 2007 Jail Facility Needs Assessment conducted by Ricci Green Associates. The Sullivan County Attorney's Office remains an active participant in the Sullivan County Criminal Justice Committee and the planning process for the much needed new Sullivan County Jail. The planned new jail is an integral part of

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our hopes for more effective criminal justice system by providing significant substance abuse treatment as part of the punishment/deterrence portion of house of corrections sentences. The long term benefits to the community, the offender, and the taxpayer by aggressively targeting substance abuse issues in our community cannot be underestimated.

In closing, I would like to thank the citizens of Sullivan County, the County Commissioners and the members of the Sullivan County Delegation for their continued support. My entire staff and I are proud to work for and with you for a better Sullivan County.

Respectfully submitted,
Marc Hathaway
Sullivan County Attorney

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SULLIVAN COUNTY SHERIFF'S OFFICE REPORT

I am happy to report another successful year for the Sullivan County Sheriff's Office.

Another major accomplishment this year is the continuation of the New Hampshire Highway Safety Grant, to fund the Radar and DWI patrols, as well as funding for four (4) video cameras for the cruisers. The cameras increase officer safety, and give good documentation for any incident that may occur. The camera is front and rear facing, as well as the back seat, which is important for high risk transports. It is my intention to apply for funding for others cameras to complete our fleet.

We have, again, acquired the grant for the "Underage Alcohol Task Force". This is the fifth grant we have received for this worthwhile endeavor. We work closely with Claremont, Newport, Sunapee, and Goshen Police Departments as well as the NH State Police and Liquor Enforcement.

The Western New Hampshire Special Operations Unit (SOU), continues to work closely with area agencies, continuing to train and upgrade equipment.

The Sheriff's Office, again, has contracted with the Town of Unity to provide police coverage for them.

The Sullivan County Sheriff's Office has received its second grant from the New Hampshire Fish & Game OHRV Wheeled Vehicle Enforcement. This will allow us to assist local departments, such as Claremont, Newport and Washington in the enforcement of OHRV laws.

Also, the Sheriff's Office is still a member of and supports the Attorney Generals Drug Task Force, definitely, a worthwhile endeavor.

In October 2007, deputy sheriff, and familiar face around the County, Walter "Don" Coons retired, after 20 years in law enforcement, 17 of those years with the Sheriff's Office. We wish him well, and thank him for his professionalism, and years of service to Sullivan County.

Last, but not least, we want to welcome Justin R. Merrill as a full-time deputy sheriff. He has been with the department since January. He has five (5) years of prior experience with the Newport Police Department. We have been fortunate to attract good, qualified people.

As the Sheriff of Sullivan County I would like to thank my staff for another great year. Their hard work and dedication are appreciated. I would also like to thank the Sullivan County Commissioners, County Manager, County Delegation, the citizens of Sullivan County, and all the law enforcement agencies in Sullivan County for their continued cooperation and support.

Respectfully submitted,
Michael L. Prozzo, Jr.
High Sheriff

SULLIVAN COUNTY DEPARTMENT OF CORRECTIONS REPORT

The Department of Corrections went through a period of change this last fiscal year. The DOC administrative team in conjunction with County Manager Gil de Rubio managed operations for the last six months of the fiscal year culminating in the hiring of a new Superintendent – Ross L. Cunningham. Supt. Cunningham brings with him 17 years of corrections experience and a vision to continue to move the County forward with increased inmate programming, staff training and overall efficiency in operations.

Division of Community Corrections:

Doug Roberts, Director of Inmate Programs continues to seek out educational and rehabilitative programs for the inmate population. The DOC contracted with Kevin Warwick from Alternative Solutions Associates to provide training to the Community Corrections staff to conduct certified training to the Transitional Housing population. Mr. Warwick has also provided training for supervisory and line staff within the Jail. He and Lt. Roberts are seeking and were awarded grants for both adult and juvenile programs. Ongoing programs are:

- Inmate transition from incarceration to community via the transitional housing unit.
- Electronic Monitoring, GPS and Home Confinement
- Inmate Community Service Program
- Reality Check – Youth Diversion/Awareness Tour Program
- Pretrial Services and Bail Supervision
- Thinking for a Change

Inmate community service for the fiscal year totaled 1,418 hours and based upon the minimum wage of \$5.85 saved towns a total cost of \$8,293. Community service hours were performed at these locations: Goshen Cemetery, Goshen School, Lempster Highway, Lempster School, Moody Park, Unity Roadside Clean-up, Unity Old Home Day, Charlestown - landscaping

Operations:

Daily average population for 06/07 fiscal year was:

Males	58.18
Females	13.14
THU	12.54
EM	2.29
Admin Transfer	4.46
Treatment Programs	3.55
Other	8.43

Total Daily Pop 102.59

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Three officers graduated from the NH Association of Counties Corrections Academy in the 06/07 year. They are – CO Eric Porter, CO Bryant Brown and CO Kenneth Howard.

Lempster Fire Department donated 8 Self – Contained Breathing Apparatus to the DOC. In August of 2006, all DOC staff was trained in the proper use of the SCBAs.

Jail Needs Assessment

RicciGreene Associates completed the Needs Assessment Phase and Pre-Architectural Phase of the new Jail Study. The findings were presented to the Criminal Justice Coordinating Committee, The Board of Commissioners and the Delegation.

In the 07/08 budget year, RicciGreene will be working on Jail Design with a goal of reducing the overall cost of the project as previously presented.

The jail is a revolving door, occupied by individuals who cannot make it on the outside because of their problems with alcohol, drugs, homelessness, lack of steady employment and low education levels.

Our philosophy is that "transition begins at admission" and our job is to prepare inmates for successful reentry to a productive life in the community so that they do not return to jail. This is the number one cost control measure.

The Jail staff will provide input and keep the integrity of the project by focusing on the needs of the inmate population and the County as a whole. The Criminal Justice Coordinating Committee will continue to have close involvement with the project providing great insight from all agencies related to law enforcement. In closing, I am looking forward to working with the DOC staff and developing a relationship with fellow agencies in moving the above philosophy to conclusion. I am energized and excited by the opportunities presented to me as Superintendent of Sullivan County DOC.

Respectfully submitted,
Ross L. Cunningham
Superintendent

SULLIVAN COUNTY MANAGER'S REPORT

**THERE IS NO REPORT AVAILABLE
FOR FY 07**

SULLIVAN COUNTY FACILITIES AND OPERATIONS REPORT

FY 2007 was a busy and exciting year for the Facilities and Operations Department of Sullivan County. Some of the notable projects funded in this year's Operating and Capital Budget included;

- Installation of an emergency backup generator for the Newport complex
- Installation of a new boiler for the Newport Complex
- Major HVAC renovation at Sullivan County Health Care. This included adding air conditioning to the Resident Dining and Recreation rooms and the kitchen.
- Complete interior renovation of Resident Dining and Recreation rooms including new ceiling, lights, flooring and furniture.
- Installation of a new countywide phone system.
- Continues upgrades to lighting systems at Sullivan County Health Care
- Complete renovation of the dish room in the kitchen of Sullivan County Health Care.
- Installation of a resident wandering alarm system in the MacConnell Unit of Sullivan County Health Care.

In addition to these projects, the talented staff members of the department are working hard everyday, providing the necessary support services in the areas of facilities maintenance, housekeeping, laundry and central purchasing. I would like to take this opportunity to thank them all for their efforts. I would also like to thank the County Manager and his staff, the County Commissioners and the entire County Delegation for their continued support, suggestions and encouragement.

Respectfully Submitted
Greg Chanis, Director of Facilities and Operations

SULLIVAN COUNTY HEALTH CARE REPORT
(Nursing Home)

THERE IS NO REPORT AVAILABLE
FOR FY 07

SULLIVAN COUNTY HUMAN RESOURCES REPORT

The Human Resources Department is a two-person operation, which manages wages, benefits, personnel data and the application of policies and procedures for over 300 employees of the County. The Human Resources Manager and Human Resources Assistant are located in Unity in the Health Care Facility in Unity.

One of the most important responsibilities of the Human Resources Department in cooperation with the Payroll Officer, is the on-going administration and maintenance of the County's benefits program. In general, these benefits include:

- Health Insurance
- Dental Insurance
- Sick Leave
- Accumulated Earned Time
- Short-Term Disability
- Life Insurance
- 10-12 Paid Holidays
- NH State Retirement Plan
- Health Insurance for Retirees
- Section 125 Plan
- Differentials
- Deferred Compensation
- Tuition Assistance

NOTE: Eligibility for benefits varies based on employment status

Duties for the Human Resource Department also include all communications with the union (AFCSME Council Local 3438) members of the Health Care Facility.

As a team the Human Resource department in collaboration with all County Department Heads, strives to bring the County together under the mutual goal of creating honesty, respect and consistency throughout every interaction every employee has within their daily roles at Sullivan County.

Respectfully submitted,

Peter Farrand, Human Resource Director

Samantha Fletcher, Human Resource Assistant

Sullivan County NH
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SULLIVAN COUNTY HUMAN SERVICES REPORT

HCBC (Home and Community Based Care)

The county is responsible for 25% of the cost for services provided to Sullivan County elderly and disabled residents in their home rather than a nursing home setting. Sullivan County has approximately 218 active cases. The cost for this service for FY 07 was \$658,243.00.

PROVIDER PAYMENTS

The county is responsible for 25% of the cost for services such as prescription drugs, hospitalization, emergency medical services, and durable medical equipment for Medicaid recipients living in nursing homes and the community. Sullivan County has approximately 487 active cases. The cost for this service for FY 07 was \$568,322.00.

OAA (Old Age Assistance)

This program offers recipients money payment and medical assistance for individuals 65 years of age and meeting the income eligibility guidelines. Sullivan County has approximately 75 active cases. The cost for this service for FY 07 was \$47,251.00.

APTD (Aid to the Permanently and Totally Disabled)

This program also offers recipients monthly money payments and medical assistance for individuals meeting the income level guidelines. Sullivan County has approximately 404 active cases. The cost for this service for FY 07 was \$414,779.00

Nursing Homes

With the implementation of Senate Bill 409 effective January 1, 1999, the counties pay 25% of nursing home care. Sullivan County has approximately 279 recipients in nursing homes. The cost for FY 07 was \$1,874,830.00.

Board and Care of Children

The counties continue to work with the State of New Hampshire regarding court ordered services for families and children of Sullivan County. The counties are responsible for 25% of these costs. The cost for these services for FY 07 was \$799,189.00. 356 Children and families were served.

Annually each county is awarded Incentive Funds from the State of New Hampshire for the purpose of local agencies to administer programs to prevent court ordered out of home placement.

These funds are distributed to each county based on a formula:

FY '07

General Fund Appropriation:	\$ 3,459,974.00	
County 15% guaranteed amount:	<u>\$ 518,996.00</u>	\$51,899.60
Remaining Amount	\$2,940,978.00	

The remaining amount is based on each county's juvenile population, for Sullivan County it is approximately 6%.

The Sullivan County Incentive Funds were awarded at our annual review day. Total funds received for FY 07 were \$154,833.60. Agencies receiving these funds through the application process were: Good Beginnings, Children & Youth Services,

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Claremont Soup Kitchen, Women's Supportive Services, SAU # 43 Early Childhood Support Team, Girl's Incorporated of NH, Claremont 21C, Newport Enrichment Team, Child Advocacy Center and West Central Services.

Respectfully submitted,
Sherrie Curtis, Administrator



SULLIVAN COUNTY CONSERVATION DISTRICT

24 Main Street, Newport, NH 03773 Tel. (603) 863-4297

MISSION STATEMENT: To take available technical, financial, and educational resources, whatever their source, and focus or coordinate them so that they meet the needs of the local land user. We coordinate these services in partnership with the USDA Natural Resources Conservation Service (NRCS).

The services to Sullivan County residents include:

TECHNICAL ASSISTANCE – Technical assistance was provided to landowners in Sullivan County either directly by the District Manager or through our technical partner, the USDA Natural Resources Conservation Service (NRCS). There were 12 municipal requests for assistance, 3 from public schools, 6 from non-profit organizations, and 22 from private environmental consultants. Assistance was also provided to both state and federal agencies. In addition, 157 requests for technical conservation assistance and/or information were received from the general public, which included soil capability information, Soil Potential Indexes for Farmland in Current Use, and assistance with the preparation of NH DES Wetland Bureau permits.

PROGRAMS: In September, we celebrated 60 years of service to Sullivan County at our annual awards dinner held at The Fort at #4 in Charlestown. Bob and Cindy Porter of Claremont were presented with Conservationists-of-the-Year-Award for excellent stewardship of their land and their commitment to sustainable agriculture.

Our annual tree and shrub sale and our spring trout sale continued to be popular service programs. We offered conifers, fruit trees, berry bushes and several wildlife habitat species as well as some planting supplies. Both Rainbow and Brook trout were offered in our spring trout sale to private pond owners.

We received grant funding from Wellborn Ecology Fund of New Hampshire Charitable Foundation-Upper Valley Regional and from NH Department of Environmental Services Exotic Species Program to continue our Connecticut River Aquatic Invasive Plants Outreach and Survey Project. Three educational plant identification workshops were held and three field site visits were made to previously documented sites with invasive aquatic plants. Through the summer of 2007 an additional four field site visits are scheduled.

2006 Farm Bill Dollars received in Sullivan County Twenty-nine landowners applied for 2006 Farm Bill Programs, 8 for Wildlife Habitat Incentives Program (WHIP) and 21 for the Environmental Quality Incentive Program (EQIP). Out of the 8 WHIP applications, 5 were been approved for a total allocation of \$72,527. Nineteen applications for EQIP were approved for a funding allocation of \$186,407. The total amount of 2006 Farm Bill funds to landowners in Sullivan County was \$258,934.

Emergency Watershed Protection (EWP)

Three towns in Sullivan County, Acworth, Langdon and Claremont, continued to repair October 2005 flood damage under the Emergency Watershed Protection

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Program. The Emergency Watershed Protection (EWP) program provides funding assistance through municipal sponsorship to landowners as well as towns, for emergency measures, including the purchase of flood plain easements, for runoff retardation and soil erosion prevention to safeguard lives and property from floods. Allocations for Acworth and Langdon this year totaled \$321,455. A payment is pending for the town of Claremont and will be distributed when a final payment request has been made by Claremont.

We extend our sincere gratitude to our technical partner, the Natural Resources Conservation Service for their assistance to Sullivan County Conservation District. The NRCS staff work out of the USDA field office in Walpole, New Hampshire, and serve both Sullivan and Cheshire Counties. In spite of their heavy workload from USDA cost-share programs and the Emergency Watershed Protection Program, the staff continues to provide non-government program assistance to landowners in our county whenever possible.

Respectfully submitted,
Janice E. Heighes
District Manager

UNH COOPERATIVE EXTENSION, SULLIVAN COUNTY

The University of New Hampshire Cooperative Extension provides practical education to people of all ages. The partnership of New Hampshire Counties, the State of New Hampshire and the U.S. Department of Agriculture forms UNH Cooperative Extension. In every Sullivan County community, this program is at work increasing economic development, enhancing the environment, supporting community needs and developing human potential.

Sullivan County Extension educators provide educational programs in Agriculture, Natural Resource Management, Family and Consumer Education, Nutrition Education, Community Development and Youth Development, with the assistance of a local advisory council. Sullivan County residents also benefit from a wide range of statewide Extension programs directed by state Extension Specialists.

Sullivan County Extension educators appear on radio spots, cable access TV stations in Claremont and Newport, WMUR-TV Channel 9 Positive Parenting spots and publish newspaper articles throughout the year. Additionally, five newsletters to 1700 households in Sullivan County are mailed out over the course of the year.

Outcomes and activities from each program area are detailed below. In addition to these, Extension educators have participated in numerous countywide events, forums, fairs and public exhibits including the Cornish Fair, Claremont Fall Festival, Claremont Master Plan meetings, Career Days and Health Days for area high schools and the County Commissioners' Pancake Breakfast in Unity.

AGRICULTURAL NATURAL RESOURCES & COMMUNITY DEVELOPMENT PROGRAMS

- * The Sullivan County UNH Cooperative Extension Agricultural Resources program area assisted commercial and non-commercial growers in all phases of agricultural production and management. This included crop production methods, pest management, whole farm planning, financial analysis, nutrient management, conservation practices and marketing.
- * Five major areas of agricultural programming were the focus of the past year: farm management and record keeping, whole farm planning/holistic management, estate transfer, fruit and vegetable production, and pest and disease control.
- * Sullivan County UNH Cooperative Extension office also provided support to the agricultural community in the following areas: agricultural engineering, home gardening, nutrient management, pesticide re-certification credits, on-farm research, and strategic planning.
- * Over 150 farm visits were made, and over 300 phone calls were responded to this past year. Not only were the services of the Sullivan County Agricultural Resources Educator made available to growers, but so too were the knowledge and services of 7 different agricultural specialists who work with UNH Cooperative Extension.

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- * The Sullivan County Master Gardener Program continued to provide educational programs on home gardening and landscaping using their active core of 20 Master Gardeners. Additional support for home owners was provided by the Family Home and Garden Center in Manchester. This Center offers a toll free hot line and is staffed by volunteers from around the state. Home owners can call with their questions Monday through Friday.
- * The Agricultural Resources educator also provided support to Sullivan County Farm Bureau, the Cold Pond Community Land Trust, County Garden Clubs, the Sugar River Vocational Technical School, the Cornish Fair, and other county and community based organizations.
- * The educational programs and assistance listed above have resulted in increased farm profits, increased farm efficiency that resulted in hours of time and labor saved, reduced, as well as more judicious use of farm inputs, and increased support for the agricultural community here in Sullivan County.

4-H YOUTH DEVELOPMENT PROGRAM

- * With the help of 98 volunteer leaders, the 4-H Youth Development Program fostered life skill development in youth. This year 305 youth took part in 24 community and after-school clubs and 6 family clubs to build personal skills in communication, relationships, leadership and management through their participation in club and county project activities. Seven adults were screened and interviewed and became new 4-H volunteers this year.
- * Leader training sessions conducted during the fall included "Making Project Meetings More Fun", "4-H Resumes", Club Officer Training, Demonstrations and Action Exhibits, Scrapbooking, Fitness, Knitting, and Arts and Crafts with 39 youth and adults attending. Another workshop day was held in March with 28 leaders and older 4-H youth attending. All of the evaluations showed an increase in knowledge or skills.
- * The Sullivan County 4-H Teen Club continued to meet monthly with teens participating from all area high schools. Nine Sullivan County 4-H teens and 3 chaperones traveled to Salk County, Wisconsin for a week last July. This June the club hosted 9 teens and 2 adults from Wharton County, Texas as part of a new teen exchange program.
- * Working with other community agencies on a Walking Program called "Take 10! Every Step Counts", the 4-H Educator worked on developing a walking tool kit, walking guide and posters to move Claremont and Newport residents toward better heart health. Community walks were held each month to encourage physical activity.
- * 4-H After-school programs in Cornish and Newport reached about 40 youth and their families with 10 weeks of programming in each town and 2 "Family Nights" in each town. Youth learned about peer pressure and parents learned effective parenting techniques. Local politicians also took

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part in a well publicized "Lights On After-school" program at Towle School in Newport.

- * The Strengthening Family Governor's Commission grant included recruiting and training 29 teens and 10 adults to work as community facilitators to teach 4-H Health Rocks classes in area schools and after-school programs. After attending 14 hours of training, teams taught 6 weeks of lessons to over 100 4th-6th graders in Claremont, Cornish, Charlestown, Lempster, Sunapee and Newport. Students learned to make healthy decisions about tobacco, alcohol and other drugs.

FAMILY & CONSUMER RESOURCES PROGRAM

- * Approximately 550 parents learned about child development and effective parenting practices by attending *Family Focus* parent education program series, workshops, one-on-one sessions and/or receiving *Cradle Crier/Toddler Tales* age-paced, monthly newsletters focused on early childhood development.
- * Ninety five food handlers from school food service, hospitals, nursing home, home catering, fast food restaurants, senior meal sites, assisted living and restaurants increased safe food handling practices to reduce food-borne hazards by attending *Safety Awareness in the Food Environment* and *ServSafe Food Safety* programs around Sullivan County.
- * Increasing financial literacy, building present and future financial security, decreasing debt, increasing savings and improving credit were the goals of our multi-session, money management class series, workshops, publications and newsletter articles offered to the general public, Sullivan Academy Alternative Sentencing Program, and Sullivan County House of Corrections audiences reaching over 150 residents this past year.
- * *The Sullivan County Strengthening Families Project* was conducted by the Family & Consumer Resources and 4-H Youth Development Educator with a grant through the Governor's Drug Abuse Prevention, Intervention and Treatment Fund. Community Educators are trained and coordinated to deliver the Strengthening Families Program 10-14 (SFP 10-14) a family strengthening program that involves youth ages 10-14 and their parents/caregivers meeting for seven consecutive weeks and has been shown to be effective at preventing alcohol and drug abuse in youth. Classes were held in Claremont (2), Sunapee and Plainfield reaching over 30 Sullivan County families. "Teen Talk" newsletters reached another 241 families of 8th graders in Newport and Claremont with timely tips around important teen issues. The ongoing development of the Sullivan County Community Coalition resulted in a successful grant award from the Bureau of Prevention Services (BPS), Alcohol, Tobacco and Other Drug Prevention Section (ATODP), Strategic Prevention Framework Program (SPF) to provide strategic planning and implementation of substance abuse prevention in our region.

NUTRITION CONNECTIONS PROGRAM

- * Limited income residents from Claremont, Newport, Charlestown, Lempster, Unity and Croydon participated in a series of food, nutrition and physical activity lessons. Nutrition Connections programming reached 33 families, either in a group series, the home study course or individual visits. Together with the Family & Consumer Resources Educator, a series of money management and nutrition, shopping, and meal planning lessons was presented to the women's program at the Sullivan County Department of Corrections Facility.
- * Using a series of nutrition and physical activity lessons, Nutrition Connections programming in 6 schools during the 2006-2007 school year reached 554 youth from Claremont, Newport, Goshen, Lempster, Acworth, and Charlestown. Programming included monthly sessions at the Newport and Claremont Head Start Centers. Drewsville Head Start, a combined county center, received programming in collaboration with the Cheshire County Program Associate. As a result of the programming, 82% of youth increased knowledge of the essentials of human nutrition, 55% of youth now eat a variety of foods, and 84% of youth improved practices in food preparation and safety. Teachers and students provided information on healthy changes (such as switching from whole milk to 1%, eating more fruits) since participating in the program. Twenty-five youth participated in the Food Is Fun home study course, and four senior citizens participated in the NutriNews home study lessons.
- * Families were referred by various agencies including Southwestern Community Services, WIC, Southwestern Homeless Services, Good Beginnings, and Welfare offices. Some food stamp recipients referred themselves to the program through information provided in the state-wide Smart Choices Newsletter and Nutri-News newsletter and flyers distributed to the schools and Head Start.
- * Nutrition Connections participated in the County Health Fair, with approximately 40 people viewing or receiving materials and handouts. In collaboration with 4-H, Nutrition Connections had an interactive exhibit as part of the 4-H International Foods Day, and a workshop on the new pyramid was presented for the 4-H leaders Training. As part of the Strengthening Families After School program, Nutrition Connections offered several activities including food tasting and participating in physical activity games.
- * Nutrition Connections was promoted throughout the county by the distribution of materials and brochures, school and agency contacts and visits, and newsletter articles.

FOREST RESOURCES PROGRAM

- o Forest Resource Educator, Sullivan County UNH Cooperative Extension, through woodlot visits advised 44 landowners, owning 23,157 acres of forestland, on management practices that enhance and sustain the timber, wildlife, water, recreation and biodiversity values of their forestland.
- o Forest Resource Educator provided technical assistance and conducted needs assessment for 26 landowners from Sullivan County in support of their

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- application to NRCS Environmental Quality Incentives Program (EQIP) which provides cost-share dollars for practices that improve and protect forestland.
- o Forest Resource Educator coordinated and conducted 18 forest related workshops and presentations attended by 657 people. Educational topics covered included: invasive plant ecology and control, land conservation, forest history, forest ecology, silviculture, stand dynamics, long-term forest stewardship, forest health, GPS and GIS mapping, natural resource inventories, tree identification, forest industry, maple sugaring and wildlife habitat management.
 - o Forest Resource Educator assisted over 20 forest-related enterprises, including private foresters, timber buyers and harvesters, sawmills, and Christmas tree growers.
 - o Forest Resource Educator administered Forest Land Enhancement Program to help landowners apply stewardship principles on their properties.

Forest Resource Educator served as the Sullivan County Chair of the NH Tree Farm program and coordinated the Tree Farm program in the county. 92 Tree Farmers manage over 45,000 acres in Sullivan County to benefit the long-term productivity of our forest for current and future generations. Forest Resource Educator also worked closely with the Sullivan County Chapter of the NH Timberland Owners Association to promote long-term forest stewardship and the value of a viable forest-products industry in maintaining our rural quality of life.

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**Sullivan County Directory
Governor's Commission Grant Programs**

The NH State Governor's Commission on Alcohol and Drug Abuse Prevention, Intervention and Treatment provides full or partial funding for the following programs, which the County is the fiscal agent of. Details of the programs may be attained through the Sullivan County Commissioners' Office at 14 Main Street Newport NH 03773.

Parents As Teachers

C/o: 21C Program, Karen Dewey – Executive Director (Effective 7/1/2007 New Executive Director is Linda Davies)
Jana Gillespie, Program Director
165 Broad Street
Claremont NH 03743
Tel. 603.542-4885

Strengthening Families Program/Parent Circles

C/o: UNH Cooperative Extension
Nancy Berry & Gail Kenney, Co-Directors
24 Main Street
Newport NH 03773
Tel. 603.863-9200

Student/Youth Assistant Program

(Governor's Commission funding terminated 6/30/2007)
C/o: Commissioners Office
Ramona Berman, LADC, Program Director
14 Main Street
Newport NH 03773
Tel. 603.863-2560

Sullivan County District Court Intervention (S.C.I.P.)

(Governor's Commission funding terminated for SCIP 6/30/07)
C/o: Transitional Housing Unit
Douglass Roberts, Director
5 Nursing Home Drive
Claremont NH 03743
Tel. 603.542-9511 Ext. 202

SULLIVAN COUNTY GRANTS

FY 07 County Grant Recipients – On July 13, 2006, the County Convention allocated \$171,500 for county grants as follows:

- \$15,000 Claremont Soup Kitchen**
- Jan Bunnell – Director. Tel. 543-3290
- \$38,000 Community Alliance of Human Services: Family Services**
- Gregory Vigue – Coordinator. Tel. 863-7708
 - Website: http://www.communityalliance.net/docs/ChildrenYouth/childrenyouth_main.htm
- \$29,500 Community Alliance of Human Services: Transportation**
- William LeClair - Director. Tel. 863-0003
 - Website: http://www.communityalliance.net/docs/PublicTrans/publictrans_main.htm
- \$20,000 Good Beginnings of Sullivan County**
- Ellie Tsetsi - Executive Director, Tel. 542-1848
 - Website: <http://www.goodbeginnings.net/>
- \$10,000 Lake Sunapee Are Mediation Program**, a division of Southwestern Community Services Incorporated
- Rebecca Morley – Program Director. Tel. 542-9528 Ext. 322.
 - Website: <http://www.scshehelps.org/mediation.htm>
- \$4,000 Newport Enrichment Team**
- Samantha Clough – Executive Director, Tel. 863-0765
- \$55,000 Women’s Supportive Services**
- Deborah Mozden – Executive Director. Tel. 543-0155.

Grant Application & Process – During the second week of February, an updated County Grant Application is posted on the County website: www.sullivancountynh.gov, along with the County Grants Policy. An electronic version of the application may be requested from the Commissioners Office. Once the application deadline is reached, the Board of Commissioners, the Executive Finance Committee of the Sullivan County Delegation and the County Manager convene for applicant interviews, at which, each organization is given an opportunity to provide a brief overview of their program. Once interviews are completed, and the Board of Commissioners has reviewed the County Manager’s recommendations for the entire County budget, a Public Hearing is held to present the Board of Commissioners’ budget to the Delegation, with the final decision made by the Delegation at the County Convention and published in the Eagle Times. A letter regarding the approval or rejection of any application received is sent to each applicant.

REPORT OF TRUST AND CAPITAL RESERVE FUNDS

\$ 20,208.02

Please insert the total of ALL funds here

Town/City Of: County of Sullivan For Year Ended: 2007

CERTIFICATE

This is to certify that the information contained in this report was taken from official records and is correct to the best of our knowledge and belief.

Ethel Jarvis, Chairman Commissioners
ETHEL JARVIS

Thomas E. Donovan
TOM DONOVAN

C. Sweeney
CYNTHIA P SWEENEY

Signed by the Trustees of Trust Funds

on this date September 7, 2007

Print and sign SWEENEY

REMINDERS FOR TRUSTEES

- 1. SIGNATURES** - Print and sign on lines provided above.
- 2. INVESTMENT POLICY** - RSA 31:32 requires the trustees to adopt an investment policy and review and confirm this policy at least annually.
- 3. PROFESSIONAL BANKING AND BROKERAGE ASSISTANCE** - RSA 31:38-a enables you to have a professional banking or brokerage firm assist you in performing your trustee duties. Refer to the law for further information. Attributable expenses may be charged against the trust fund involved, however, please be advised the fees can be taken from income only and not from principal.
- 4. WEB SITE** - A trustee handbook can be down loaded from the web site for the Attorney General's Charitable Trust Division. www.nh.gov/nhdoj/charitable/
- 5. FAIR VALUE** - Fold and complete page 4 to disclose the fair value (market value) of principal only. This information may be obtained from financial publications or from your professional banker or broker.
- 6. CAPITAL RESERVE FUND** - Must be kept in a separate account and not intermingled with any other funds of the municipality (RSA 35:9).
- 7. WHEN and WHERE TO FILE** - By March 1 if filing for a calendar year and by September 1 if filing for optional fiscal year. See addresses on page 4 of this form. If you hold funds for the school, the school business administrator will also need a copy for the school's financial report.

FOR DRA USE ONLY

State of New Hampshire
Department of Revenue Administration
Municipal Services Division
PO Box 487, Concord, NH 03302-0487
(603) 271-3397

FY '07 SULLIVAN COUNTY NURSING HOME TRUST FUND REPORT

DATE OF CREATION	NAME OF TRUST FUND	PURPOSE OF FUND	HOW INVESTED	%	PRINCIPAL				BALANCE END OF YEAR	BALANCE BEGINNING YEAR	INCOME		BALANCE END YEAR	GRAND TOTAL
					BALANCE BEGINNING YEAR	NEW FUNDS CREATED	CASH GAINS/LOSSES	WITH-DRAWALS			INCOME DURING YEAR	EXPENDED DURING YEAR		
1965	Nursing Home Equipment	Special	Bank	100	\$ 1,039.75	\$ -	\$ -	\$ -	\$ 1,039.75	\$ 2,010.14	\$ 47.84		\$ 2,057.98	\$ 3,097.73
1968	Alix Ungren (CD)	Restricted	Bank	100	\$ 3,000.00	\$ -	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00	\$ 126.82		\$ 3,126.82	\$ 6,126.82
1970	Elsie Hardison (CD)	Restricted	Bank	100	\$ 1,072.52	\$ -	\$ -	\$ -	\$ 1,072.52	\$ 144.70	\$ 1.07		\$ 145.77	\$ 1,218.29
1998	SCNH Book Fund (CD)	Restricted	Bank	100	\$ 1,000.00	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,625.20	\$ 16.33	\$ -	\$ 1,641.53	\$ 2,641.53
1970	Activities Fund	Active	Bank	100	\$ 1,198.						1914.33	1561.64	1547.69	1547.69
1985	SCNH Vending Fund	Special	Bank	100	1601.84						853.01	912.00	1542.85	1542.85
2001	SCNH Resident Store	Active	Bank	100	226.32						3120.77	1751.80	1595.29	1595.29
2004	SCNH Hospice Program	Active	Bank	100	1714.82						723.00		2437.82	2437.82
GRAND TOTAL													\$20,208.02	

Equipment Fund: This fund is used for purchasing equipment that the County did not fund. Incls. C. Hatch money.

Alix Ungren Fund: This fund is used to provide for the purchase of materials and supplies used in projects carried on by interested organizations and persons in the nature of recreational and occupational therapy designed to aid residents.

Elsie Hardison Fund: This fund is to assist the needy and worthy residents of the nursing home.

SCNH Book Fund: This fund is used to provide reading materials for the residents of the nursing home.

Activity Fund: This fund is used to purchase supplies, materials, programs, etc. that are not purchased through the County Budget for the benefit of the residents.

SCNH Vending Fund: This fund is used for the benefit of the employees. Needs some reimburse from Equip Fund.

Resident Store: A small store within the Nursing Home for residents to make purchases such as clothing, greeting cards, postage stamps, cosmetics, etc.

Hospice Program: Used for purchases for residents on hospice

This is to certify that the information contained in this report was taken from the official records and is correct to the best of our knowledge and belief.

Date: 9/6/07 County Treasurer: [Signature] County Commissioners: [Signature] County Delegate: [Signature]

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2006 Town & City	% Proportion to County Tax	Apportionment of county budget
ACWORTH	1.9574%	181,717
CHARLESTOWN	5.5311%	513,488
CLAREMONT	17.6650%	1,639,969
CORNISH	3.8123%	353,921
CROYDON	1.7314%	160,737
GOSHEN	1.7077%	158,540
GRANTHAM	11.7427%	1,090,161
LANGDON	1.3784%	127,971
LEMPSTER	2.1757%	201,986
NEWPORT	10.0391%	931,998
PLAINFIELD	5.6065%	520,490
SPRINGFIELD	4.4893%	416,773
SUNAPEE	23.7639%	2,206,175
UNITY	2.7985%	259,802
WASHINGTON	5.6011%	519,993
TOTALS	100.0000%	9,283,721

2007 Town & City	% Proportion to County Tax	Apportionment of county budget
ACWORTH	2.0580%	213,406
CHARLESTOWN	5.9298%	614,883
CLAREMONT	17.6941%	1,834,765
CORNISH	4.2182%	437,405
CROYDON	1.9828%	205,605
GOSHEN	1.6503%	171,130
GRANTHAM	11.1122%	1,152,264
LANGDON	1.3240%	137,292
LEMPSTER	2.3455%	243,210
NEWPORT	9.7157%	1,007,455
PLAINFIELD	5.7347%	594,649
SPRINGFIELD	4.1064%	425,811
SUNAPEE	24.0137%	2,490,077
UNITY	2.8460%	295,111
WASHINGTON	5.2686%	546,317
TOTALS	100.0000%	10,369,380

*Submitted by:
Cynthia Sweeney
County Treasurer*

Final FY07 Cover Sheet

Fund	County Worksheet Rev/Exp		COUNTY NET INCOME	AUDITORS	Fund 43	Variance
	Revenue	Expense	Net Income	Audit Report	Difference	
10	10,086,737.15	10,275,874.42				
30	1,924,000.00	1,790,971.25				
Total	12,010,737.15	12,066,845.67	(56,108.52)			
22	502,712.27	553,264.88	(50,552.61)			
24	537,908.06	485,519.49				
42	2,150.00	69,853.96				
Total	540,058.06	555,373.45	(15,315.39)			
41	6,788.47	5,260.14	1,528.33			
40	12,229,919.10	14,348,926.77	(2,119,007.67)			
Total	12,236,707.57	14,354,186.91	(2,117,479.34)			
43	1,500.00	-	1,500.00	pg13	121,976.00	1,500.00
50		0.08	(0.08)	pg17	2,117,478.00	
Grand Total	25,291,715.05	27,529,670.99	(2,237,955.94)	12/4 Sheryl	2,239,454.00	1,498.06
						1,500.00
						(1.94)

Sullivan County

A. Monthly Revenue

From Date: 7/1/2006

To Date: 6/30/2007

Fiscal Year: 2006-2007

Include pre encumbrance

Print accounts with zero balance

Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
10.100.04000	SUBSIDIARY REVENUES	(\$9,493,078.00)	(\$9,283,721.00)	(\$9,283,721.00)	(\$209,357.00)	\$0.00	(\$209,357.00)	2.21%
10.100.04001	INTEREST INCOME & SAVINGS	(\$20,000.00)	(\$40,053.42)	(\$40,053.42)	\$20,053.42	\$0.00	\$20,053.42	-100.27%
10.100.04002	C.D.B.G. REIMBURSEMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.100.04003	LATE PAYMENT: COUNTY TAXES	\$0.00	(\$220.20)	(\$220.20)	\$220.20	\$0.00	\$220.20	0.00%
10.100.04007	RENT-RECORDS BUILDING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.100.04008	INSURANCE REFUND	(\$2,700.00)	\$0.00	\$0.00	(\$2,700.00)	\$0.00	(\$2,700.00)	100.00%
10.100.04009	PRIOR YEAR SURPLUS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.100.04015	MISCELLANEOUS INCOME	\$0.00	(\$3,841.42)	(\$3,841.42)	\$3,841.42	\$0.00	\$3,841.42	0.00%
10.100.04016	Y2K GRANT REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.100.06045	NHDES SEWER GRANT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.100.07053	FARM-SALE OF PRODUCE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.100.07059	FARM MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.100.08055	SALE OF TIMBER	(\$8,000.00)	\$0.00	\$0.00	(\$8,000.00)	\$0.00	(\$8,000.00)	100.00%
10.100.08056	SALE OF CORD WOOD	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.100.08058	LAND RENTAL	\$0.00	(\$980.00)	(\$980.00)	\$980.00	\$0.00	\$980.00	0.00%
10.100.09083	BEAGLE CLUB TAX REVENUE	\$0.00	(\$1,087.00)	(\$1,087.00)	\$1,087.00	\$0.00	\$1,087.00	0.00%
10.301.03900	COUNTY PARTY FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.404.04005	INCENTIVE MONIES	(\$154,834.00)	(\$154,833.60)	(\$154,833.60)	(\$0.40)	\$0.00	(\$0.40)	0.00%
10.410.09081	EXTRADITION REIMBURSEMENT	(\$1,000.00)	(\$3,282.73)	(\$3,282.73)	\$2,282.73	\$0.00	\$2,282.73	-228.27%
10.410.09082	FORFEITURE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.411.04019	VICTIM/WITNESS PROGRAM	(\$34,000.00)	(\$34,102.20)	(\$34,102.20)	\$102.20	\$0.00	\$102.20	-0.30%
10.411.04020	VICTIM/WITNESS EDUCATION GRANT	(\$1,000.00)	\$0.00	\$0.00	(\$1,000.00)	\$0.00	(\$1,000.00)	100.00%
10.440.04006	H.S.PORION-SECURED JUV.XPORT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.440.09012	SHERIFFS WRIT FEES	(\$52,000.00)	(\$50,582.25)	(\$50,582.25)	(\$1,417.75)	\$0.00	(\$1,417.75)	2.73%
10.440.09013	SHERIFF: MISCELLANEOUS INCOME	(\$22,000.00)	(\$17,680.73)	(\$17,680.73)	(\$4,319.27)	\$0.00	(\$4,319.27)	19.63%
10.440.09081	EXTRADITION REIMBURSEMENT: SHEF	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.440.09085	SECURED JUVENILE TRANSPORTS	(\$18,000.00)	(\$8,027.22)	(\$8,027.22)	(\$9,972.78)	\$0.00	(\$9,972.78)	55.40%
10.443.09084	BAILIFF REFUND	(\$51,991.00)	(\$56,471.75)	(\$56,471.75)	\$4,480.75	\$0.00	\$4,480.75	-8.62%
10.460.04018	STATE REIMBURSEMENT: COURTS	(\$185,583.00)	(\$185,583.12)	(\$185,583.12)	\$0.12	\$0.00	\$0.12	0.00%
10.475.06100	COOPERATIVE EXTENSION	\$0.00	(\$467.12)	(\$467.12)	\$467.12	\$0.00	\$467.12	0.00%
10.490.04004	DRUG REBATE	\$0.00	(\$30,147.00)	(\$30,147.00)	\$30,147.00	\$0.00	\$30,147.00	0.00%
10.490.04006	SECURE JUVENILE XPORT:H.SERV.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.490.09086	PARENTAL REIMBURSEMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.491.04017	FEDERAL AND STATE:L.T.CARE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.491.09086	PARENTAL REIMBURSEMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.600.06040	COUNTY JAIL INCOME	(\$50,000.00)	(\$75,138.23)	(\$75,138.23)	\$25,138.23	\$0.00	\$25,138.23	-50.28%
10.600.06042	COUNTY JAIL INCOME FROM STATE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.600.06044	COUNTY JAIL INCOME-COMMISSION	(\$20,000.00)	(\$27,143.80)	(\$27,143.80)	\$7,143.80	\$0.00	\$7,143.80	-35.72%
10.600.06045	NHDES SEWER GRANT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.600.06046	COMMISSION ACCOUNT CLOSED	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.870.08800	WRDC RENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
10.995.03018	TRANSFER IN REGISTRY	(\$75,322.00)	\$4,678.00	\$4,678.00	(\$80,000.00)	\$0.00	(\$80,000.00)	106.21%
10.995.09087	TRANSFER IN - REG. OF DEEDS	\$0.00	(\$118,052.36)	(\$118,052.36)	\$118,052.36	\$0.00	\$118,052.36	0.00%
	Fund: GENERAL FUND - 10	(\$10,189,508.00)	(\$10,086,737.15)	(\$10,086,737.15)	(\$102,770.85)	\$0.00	(\$102,770.85)	

Sullivan County

A. Monthly Revenue

From Date: 7/1/2006

To Date: 6/30/2007

Fiscal Year: 2006-2007

Include pre encumbrance

Print accounts with zero balance

Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
22.010.02012	REGISTER OF DEEDS-EQUIP. FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
22.010.03007	SURCHARGE FEES	\$0.00	(\$13,602.32)	(\$13,602.32)	\$13,602.32	\$0.00	\$13,602.32	0.00%
22.420.02011	REGISTER OF DEEDS: FEES	(\$550,000.00)	(\$489,109.95)	(\$489,109.95)	(\$60,890.05)	\$0.00	(\$60,890.05)	11.07%
	Fund: REGISTER OF DEEDS - 22	(\$550,000.00)	(\$502,712.27)	(\$502,712.27)	(\$47,287.73)	\$0.00	(\$47,287.73)	

Sullivan County

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Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
24.000.05000	PLUG NMF INCOME STATEMENT ACCT	\$0.00	(\$3,636.00)	(\$3,636.00)	\$3,636.00	\$0.00	\$3,636.00	0.00%
24.010.08500	RADIO REIMBURSEMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.202.02160	SAMSHA GRANT	\$0.00	\$895.00	(\$146.16)	\$146.16	\$0.00	\$146.16	0.00%
24.225.04010	OPERATING GRANT PUBLIC SAFETY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.225.04016	NEW OPERATING GRANT HEALTH HUM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.225.04401	OPERATING GRANT PUB SAFETY(022	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.225.04402	OPERATING GRANT HEALTH HUMSERV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.345.04300	ENFORCING UNDERAGE DRINKING	(\$30,000.00)	(\$25,780.50)	(\$25,780.50)	(\$4,219.50)	\$0.00	(\$4,219.50)	14.07%
24.411.04411	VOCA GRANT VICTIM/WITNESS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.425.04675	WELLNESS GRANT REVENUE	\$0.00	(\$3,962.94)	(\$3,962.94)	\$3,962.94	\$0.00	\$3,962.94	0.00%
24.445.04500	STATE REIMBURSEMENT DOM. VIOL.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.475.01300	AG EXTENSION PROGRAM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.475.04011	AG EXTENSION PROGRAM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.500.04400	GRANT-NH FISH & GAME LAND IMP.	(\$3,200.00)	(\$4,500.00)	(\$4,500.00)	\$1,300.00	\$0.00	\$1,300.00	-40.63%
24.525.05100	HOMELAND SECURITY:HOMELAND I	\$0.00	(\$39,412.90)	(\$39,412.90)	\$39,412.90	\$0.00	\$39,412.90	0.00%
24.526.05100	WNHSOU	(\$27,208.00)	(\$21,053.84)	(\$21,053.84)	(\$6,154.16)	\$0.00	(\$6,154.16)	22.62%
24.527.05200	JAG	(\$18,000.00)	(\$5,309.30)	(\$5,309.30)	(\$12,690.70)	\$0.00	(\$12,690.70)	70.50%
24.527.05600	JAG GRANT REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.545.05500	REIMBURSEMENT-COPS GRANT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.645.06500	OUTSIDE DETAIL	(\$35,241.00)	(\$63,468.57)	(\$63,468.57)	\$28,227.57	\$0.00	\$28,227.57	-80.10%
24.645.06501	HIGHWAY SAFETY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.646.06500	HIGHWAY SAFETY	(\$5,214.00)	(\$5,164.91)	(\$5,164.91)	(\$49.09)	\$0.00	(\$49.09)	0.94%
24.647.06500	OHRV GRANT	\$0.00	(\$4,050.00)	(\$4,050.00)	\$4,050.00	\$0.00	\$4,050.00	0.00%
24.725.02000	EMERGENCY PLANNING	(\$1,000.00)	\$0.00	\$0.00	(\$1,000.00)	\$0.00	(\$1,000.00)	100.00%
24.725.04012	EMERGENCY PLANNING	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.745.07500	DRUG TASK FORCE REIMBURSEMENT	(\$66,563.00)	(\$69,528.11)	(\$69,528.11)	\$2,965.11	\$0.00	\$2,965.11	-4.45%
24.800.05300	FEASIBILITY STUDY REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.940.05703	GSCAHR PHASE II	\$0.00	(\$31,714.00)	(\$31,714.00)	\$31,714.00	\$0.00	\$31,714.00	0.00%
24.940.05704	GSCAHR PHASE II: INDIRECT COS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.941.05702	GSCAHR (\$32,000)	\$0.00	(\$19,949.58)	(\$19,949.58)	\$19,949.58	\$0.00	\$19,949.58	0.00%
24.943.04400	SFP & PC	(\$30,000.00)	(\$32,702.81)	(\$32,702.81)	\$2,702.81	\$0.00	\$2,702.81	-9.01%
24.944.04600	DISTRICT COURT INTERVENTION	(\$39,000.00)	(\$7,193.36)	(\$7,193.36)	(\$31,806.64)	\$0.00	(\$31,806.64)	81.56%
24.945.04800	YOUTH ASSISTANT COUNSELOR	(\$31,000.00)	(\$19,273.85)	(\$19,273.85)	(\$11,726.15)	\$0.00	(\$11,726.15)	37.83%
24.946.04600	NEWPORT ENRICHMENT REV.	(\$4,954.00)	(\$21,813.00)	(\$21,813.00)	\$16,859.00	\$0.00	\$16,859.00	-340.31%
24.946.04601	NET:INCENTIVE FUND REVENUE	\$0.00	(\$5,100.00)	(\$5,100.00)	\$5,100.00	\$0.00	\$5,100.00	0.00%
24.946.04602	TEEN CENTER RENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.946.04603	TEEN CENTER DONATIONS	\$0.00	(\$17,677.00)	(\$17,677.00)	\$17,677.00	\$0.00	\$17,677.00	0.00%
24.946.04604	UNITED WAY OF SULLIVAN COUNTY	\$0.00	(\$1,875.00)	(\$1,875.00)	\$1,875.00	\$0.00	\$1,875.00	0.00%
24.946.04605	SULLIVAN COUNTY GRANT	\$0.00	(\$2,000.00)	(\$2,000.00)	\$2,000.00	\$0.00	\$2,000.00	0.00%
24.946.04700	WORKFORCE GRANT-NEWPORT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.946.04900	WORKFORCE GRANT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.946.05000	CHAPTER 21C IN KIND SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.947.04600	CYC REVENUE	(\$13,390.00)	(\$51,999.20)	(\$51,999.20)	\$38,609.20	\$0.00	\$38,609.20	-288.34%
24.947.05000	CLAREMONT YOUTH COLLABORATIVE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.948.05001	PARENTS AS TEACHERS	(\$15,000.00)	(\$15,076.50)	(\$15,076.50)	\$76.50	\$0.00	\$76.50	-0.51%
24.949.05400	CAC OF GRAFTON/SULLIVAN CTY. ((\$50,000.00)	(\$56,553.53)	(\$56,553.53)	\$6,553.53	\$0.00	\$6,553.53	-13.11%
24.950.07000	SAMHSA FY06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.951.05700	EH PHASE I	\$0.00	(\$8,967.00)	(\$8,967.00)	\$8,967.00	\$0.00	\$8,967.00	0.00%
24.951.05701	EH PHASE I: INDIRECT REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.952.05300	AG EXTENSION GRANT REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Fund: GRANTS - 24		(\$369,770.00)	(\$536,866.90)	(\$537,908.06)	\$168,138.06	\$0.00	\$168,138.06	

Sullivan County

A. Monthly Revenue

From Date: 7/1/2006

To Date: 6/30/2007

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Include pre encumbrance

Print accounts with zero balance

Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
30.097.03011	TRANSFER IN NURSING HOME (F30)	(\$400,000.00)	(\$400,000.00)	(\$400,000.00)	\$0.00	\$0.00	\$0.00	0.00%
30.097.03012	TRANSFER IN OP	(\$1,179,959.00)	(\$1,179,959.00)	(\$1,179,959.00)	\$0.00	\$0.00	\$0.00	0.00%
30.097.03013	TRANSFER IN AC	(\$30,000.00)	(\$30,000.00)	(\$30,000.00)	\$0.00	\$0.00	\$0.00	0.00%
30.097.03014	TRANSFER IN FC	(\$8,960.00)	(\$8,960.00)	(\$8,960.00)	\$0.00	\$0.00	\$0.00	0.00%
30.097.03015	TRANSFER IN CS	(\$57,838.00)	(\$57,838.00)	(\$57,838.00)	\$0.00	\$0.00	\$0.00	0.00%
30.097.03016	TRANSFER IN HR	(\$247,243.00)	(\$247,243.00)	(\$247,243.00)	\$0.00	\$0.00	\$0.00	0.00%
30.097.03017	TRANSFER IN CAP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
30.700.07600	AHERN BUILDING REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Fund: INTERGOVERNMENTAL - 30	(\$1,924,000.00)	(\$1,924,000.00)	(\$1,924,000.00)	\$0.00	\$0.00	\$0.00	

Sullivan County

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 Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
40.097.03013	MHCO TRANSFER FROM GEN.FUND:AU	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.04008	INSURANCE REFUND	(\$5,000.00)	(\$10.00)	(\$10.00)	(\$4,990.00)	\$0.00	(\$4,990.00)	99.80%
40.097.04020	GRANT REVENUE: NHDES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05019	NURSING HOME REV. AUDIT RECLAS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05020	INTEREST INCOME	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05021	INCOME STATE WELFARE	(\$5,685,217.00)	(\$5,988,988.98)	(\$5,988,988.98)	\$303,771.98	\$0.00	\$303,771.98	-5.34%
40.097.05022	INCOME FROM PRIVATE	(\$1,423,500.00)	(\$1,412,541.79)	(\$1,412,541.79)	(\$10,958.21)	\$0.00	(\$10,958.21)	0.77%
40.097.05023	PRIVATE INSURANCE REVENUE	(\$27,240.00)	(\$10,310.00)	(\$10,310.00)	(\$16,930.00)	\$0.00	(\$16,930.00)	62.15%
40.097.05024	CAFETERIA INCOME	(\$10,750.00)	(\$15,986.62)	(\$15,986.62)	\$5,236.62	\$0.00	\$5,236.62	-48.71%
40.097.05025	BAD DEBTS RECOVERED	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05026	MISCELLANEOUS INCOME	(\$100.00)	(\$21,886.28)	(\$21,886.28)	\$21,786.28	\$0.00	\$21,786.28	-21786.28%
40.097.05027	MEDICARE PART A REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05028	RENT INCOME	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05029	MEDICARE C/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05030	LAUNDRY REVENUE: SCNH	(\$80,000.00)	(\$72,994.05)	(\$72,994.05)	(\$7,005.95)	\$0.00	(\$7,005.95)	8.76%
40.097.05031	RESPIRE CARE: PRIVATE	\$0.00	\$6,240.00	\$6,240.00	(\$6,240.00)	\$0.00	(\$6,240.00)	0.00%
40.097.05032	MAPLE HILL-WELFARE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05033	ADMINISTRATIVE SERVICES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05034	MEALS REIMBURSEMENT	(\$200,000.00)	(\$176,081.50)	(\$176,081.50)	(\$23,918.50)	\$0.00	(\$23,918.50)	11.96%
40.097.05035	PRIOR YEAR ENCUMBRANCES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05036	PRIOR YEAR SURPLUS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05037	RESPIRE CARE: HCBC	(\$28,800.00)	(\$50,281.26)	(\$50,281.26)	\$21,481.26	\$0.00	\$21,481.26	-74.59%
40.097.05038	PROPORTIONMENT SHARE FUND	(\$650,000.00)	(\$474,793.50)	(\$474,793.50)	(\$175,206.50)	\$0.00	(\$175,206.50)	26.95%
40.097.05039	MEDICAID ASSESSMENT	(\$1,512,000.00)	(\$1,751,868.88)	(\$1,751,868.88)	\$239,868.88	\$0.00	\$239,868.88	-15.86%
40.097.05040	MEDICARE PART B PT REVENUE	(\$166,200.00)	(\$545,200.00)	(\$545,200.00)	\$379,000.00	\$0.00	\$379,000.00	-228.04%
40.097.05041	MEDICARE PART B OT REVENUE	(\$163,800.00)	(\$2,950.00)	(\$2,950.00)	(\$160,850.00)	\$0.00	(\$160,850.00)	98.20%
40.097.05042	MEDICARE PART B SPEECH REVENU	(\$2,400.00)	\$0.00	\$0.00	(\$2,400.00)	\$0.00	(\$2,400.00)	100.00%
40.097.05050	MEDICARE PART A: ROOM RATE RE	(\$3,010,375.00)	(\$1,961,322.64)	(\$1,961,322.64)	(\$1,049,052.36)	\$0.00	(\$1,049,052.36)	34.85%
40.097.05051	MEDICARE PART A: PT REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05052	MEDICARE PART A: OT REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05053	MEDICARE PART A: SPEECH REV.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05054	MEDICARE PART A: XRAY REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05055	MEDICARE PART A: LAB REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05056	MEDICARE PART A: AMBULANCE RE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.05057	MEDICARE PART A: PHARMACY REV	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.06045	NHDES SEWER GRANT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
40.097.06060	CONTRA REVENUE: SCHC	\$0.00	\$249,056.40	\$249,056.40	(\$249,056.40)	\$0.00	(\$249,056.40)	0.00%
40.530.04013	COUNTY FUNCTION/HOLIDAY EVENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Fund: HEALTH CARE - 40	(\$12,965,382.00)	(\$12,229,919.10)	(\$12,229,919.10)	(\$735,462.90)	\$0.00	(\$735,462.90)	

Sullivan County

A. Monthly Revenue

From Date: 7/1/2006

To Date: 6/30/2007

Fiscal Year: 2006-2007

Include pre encumbrance

Print accounts with zero balance

Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
41.097.05060	NH RESIDENT STORE ACCOUNT - RE	\$0.00	(\$3,120.77)	(\$3,120.77)	\$3,120.77	\$0.00	\$3,120.77	0.00%
41.097.05061	NH EQUIPMENT FUND - REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
41.097.05062	NH HOSPICE-REVENUE	\$0.00	(\$723.00)	(\$723.00)	\$723.00	\$0.00	\$723.00	0.00%
41.097.05063	NH ACTIVITY FUND - REVENUE	\$0.00	(\$1,914.33)	(\$1,914.33)	\$1,914.33	\$0.00	\$1,914.33	0.00%
41.097.05064	NH BOOK FUND - REVENUE	\$0.00	(\$177.36)	(\$177.36)	\$177.36	\$0.00	\$177.36	0.00%
41.097.05065	NH COUNTY HOME FUND-REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
41.097.05066	NH VENDING FUND - REVENUE	\$0.00	(\$853.01)	(\$853.01)	\$853.01	\$0.00	\$853.01	0.00%
41.097.05067	NH ALIX UNGREN FUND - REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
41.097.05068	NH ELSIE HARDISON FUND - REVEN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Fund: TRUST FUNDS - 41	\$0.00	(\$6,788.47)	(\$6,788.47)	\$6,788.47	\$0.00	\$6,788.47	

Sullivan County

A. Monthly Revenue

From Date: 7/1/2006

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Fiscal Year: 2006-2007

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Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
42.079.04100	NURSING HOME ADDITIONS & RENO	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
42.097.03017	TRANSFER IN CAP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
42.097.03019	LIGHTING REBATE	\$0.00	(\$2,150.00)	(\$2,150.00)	\$2,150.00	\$0.00	\$2,150.00	0.00%
42.097.05036	PRIOR YEAR SURPLUS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	Fund: CAPITAL IMPROVEMENTS - 42	\$0.00	(\$2,150.00)	(\$2,150.00)	\$2,150.00	\$0.00	\$2,150.00	

Sullivan County

A. Monthly Revenue

From Date: 7/1/2006

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Fiscal Year: 2006-2007

Include pre encumbrance

Print accounts with zero balance

Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
43.097.04014	THE MEADOWS-REVENUE	\$0.00	(\$1,500.00)	(\$1,500.00)	\$1,500.00	\$0.00	\$1,500.00	0.00%
	Fund: THE MEADOWS - 43	\$0.00	(\$1,500.00)	(\$1,500.00)	\$1,500.00	\$0.00	\$1,500.00	

Sullivan County

A. Monthly Revenue

From Date: 7/1/2006

To Date: 6/30/2007

Fiscal Year: 2006-2007

Include pre encumbrance

Print accounts with zero balance

Filter Encumbrance Detail by Date Range

Account Number

Description

06-07 GL Bud

Range To Date

YTD

Balance

Encumbrance

Budget Balance % Bud

Grand Total:

(\$25,998,660.00)

(\$25,290,673.89)

(\$25,291,715.05)

(\$706,944.95)

\$0.00

(\$706,944.95)

End of Report

Sullivan County

A. Summary Expense report by Dept

From Date: 7/1/2006

To Date: 6/30/2007

Fiscal Year: 2006-2007

Include pre encumbrance

Print accounts with zero balance

Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
10.400.00000	COMMISSIONERS OFFICE	\$256,189.00	\$183,833.35	\$183,833.35	\$72,355.65	\$0.00	\$72,355.65	28.24%
10.401.00000	TREASURER	\$6,821.00	\$5,216.48	\$5,216.48	\$1,604.52	\$0.00	\$1,604.52	23.52%
10.402.00000	AUDITOR	\$37,500.00	\$37,500.00	\$37,500.00	\$0.00	\$0.00	\$0.00	0.00%
10.403.00000	COUNTY MANAGER	\$147,808.00	\$137,834.15	\$137,834.15	\$9,973.85	\$0.00	\$9,973.85	6.75%
10.404.00000	INCENTIVE	\$154,834.00	\$154,806.46	\$154,806.46	\$27.54	\$0.00	\$27.54	0.02%
10.405.00000	PAYROLL OFFICE	\$84,749.00	\$81,194.39	\$81,194.39	\$3,554.61	\$0.00	\$3,554.61	4.19%
10.406.00000	CONSERVATION DISTRICT	\$56,828.00	\$60,975.34	\$60,975.34	(\$4,147.34)	\$0.00	(\$4,147.34)	-7.30%
10.407.00000	EMERGENCY RESERVE FUND	\$11,000.00	\$0.00	\$0.00	\$11,000.00	\$0.00	\$11,000.00	100.00%
10.410.00000	COUNTY ATTORNEY	\$451,020.00	\$401,584.68	\$401,584.68	\$49,435.32	\$8,000.00	\$41,435.32	9.19%
10.411.00000	VICTIM/WITNESS PROGRAM	\$61,619.00	\$58,884.42	\$58,884.42	\$2,734.58	\$0.00	\$2,734.58	4.44%
10.440.00000	SHERIFFS DEPARTMENT	\$554,284.00	\$548,531.87	\$548,531.87	\$5,752.13	\$0.00	\$5,752.13	1.04%
10.443.00000	DEPUTY SHERIFFS BAILIFFS	\$51,991.00	\$53,078.44	\$53,078.44	(\$1,087.44)	\$0.00	(\$1,087.44)	-2.09%
10.450.00000	MEDICAL REFEREE	\$24,000.00	\$13,430.35	\$13,430.35	\$10,569.65	\$0.00	\$10,569.65	44.04%
10.460.00000	COURT HOUSE	\$143,466.00	\$125,068.04	\$125,068.04	\$18,397.96	\$0.00	\$18,397.96	12.82%
10.475.00000	COOPERATIVE EXTENSION SERVICE	\$220,768.00	\$221,029.63	\$221,029.63	(\$261.63)	\$0.00	(\$261.63)	-0.12%
10.490.00000	HUMAN SERVICES	\$4,411,268.00	\$4,521,077.75	\$4,521,077.75	(\$109,809.75)	\$0.00	(\$109,809.75)	-2.49%
10.497.00000	WOODHULL COUNTY COMPLEX	\$71,850.00	\$154,779.71	\$154,779.71	(\$82,929.71)	\$0.00	(\$82,929.71)	-115.42%
10.600.00000	DEPARTMENT OF CORRECTION	\$2,617,708.00	\$2,661,581.16	\$2,661,581.16	(\$43,873.16)	\$0.00	(\$43,873.16)	-1.68%
10.861.00000	COUNTY GRANTS	\$171,500.00	\$171,500.00	\$171,500.00	\$0.00	\$0.00	\$0.00	0.00%
10.900.00000	INTEREST LONG TERM NOTES	\$25,000.00	\$50,871.72	\$50,871.72	(\$25,871.72)	\$0.00	(\$25,871.72)	-103.49%
10.980.00000	DELEGATION	\$12,500.00	\$16,291.48	\$16,291.48	(\$3,791.48)	\$0.00	(\$3,791.48)	-30.33%
10.997.00000	TRANSFER IN/OUT	\$1,106,702.00	\$616,805.00	\$616,805.00	\$489,897.00	\$0.00	\$489,897.00	44.27%
	Fund: GENERAL FUND - 10	\$10,679,405.00	\$10,275,874.42	\$10,275,874.42	\$403,530.58	\$8,000.00	\$395,530.58	3.70%

Sullivan County

A. Summary Expense report by Dept

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Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
22.420.00000	REGISTER OF DEEDS	\$394,678.00	\$359,890.52	\$359,890.52	\$34,787.48	\$0.00	\$34,787.48	8.81%
22.997.00000	TRANSFER OUT	\$75,322.00	\$193,374.36	\$193,374.36	(\$118,052.36)	\$0.00	(\$118,052.36)	-156.73%
	Fund: REGISTER OF DEEDS - 22	\$470,000.00	\$553,264.88	\$553,264.88	(\$83,264.88)	\$0.00	(\$83,264.88)	-17.72%

Sullivan County

A. Summary Expense report by Dept

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Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
24.345.00000	ENFORCING UNDERAGE DRINKING LA	\$30,000.00	\$25,780.50	\$25,780.50	\$4,219.50	\$0.00	\$4,219.50	14.07%
24.425.00000	WELLNESS GRANT	\$0.00	\$3,460.00	\$3,460.00	(\$3,460.00)	\$0.00	(\$3,460.00)	0.00%
24.525.00000	HOMELAND SECURITY: AHERN BLDG	\$0.00	\$39,412.90	\$39,412.90	(\$39,412.90)	\$0.00	(\$39,412.90)	0.00%
24.526.00000	WNHSOU	\$27,208.00	\$21,053.84	\$21,053.84	\$6,154.16	\$0.00	\$6,154.16	22.62%
24.527.00000	JAG GRANT	\$18,000.00	\$6,131.29	\$6,131.29	\$11,868.71	\$0.00	\$11,868.71	65.94%
24.645.00000	OUTSIDE DETAIL	\$35,241.00	\$61,152.72	\$61,152.72	(\$25,911.72)	\$0.00	(\$25,911.72)	-73.53%
24.646.00000	HIGHWAY SAFETY	\$5,214.00	\$4,009.32	\$4,009.32	\$1,204.68	\$0.00	\$1,204.68	23.10%
24.647.00000	OHRV	\$0.00	\$4,037.00	\$4,037.00	(\$4,037.00)	\$0.00	(\$4,037.00)	0.00%
24.700.00000	FACILITIES	\$3,200.00	\$4,500.00	\$4,500.00	(\$1,300.00)	\$0.00	(\$1,300.00)	-40.63%
24.725.00000	EMERGENCY PLANNING	\$1,000.00	\$0.00	\$0.00	\$1,000.00	\$0.00	\$1,000.00	100.00%
24.745.00000	DRUG TASK FORCE AGENT	\$66,563.00	\$69,020.06	\$69,020.06	(\$2,457.06)	\$0.00	(\$2,457.06)	-3.69%
24.941.00000	GSCAHR	\$0.00	\$19,949.58	\$19,949.58	(\$19,949.58)	\$0.00	(\$19,949.58)	0.00%
24.943.00000	STRENGTHENING FAMILIES PROG 3	\$30,000.00	\$29,959.99	\$29,959.99	\$40.01	\$0.00	\$40.01	0.13%
24.944.00000	S.CTY. INTERVENTION PROG 2	\$39,000.00	\$7,235.36	\$7,235.36	\$31,764.64	\$0.00	\$31,764.64	81.45%
24.945.00000	LADAC, WORKFORCE GRANT	\$31,000.00	\$20,616.50	\$20,616.50	\$10,383.50	\$0.00	\$10,383.50	33.50%
24.946.00000	NEWPORT ENRICHMENT	\$4,954.00	\$68,526.09	\$68,526.09	(\$63,572.09)	\$0.00	(\$63,572.09)	-1283.25%
24.947.00000	CLAREMONT TEEN RESOURCE CENTE	\$13,390.00	\$12,329.94	\$12,329.94	\$1,060.06	\$0.00	\$1,060.06	7.92%
24.948.00000	PARENTS AS TEACHERS	\$15,000.00	\$13,851.21	\$13,851.21	\$1,148.79	\$0.00	\$1,148.79	7.66%
24.949.00000	CAC GRAFTON/SULLIVAN CTY	\$50,000.00	\$58,540.87	\$58,540.87	(\$8,540.87)	\$0.00	(\$8,540.87)	-17.08%
24.951.00000	EH PHASE I	\$0.00	\$15,952.32	\$15,952.32	(\$15,952.32)	\$0.00	(\$15,952.32)	0.00%
	Fund: GRANTS - 24	\$369,770.00	\$485,519.49	\$485,519.49	(\$115,749.49)	\$0.00	(\$115,749.49)	-31.30%

Sullivan County

A. Summary Expense report by Dept

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Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
30.409.00000	ACCOUNTING	\$40,400.00	\$43,764.75	\$43,764.75	(\$3,364.75)	\$0.00	(\$3,364.75)	-8.33%
30.520.00000	HUMAN RESOURCES	\$236,543.00	\$194,103.99	\$194,103.99	\$42,439.01	\$0.00	\$42,439.01	17.94%
30.550.00000	OPERATION OF PLANT	\$1,161,456.00	\$1,085,809.99	\$1,085,809.99	\$75,646.01	\$0.00	\$75,646.01	6.51%
30.555.00000	CENTRAL SUPPLY	\$57,632.00	\$36,127.07	\$36,127.07	\$21,504.93	\$0.00	\$21,504.93	37.31%
30.700.00000	FACILITIES	\$7,960.00	\$11,156.45	\$11,156.45	(\$3,196.45)	\$0.00	(\$3,196.45)	-40.16%
30.997.00000	TRANSFER OUT	\$2,472.00	\$420,009.00	\$420,009.00	(\$417,537.00)	\$0.00	(\$417,537.00)	-16890.66%
	Fund: INTERGOVERNMENTAL - 30	\$1,506,463.00	\$1,790,971.25	\$1,790,971.25	(\$284,508.25)	\$0.00	(\$284,508.25)	-18.89%

Sullivan County

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Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
40.097.00000	TRANSFER OUT	\$0.00	\$393,910.19	\$393,910.19	(\$393,910.19)	\$0.00	(\$393,910.19)	0.00%
40.492.00000	MARKETING	\$143,952.00	\$140,465.61	\$140,465.61	\$3,486.39	\$0.00	\$3,486.39	2.42%
40.500.00000	ADMINISTRATION NURSING HOME	\$1,416,505.00	\$1,329,624.82	\$1,329,624.82	\$86,880.18	\$0.00	\$86,880.18	6.13%
40.510.00000	DEPRECIATION	\$0.00	\$392,147.00	\$392,147.00	(\$392,147.00)	\$0.00	(\$392,147.00)	0.00%
40.530.00000	DIETARY	\$1,302,349.00	\$1,573,761.54	\$1,573,761.54	(\$271,412.54)	\$0.00	(\$271,412.54)	-20.84%
40.540.00000	NURSING	\$5,578,376.00	\$6,615,302.20	\$6,615,302.20	(\$1,036,926.20)	\$0.00	(\$1,036,926.20)	-18.59%
40.541.00000	NURSING ON-CALL	\$512,547.00	\$306,024.96	\$306,024.96	\$206,522.04	\$0.00	\$206,522.04	40.29%
40.560.00000	LAUNDRY & LINEN	\$340,308.00	\$311,626.35	\$311,626.35	\$28,681.65	\$0.00	\$28,681.65	8.43%
40.570.00000	HOUSEKEEPING	\$603,934.00	\$534,655.47	\$534,655.47	\$69,278.53	\$0.00	\$69,278.53	11.47%
40.580.00000	PHYSICIAN & PHARMACY	\$30,000.00	\$71,733.63	\$71,733.63	(\$41,733.63)	\$0.00	(\$41,733.63)	-139.11%
40.585.00000	MEDICARE PART A	\$434,074.00	\$552,497.89	\$552,497.89	(\$118,423.89)	\$0.00	(\$118,423.89)	-27.28%
40.586.00000	MEDICARE PART B	\$170,000.00	\$225,762.77	\$225,762.77	(\$55,762.77)	\$0.00	(\$55,762.77)	-32.80%
40.591.00000	PHYSICAL THERAPY	\$8,000.00	\$44,924.12	\$44,924.12	(\$36,924.12)	\$0.00	(\$36,924.12)	-461.55%
40.592.00000	OCCUPATIONAL THERAPY	\$6,000.00	\$23,790.68	\$23,790.68	(\$17,790.68)	\$0.00	(\$17,790.68)	-296.51%
40.593.00000	RECREATIONAL THERAPY	\$327,214.00	\$316,747.80	\$316,747.80	\$10,466.20	\$0.00	\$10,466.20	3.20%
40.594.00000	SOCIAL SERVICES	\$130,914.00	\$157,621.19	\$157,621.19	(\$26,707.19)	\$0.00	(\$26,707.19)	-20.40%
40.596.00000	DENTAL SERVICE	\$22,995.00	\$20,810.16	\$20,810.16	\$2,184.84	\$0.00	\$2,184.84	9.50%
40.997.00000	TRANSFER IN	\$973,104.00	\$1,337,520.39	\$1,337,520.39	(\$364,416.39)	\$0.00	(\$364,416.39)	-37.45%
	Fund: HEALTH CARE - 40	\$12,000,272.00	\$14,348,926.77	\$14,348,926.77	(\$2,348,654.77)	\$0.00	(\$2,348,654.77)	-19.57%

Sullivan County

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Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
41.501.00000	NH RESIDENT FUND	\$0.00	\$1,751.80	\$1,751.80	(\$1,751.80)	\$0.00	(\$1,751.80)	0.00%
41.502.00000	NH EQUIPMENT FUND	\$0.00	\$342.67	\$342.67	(\$342.67)	\$0.00	(\$342.67)	0.00%
41.504.00000	NH ACTIVITY FUND	\$0.00	\$1,561.64	\$1,561.64	(\$1,561.64)	\$0.00	(\$1,561.64)	0.00%
41.505.00000	NH BOOK FUND	\$0.00	\$692.03	\$692.03	(\$692.03)	\$0.00	(\$692.03)	0.00%
41.507.00000	NH VENDING FUND	\$0.00	\$912.00	\$912.00	(\$912.00)	\$0.00	(\$912.00)	0.00%
	Fund: TRUST FUNDS - 41	\$0.00	\$5,260.14	\$5,260.14	(\$5,260.14)	\$0.00	(\$5,260.14)	0.00%

Sullivan County

A. Summary Expense report by Dept

From Date: 7/1/2006

To Date: 6/30/2007

Fiscal Year: 2006-2007

Include pre encumbrance

Print accounts with zero balance

Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
42.460.00000	DEPT	\$0.00	\$9,104.00	\$9,104.00	(\$9,104.00)	\$0.00	(\$9,104.00)	0.00%
42.497.00000	WOODHULL COUNTY COMPLEX	\$30,000.00	\$10,412.00	\$10,412.00	\$19,588.00	\$39,996.73	(\$20,408.73)	-68.03%
42.530.00000	DIETARY	\$351,250.00	(\$458.26)	(\$458.26)	\$351,708.26	\$0.00	\$351,708.26	100.13%
42.540.00000	NURSING	\$175,500.00	\$623.71	\$623.71	\$174,876.29	\$0.00	\$174,876.29	99.64%
42.550.00000	OPERATION OF PLANT	\$386,000.00	\$566,028.90	\$566,028.90	(\$180,028.90)	\$125,540.70	(\$305,569.60)	-79.16%
42.570.00000	HOUSEKEEPING	\$7,000.00	\$0.00	\$0.00	\$7,000.00	\$0.00	\$7,000.00	100.00%
42.600.00000	DEPARTMENT OF CORRECTION	\$23,000.00	\$21,950.00	\$21,950.00	\$1,050.00	\$0.00	\$1,050.00	4.57%
42.997.00000	DEPT	\$0.00	(\$537,806.39)	(\$537,806.39)	\$537,806.39	\$0.00	\$537,806.39	0.00%
	Fund: CAPITAL IMPROVEMENTS - 42	\$972,750.00	\$69,853.96	\$69,853.96	\$902,896.04	\$165,537.43	\$737,358.61	75.80%

Sullivan County

A. Summary Expense report by Dept

From Date: 7/1/2006

To Date: 6/30/2007

Fiscal Year: 2006-2007

 Include pre encumbrance

 Print accounts with zero balance

 Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
50.400.00000	DEPT	\$0.00	\$0.04	\$0.04	(\$0.04)	\$0.00	(\$0.04)	0.00%
50.403.00000	DEPT	\$0.00	(\$0.16)	(\$0.16)	\$0.16	\$0.00	\$0.16	0.00%
50.405.00000	DEPT	\$0.00	\$0.23	\$0.23	(\$0.23)	\$0.00	(\$0.23)	0.00%
50.410.00000	DEPT	\$0.00	(\$0.01)	(\$0.01)	\$0.01	\$0.00	\$0.01	0.00%
50.440.00000	DEPT	\$0.00	\$0.33	\$0.33	(\$0.33)	\$0.00	(\$0.33)	0.00%
50.492.00000	DEPT	\$0.00	(\$0.40)	(\$0.40)	\$0.40	\$0.00	\$0.40	0.00%
50.500.00000	DEPT	\$0.00	\$0.25	\$0.25	(\$0.25)	\$0.00	(\$0.25)	0.00%
50.520.00000	DEPT	\$0.00	(\$0.36)	(\$0.36)	\$0.36	\$0.00	\$0.36	0.00%
50.540.00000	DEPT	\$0.00	\$0.59	\$0.59	(\$0.59)	\$0.00	(\$0.59)	0.00%
50.550.00000	DEPT	\$0.00	\$0.28	\$0.28	(\$0.28)	\$21,594.05	(\$21,594.33)	0.00%
50.580.00000	DEPT	\$0.00	(\$0.11)	(\$0.11)	\$0.11	\$0.00	\$0.11	0.00%
50.585.00000	DEPT	\$0.00	(\$0.29)	(\$0.29)	\$0.29	\$0.00	\$0.29	0.00%
50.586.00000	DEPT	\$0.00	(\$0.10)	(\$0.10)	\$0.10	\$0.00	\$0.10	0.00%
50.591.00000	DEPT	\$0.00	(\$0.29)	(\$0.29)	\$0.29	\$0.00	\$0.29	0.00%
50.592.00000	DEPT	\$0.00	(\$0.34)	(\$0.34)	\$0.34	\$0.00	\$0.34	0.00%
50.593.00000	DEPT	\$0.00	\$0.10	\$0.10	(\$0.10)	\$0.00	(\$0.10)	0.00%
50.600.00000	DEPT	\$0.00	\$0.88	\$0.88	(\$0.88)	\$0.00	(\$0.88)	0.00%
50.944.00000	DEPT	\$0.00	(\$0.33)	(\$0.33)	\$0.33	\$0.00	\$0.33	0.00%
50.980.00000	DEPT	\$0.00	(\$0.23)	(\$0.23)	\$0.23	\$0.00	\$0.23	0.00%
	Fund: 05-06 RESERVE FOR ENCUMBRANCE - 50	\$0.00	\$0.08	\$0.08	(\$0.08)	\$21,594.05	(\$21,594.13)	0.00%

Sullivan County

A. Summary Expense report by Dept

From Date: 7/1/2006

To Date: 6/30/2007

Fiscal Year: 2006-2007

Include pre encumbrance

Print accounts with zero balance

Filter Encumbrance Detail by Date Range

Account Number	Description	06-07 GL Bud	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
Grand Total:		\$25,998,660.00	\$27,529,670.99	\$27,529,670.99	(\$1,531,010.99)	\$195,131.48	(\$1,726,142.47)	-6.64%

End of Report

SULLIVAN COUNTY, NEW HAMPSHIRE

Annual Financial Statements

For the Year Ended June 30, 2007

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MELANSON HEATH & COMPANY, PC

CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT ADVISORS

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Tel (603) 882-1111 • Fax (603) 882-9456
www.melansonheath.com

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Sullivan County
Newport, New Hampshire

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sullivan County, New Hampshire, as of and for the year ended June 30, 2007, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Sullivan County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sullivan County, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In fiscal year 2007, the County suffered a major operating loss, resulting in the need to issue a bank loan to meet cash flow requirements. Subsequently, in December, 2007 the Board of Commissioners established a plan to remedy this situation, which is discussed in footnote 18.

Additional Offices:

Andover, MA • Greenfield, MA • Ellsworth, ME • Manchester, NH

The management's discussion and analysis, appearing on the following pages, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Melanson, Heath + Company P.C.

Nashua, New Hampshire
December 17, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Sullivan County, we offer readers this narrative overview and analysis of the financial activities of Sullivan County for the fiscal year ended June 30, 2007.

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 the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The statement of net assets presents information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include General Government, County Attorney's Office, Commissioners Office, Public Safety, Corrections, Health and Welfare, Cooperative Extension and Register of Deeds. The business-type activities include Nursing Home activities.

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 three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The governmental fund financial statements provide separate information for the General Fund and Register of Deeds operations, which are considered to be major funds.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Specifically, enterprise funds are used to account for nursing home operations.

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the nursing home operations, which is considered to be a major fund.

Notes to the financial statements. The notes provide additional information that are 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 the accounting principles generally accepted in the United States of America.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$ 5,184,413 (i.e., net assets), a change of \$ (1,575,102) in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$ 351,055, a change of \$ (221,976) in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was a deficit balance of \$ (3,248,227), a change of \$ (3,612,491) in comparison with 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. All amounts are presented in thousands.

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Current and other assets	\$ 487	\$ 2,286	\$ 1,688	\$ 443	\$ 2,175	\$ 2,729
Non-current assets	<u>6,629</u>	<u>2,518</u>	<u>4,489</u>	<u>4,356</u>	<u>11,118</u>	<u>6,874</u>
Total assets	7,116	4,804	6,177	4,799	13,293	9,603
Long-term liabilities outstanding	131	174	3,610	232	3,741	406
Other liabilities	<u>3,564</u>	<u>1,751</u>	<u>804</u>	<u>687</u>	<u>4,368</u>	<u>2,438</u>
Total liabilities	3,695	1,925	4,414	919	8,109	2,844
Net assets:						
Invested in capital assets, net	3,201	2,440	4,489	4,356	7,690	6,796
Unrestricted	<u>220</u>	<u>439</u>	<u>(2,726)</u>	<u>(476)</u>	<u>(2,506)</u>	<u>(37)</u>
Total net assets	\$ <u>3,421</u>	\$ <u>2,879</u>	\$ <u>1,763</u>	\$ <u>3,880</u>	\$ <u>5,184</u>	\$ <u>6,759</u>

CHANGES IN NET ASSETS

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Revenues:						
Charges for services	\$ 847	\$ 943	\$ 11,172	\$ 10,186	\$ 12,019	\$ 11,129
Operating grants	627	562	-	60	627	622
County tax	9,284	9,433	-	-	9,284	9,433
Investment income	40	87	-	-	40	87
Other	<u>197</u>	<u>209</u>	<u>162</u>	<u>-</u>	<u>359</u>	<u>209</u>
Total revenues	<u>10,995</u>	<u>11,234</u>	<u>11,334</u>	<u>10,246</u>	<u>22,329</u>	<u>21,480</u>
Expenses:						
General government	2,147	1,907	-	-	2,147	1,907
County Attorney	373	361	-	-	373	361
Commissioners office	181	260	-	-	181	260
Public safety	825	773	-	-	825	773
Corrections	2,604	2,414	-	-	2,604	2,414
County Nursing Home	-	-	12,113	11,051	12,113	11,051
Health and welfare	5,025	5,227	-	-	5,025	5,227
Cooperative extension	282	274	-	-	282	274
Register of Deeds	<u>354</u>	<u>354</u>	<u>-</u>	<u>-</u>	<u>354</u>	<u>354</u>
Total expenses	<u>11,791</u>	<u>11,570</u>	<u>12,113</u>	<u>11,051</u>	<u>23,904</u>	<u>22,621</u>
Change in net assets before transfers	(796)	(336)	(779)	(805)	(1,575)	(1,141)
Transfers in (out)	<u>1,338</u>	<u>(848)</u>	<u>(1,338)</u>	<u>848</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	542	(1,184)	(2,117)	43	(1,575)	(1,141)
Net assets - beginning of year, as restated	<u>2,879</u>	<u>4,063</u>	<u>3,880</u>	<u>3,837</u>	<u>6,759</u>	<u>7,900</u>
Net assets - end of year	<u>\$ 3,421</u>	<u>\$ 2,879</u>	<u>\$ 1,763</u>	<u>\$ 3,880</u>	<u>\$ 5,184</u>	<u>\$ 6,759</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$ 5,184,413, a change of \$ (1,575,102) from the prior year.

The largest portion of net assets \$ 7,690,290 reflects our investment in capital assets (e.g., land, buildings, machinery and equipment), 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.

Governmental and business-type activities. Governmental and business-type activities for the year resulted in a change in net assets of \$ (1,575,102). Key elements of this change are as follows:

	<u>All Funds</u>
<u>Operating Results:</u>	
Deficiency of revenues over budget	\$ (478,749)
Expenditures in excess of budgetary appropriations	(1,849,012)
Use of fund balance as a funding source	(209,357)
<u>Timing Differences:</u>	
Excess of current year encumbrances over prior year encumbrances spent in current period	144,677
Excess current year depreciation expense over over current year principal debt service	(637,010)
Other timing differences	12,936
<u>Other:</u>	
Capital asset purchases	<u>1,441,413</u>
Total	\$ <u>(1,575,102)</u>

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As of the end of the current fiscal year, combined ending fund balances for all funds was \$ 2,113,842, a change of \$ (2,339,454) from the prior year. Key elements of this change are as follows:

	<u>All Funds</u>
Revenues in excess of budget	\$ (478,749)
Expenditures less than budget	(1,849,012)
Use of fund balance	(209,357)
Current year encumbrances over prior year	144,677
Other	<u>52,987</u>
Total	\$ <u>(2,339,454)</u>

The general fund is the chief operating fund. At the end of the current fiscal year, unreserved fund balance of the general fund was a deficit of \$ (3,248,227).

The fund balance of the general fund changed by \$ (56,109) during the current fiscal year. Key factors in this change are as follows:

	General Fund
Excess of general fund revenues over budget	\$ 37,919
Expenditures in excess of appropriations	(67,401)
Use of fund balance as a funding source	(209,357)
Current year encumbrances in excess of prior year encumbrances (timing difference)	144,677
Other	<u>38,053</u>
Total	\$ (<u>56,109</u>)

Proprietary funds. Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net assets of the enterprise funds at the end of the year amounted to a deficit of \$ (2,726,205), a change of \$ (2,250,056) in comparison with the prior year.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

E. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year end amounted to \$ 7,730,441 (net of accumulated depreciation), an increase of \$ 856,192 from the prior year. This investment in capital assets includes land, buildings and improvements, and machinery and equipment.

Long-term debt. At the end of the current fiscal year, total debt outstanding (capital leases) was \$ 40,151.

Additional information on capital assets and long-term debt can be found in the footnotes to the financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Board of Commissioners
Sullivan County
14 Main Street
Newport, New Hampshire 03773

SULLIVAN COUNTY, NEW HAMPSHIRE

STATEMENT OF NET ASSETS

JUNE 30, 2007

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
ASSETS			
Current:			
Cash and short-term investments	\$ 240,350	\$ 17,562	\$ 257,912
Accounts receivable, net of allowances	26,604	1,555,952	1,582,556
Other assets	220,711	-	220,711
Inventory	-	39,533	39,533
Restricted cash	-	74,839	74,839
Noncurrent:			
Internal balances	3,387,690	(3,387,690)	-
Capital assets, net of accumulated depreciation	<u>3,241,449</u>	<u>4,488,992</u>	<u>7,730,441</u>
TOTAL ASSETS	7,116,804	2,789,188	9,905,992
LIABILITIES			
Current:			
Accounts payable	412,269	252,620	664,889
Accrued liabilities	557,532	463,246	1,020,778
Other liabilities	92,463	13,277	105,740
Revenue anticipation notes payable	2,462,038	-	2,462,038
Due to residents	-	74,839	74,839
Capital leases payable	40,151	-	40,151
Noncurrent:			
Accrued compensated absences	<u>130,725</u>	<u>222,419</u>	<u>353,144</u>
TOTAL LIABILITIES	3,695,178	1,026,401	4,721,579
NET ASSETS			
Invested in capital assets, net of related debt	3,201,298	4,488,992	7,690,290
Unrestricted	<u>220,328</u>	<u>(2,726,205)</u>	<u>(2,505,877)</u>
TOTAL NET ASSETS	\$ <u>3,421,626</u>	\$ <u>1,762,787</u>	\$ <u>5,184,413</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2007

	<u>General</u>	<u>Register of Deeds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and short-term investments	\$ 170,830	\$ 67,733	\$ 1,787	\$ 240,350
Departmental and other receivables	10,599	-	16,005	26,604
Due from (to) other funds	2,197	(60,760)	58,563	-
Advance from other funds	3,387,690	-	-	3,387,690
Other assets	<u>220,711</u>	<u>-</u>	<u>-</u>	<u>220,711</u>
TOTAL ASSETS	<u>\$ 3,792,027</u>	<u>\$ 6,973</u>	<u>\$ 76,355</u>	<u>\$ 3,875,355</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 399,282	\$ 227	\$ 12,760	\$ 412,269
Accrued liabilities	543,643	11,453	2,434	557,530
Other liabilities	50,391	27,495	14,577	92,463
Revenue anticipation notes payable	<u>2,462,038</u>	<u>-</u>	<u>-</u>	<u>2,462,038</u>
TOTAL LIABILITIES	3,455,354	39,175	29,771	3,524,300
Fund Balances:				
Reserved for encumbrances	197,210	-	-	197,210
Reserved for advances	3,387,690	-	-	3,387,690
Unreserved:				
Undesignated, reported in:				
General fund	(3,248,227)	-	-	(3,248,227)
Special revenue funds	<u>-</u>	<u>(32,202)</u>	<u>46,584</u>	<u>14,382</u>
TOTAL FUND BALANCES	<u>336,673</u>	<u>(32,202)</u>	<u>46,584</u>	<u>351,055</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 3,792,027</u>	<u>\$ 6,973</u>	<u>\$ 76,355</u>	<u>\$ 3,875,355</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

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

JUNE 30, 2007

Total governmental fund balances	\$ 351,055
<ul style="list-style-type: none">• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	3,241,449
<ul style="list-style-type: none">• Long-term liabilities, including bonds payable, capital leases payable, and accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(<u>170,878</u>)
Net assets of governmental activities	\$ <u>3,421,626</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2007

	<u>General</u>	<u>Register of Deeds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
County taxes	\$ 9,283,721	\$ -	\$ -	\$ 9,283,721
Charges for services	269,146	514,504	63,469	847,119
Intergovernmental	158,117	-	468,930	627,047
Investment income	40,053	-	-	40,053
Miscellaneous	191,711	-	5,786	197,497
Total Revenues	<u>9,942,748</u>	<u>514,504</u>	<u>538,185</u>	<u>10,995,437</u>
Expenditures:				
Current:				
General government	1,892,193	-	44,359	1,936,552
County Attorney's office	373,728	-	-	373,728
Commissioners' office	181,838	-	-	181,838
Public safety	579,587	-	230,597	810,184
Corrections	2,486,523	-	-	2,486,523
Health and welfare	4,816,808	-	208,688	5,025,496
Cooperative extension	278,604	-	-	278,604
Register of Deeds	-	464,211	-	464,211
Capital expenditures	339,264	-	607,661	946,925
Debt service	50,872	-	-	50,872
Total Expenditures	<u>10,999,417</u>	<u>464,211</u>	<u>1,091,305</u>	<u>12,554,933</u>
Excess (deficiency) of revenues over expenditures	(1,056,669)	50,293	(553,120)	(1,559,496)
Other Financing Sources (Uses):				
Transfers in	2,109,734	-	972,750	3,082,484
Transfers out	(1,109,174)	(200,846)	(434,944)	(1,744,964)
Total Other Financing Sources (Uses)	<u>1,000,560</u>	<u>(200,846)</u>	<u>537,806</u>	<u>1,337,520</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(56,109)	(150,553)	(15,314)	(221,976)
Fund Equity, at Beginning of Year, as restated	<u>392,782</u>	<u>118,351</u>	<u>61,898</u>	<u>573,031</u>
Fund Equity, at End of Year	<u>\$ 336,673</u>	<u>\$ (32,202)</u>	<u>\$ 46,584</u>	<u>\$ 351,055</u>

See notes to financial statements.

SULLIVAN COUNTY, 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, 2007

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ (221,976)

- Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital purchases	1,006,469
Depreciation	(282,854)

- The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets:

Repayments of debt	37,991
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- Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

<u>2,746</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 542,376

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

ALL BUDGETED FUNDS

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

FOR THE YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues and Other Sources:				
General Fund:				
County taxes	\$ 9,970,328	\$ 9,283,721	\$ 9,283,721	\$ -
Charges for services	248,991	248,991	269,146	20,155
Intergovernmental	155,834	155,834	158,117	2,283
Investment income	20,000	20,000	40,053	20,053
Miscellaneous	196,283	196,283	191,711	(4,572)
Other sources (use of fund balance)	-	209,357	209,357	-
Other Funds:				
Nursing Home	12,715,382	12,965,382	11,842,799	(1,122,583)
Registry of Deeds	450,000	550,000	514,504	(35,496)
Grants and other	369,770	369,770	538,185	168,415
Transfers in	<u>2,822,072</u>	<u>1,999,322</u>	<u>2,472,318</u>	<u>472,996</u>
Total Revenues and Other Sources	26,948,660	25,998,660	25,519,911	(478,749)
Expenditures and Other Uses:				
General Fund:				
General government	2,080,904	2,091,304	1,869,074	222,230
County Attorney's office	420,420	420,420	381,651	38,769
Commissioners' office	264,089	253,689	181,321	72,368
Public safety	606,275	606,275	576,437	29,838
Corrections	2,588,696	2,588,696	2,461,704	126,992
Health and welfare	4,737,102	4,737,102	4,816,808	(79,706)
Cooperative extension	274,596	274,596	278,554	(3,958)
Capital expenditures	79,612	79,612	527,674	(448,062)
Debt service	25,000	25,000	50,872	(25,872)
Other Funds:				
Nursing Home	11,077,168	11,027,168	12,240,799	(1,213,631)
Registry of Deeds	387,206	387,206	464,211	(77,005)
Grants and other	369,770	369,770	483,644	(113,874)
Capital expenditures fund	1,222,750	972,750	1,042,605	(69,855)
Transfers out	<u>2,815,072</u>	<u>2,165,072</u>	<u>2,472,318</u>	<u>(307,246)</u>
Total Expenditures and Other Uses	<u>26,948,660</u>	<u>25,998,660</u>	<u>27,847,672</u>	<u>(1,849,012)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(2,327,761)</u>	\$ <u>(2,327,761)</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

PROPRIETARY FUND

STATEMENT OF NET ASSETS

JUNE 30, 2007

	Business-Type Activities Enterprise Fund
	Nursing Home
<u>ASSETS</u>	
Current:	
Cash and short-term investments	\$ 17,562
Accounts receivable, net of allowances	1,555,952
Inventory	<u>39,533</u>
Total current assets	1,613,047
Noncurrent:	
Restricted cash	74,839
Capital assets, net of accumulated depreciation	<u>4,488,992</u>
Total noncurrent assets	<u>4,563,831</u>
TOTAL ASSETS	6,176,878
<u>LIABILITIES</u>	
Current:	
Accounts payable	252,620
Accrued liabilities	463,246
Other liabilities	13,277
Due to residents	<u>74,839</u>
Total current liabilities	803,982
Noncurrent:	
Advance from other funds	3,387,690
Compensated absences	<u>222,419</u>
Total noncurrent liabilities	<u>3,610,109</u>
TOTAL LIABILITIES	4,414,091
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	4,488,992
Unrestricted	<u>(2,726,205)</u>
TOTAL NET ASSETS	\$ <u>1,762,787</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2007

	Business-Type Activities Enterprise Fund
	<u>Nursing Home</u>
Operating Revenues:	
Charges for services	\$ 11,171,857
Miscellaneous	<u>161,706</u>
Total Operating Revenues	11,333,563
Operating Expenses:	
Personnel services	6,245,085
Employee benefits	2,068,848
Contractual services	1,048,254
Payroll and other taxes	450,523
Therapy services	457,542
Food	480,750
Depreciation	392,147
Medicine	335,521
Medical expenses	320,718
Supplies and office expense	164,439
Repairs and maintenance	63,360
Insurance	65,807
Telephone	<u>20,527</u>
Total Operating Expenses	<u>12,113,521</u>
Operating Income (Loss)	(779,958)
Transfers:	
Transfers in:	
From 42 for capital expenditures	434,944
Transfers out:	
To fund 30	(807,354)
To balance budget	<u>(965,110)</u>
Total Transfers	<u>(1,337,520)</u>
Change in Net Assets	(2,117,478)
Net Assets at Beginning of Year	<u>3,880,265</u>
Net Assets at End of Year	<u>\$ 1,762,787</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2007

	Business-Type Activities Enterprise Funds
	Nursing Home
<u>Cash Flows From Operating Activities:</u>	
Receipts for services provided	\$ 11,383,729
Miscellaneous receipts	154,917
Payments for personnel and related costs	(8,774,643)
Payments for goods and services	<u>(2,826,469)</u>
Net Cash (Used For) Operating Activities	(62,466)
<u>Cash Flows From Noncapital Financing Activities:</u>	
Transfers out	(1,772,464)
Receipts from internal balances	<u>2,367,280</u>
Net Cash Provided by Noncapital Financing Activities	594,816
<u>Cash Flows From Capital and Related Financing Activities:</u>	
Acquisition and construction of capital assets	<u>(524,726)</u>
Net Cash (Used For) Capital and Related Financing Activities	<u>(524,726)</u>
Net Change in Cash and Short-Term Investments	7,624
Cash and Short Term Investments, Beginning of Year	<u>9,938</u>
Cash and Short Term Investments, End of Year	<u>\$ 17,562</u>
<u>Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:</u>	
Operating income (loss)	\$ (779,958)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	392,147
Changes in assets and liabilities:	
Accounts receivable	205,083
Inventory	10,631
Account payable	41,243
Accrued liabilities	64,850
Other liabilities	<u>3,538</u>
Net Cash (Used For) Operating Activities	<u>\$ (62,466)</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of Sullivan County, 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 government is a municipal corporation governed by an elected Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the government and applicable component units for which the government is considered to be financially accountable.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) 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. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. 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, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 proprietary fund and 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.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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 government. 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 government reports the following major governmental funds:

- The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- *The Register of Deeds Special Revenue Fund* is used to account for the proceeds of specific revenue sources and related expenditures that are associated with registry activities.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and

services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

The government reports the County Nursing Home as a major proprietary fund.

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, proprietary, 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 is included under investment income.

For purpose of the statement of cash flows, the proprietary funds consider investments with original maturities of three months or less to be short-term investments.

E. Investments

State and local statutes place certain limitations on the nature of deposits and investments available. Deposits in any financial institution may not exceed certain levels within the financial institution. Non-fiduciary fund investments can be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of one year or less from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

F. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate the portion not available for appropriation and not available as expendable financial resources.

G. Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. No significant inventory balances were on hand in governmental funds.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (for enterprise funds only) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$ 200 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20
Vehicles	5
Office and computer equipment	5

I. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation pay benefits. All vested vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

K. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

L. 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 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 Sullivan County, New Hampshire.

B. Budgetary Basis

The General Fund final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

C. Budget/GAAP Reconciliation

The budgetary data for all funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations are presented in accordance with budgetary accounting principles to provide a meaningful comparison with 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>All Funds</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Revenues/Expenditures (GAAP basis)	\$ 22,329,000	\$ 24,668,454
Other financing sources/uses (GAAP basis)	<u>3,517,428</u>	<u>3,517,428</u>
Subtotal (GAAP Basis)	25,846,428	28,185,882
Record use of fund balance	209,357	-

(continued)

(continued)

<u>All Funds</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Reclassifications	(535,874)	(535,874)
Reverse prior year appropriation carryforwards	-	(52,533)
Record current year appropriation carryforwards	-	197,210
Convert accrual basis Nursing Home to budget basis	-	52,987
Budgetary basis	<u>\$ 25,519,911</u>	<u>\$ 27,847,672</u>

D. Deficit Fund Equity

The following funds had deficits as of June 30, 2007:

Domestic Violence Grant - Fund 445	\$ (90)
Cooperative Extension Service - Fund 475	(3,902)
JAG - Fund 527	(822)
Highway Safety - Fund 646	(1,091)
Facilities - Fund 700	(4,500)
Drug Task Force - Fund 745	(1,792)
Emergency Planning - Fund 725	(1,000)
Intervention Program - Fund 945	(8,083)
Claremont Teen Resource Center - Fund 947	(121,779)
Parents as Teachers - Fund 948	(7,092)
CAC of Grafton/Sullivan County - Fund 949	(4,634)
Registry of Deeds - Fund 22	(32,202)
Total	<u>\$ (186,987)</u>

The deficits in these funds will be eliminated through future departmental revenues, and transfers from other funds.

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 48:16 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, 2007, \$ 416,886 of the County's bank balance of \$ 1,655,212 was exposed to custodial credit risk as uninsured and uncollateralized.

4. Allowance for Doubtful Accounts and Contractual Allowances

The allowance for doubtful accounts for Nursing Home receivables has been estimated at \$ 196,820 at June 30, 2007. Nursing Home receivables are also reported net of contractual allowances.

5. Interfund Fund Receivables/Payables

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the June 30, 2007 balances in interfund receivable and payable accounts:

Fund	Due From Other Funds	Due To Other Funds	Advance to Other Funds	Advance from Other Funds
General Fund	\$ 2,197	\$ -	\$ 3,387,690	\$ -
Special Revenue Funds:				
Register of Deeds	-	60,760	-	-
Grants and Fund 42	58,563	-	-	-
Enterprise Funds:				
Nursing Home	-	-	-	3,387,690
Total	\$ <u>60,760</u>	\$ <u>60,760</u>	\$ <u>3,387,690</u>	\$ <u>3,387,690</u>

6. Capital Assets

Capital asset activity for the year ended June 30, 2007 was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 4,406	\$ 537	\$ -	\$ 4,943
Equipment and vehicles	998	209	-	1,207
Land improvements	<u>313</u>	<u>-</u>	<u>-</u>	<u>313</u>
Total capital assets, being depreciated	5,717	746	-	6,463
Less accumulated depreciation for:				
Buildings and improvements	(2,160)	(181)	-	(2,341)
Equipment and vehicles	(806)	(63)	-	(869)
Land improvements	<u>(233)</u>	<u>(38)</u>	<u>-</u>	<u>(271)</u>
Total accumulated depreciation	(3,199)	(282)	-	(3,481)
Construction in progress	-	<u>259</u>	<u>-</u>	<u>259</u>
Governmental activities capital assets, net	\$ <u>2,518</u>	\$ <u>723</u>	\$ <u>-</u>	\$ <u>3,241</u>

	Beginning <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	Ending <u>Balance</u>
Business-Type Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 8,111	\$ 370	\$ -	\$ 8,481
Equipment	2,037	149	-	2,186
Vehicles	<u>190</u>	<u>-</u>	<u>-</u>	<u>190</u>
Total capital assets, being depreciated	10,338	519	-	10,857
Less accumulated depreciation for:				
Buildings and improvements	(4,137)	(288)	-	(4,425)
Equipment	(1,719)	(91)	-	(1,810)
Vehicles	<u>(126)</u>	<u>(13)</u>	<u>-</u>	<u>(139)</u>
Total accumulated depreciation	(5,982)	(392)	-	(6,374)
Construction in progress	<u>-</u>	<u>6</u>	<u>-</u>	<u>6</u>
Business-type activities capital assets, net	<u>\$ 4,356</u>	<u>\$ 133</u>	<u>\$ -</u>	<u>\$ 4,489</u>

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

Governmental Activities:	
General government	\$ 101
Public safety	55
Public welfare	1
Department of Corrections	121
Cooperative extension	<u>4</u>
Total depreciation expense - governmental activities	<u>\$ 282</u>
Business-Type Activities:	
Nursing Home	\$ 392
Total depreciation expense - business-type activities	<u>\$ 392</u>

7. Accounts Payable

Accounts payable represents 2007 expenditures paid after June 30, 2007.

8. Anticipation Notes Payable

The County has a \$ 2,500,000 revenue anticipation line of credit dated June 19, 2007 that expires December 30, 2007. This line of credit carries interest at a fixed annual rate of 4.25006%.

The following summarizes activity in notes payable during fiscal year 2007:

	Balance Beginning of Year	New Issues	Maturities	Balance End of Year
Revenue anticipation	\$ <u>500,000</u>	\$ <u>6,962,038</u>	\$ <u>5,000,000</u>	\$ <u>2,462,038</u>

Subsequent to year end, the above line of credit limit was increased from \$ 2,500,000 to \$ 4,500,000, and an additional \$ 1,037,962 was borrowed.

In January, 2008, this line was renewed for borrowing up to \$ 4,000,000, at a fixed rate of 3.65%, maturing on December 31, 2008.

9. Long-Term Debt

General Obligation Bonds

During the year ended June 30, 2007, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 7/1/06	Additions	Reductions	Total Balance 6/30/07	Less Current Portion	Equals Long-Term Portion 6/30/07
<u>Governmental Activities</u>						
Capital leases	\$ 78	\$ -	\$ (38)	\$ 40	\$ (40)	\$ -
Accrued vacation	<u>133</u>	<u>-</u>	<u>(2)</u>	<u>131</u>	<u>-</u>	<u>131</u>
Totals	<u>\$ 211</u>	<u>\$ -</u>	<u>\$ (40)</u>	<u>\$ 171</u>	<u>\$ (40)</u>	<u>\$ 131</u>
<u>Business-Type Activities</u>						
Accrued vacation	\$ 232	\$ -	\$ (10)	\$ 222	\$ -	\$ 222
Totals	<u>\$ 232</u>	<u>\$ -</u>	<u>\$ (10)</u>	<u>\$ 222</u>	<u>\$ -</u>	<u>\$ 222</u>

10. Capital Lease Obligations

The County is the lessee of certain equipment under capital leases expiring in various years through 2008. Future minimum lease payments under the capital leases consisted of the following as of June 30, 2007:

Total minimum lease payments	\$ 42,431
Less amount representing interest	(2,280)
Present Value of Minimum Lease Payments	<u>\$ 40,151</u>

11. Restricted Net Assets

The accompanying entity-wide financial statements report restricted net assets when external constraints from grantors or contributors are placed on net assets.

12. Reserves of Fund Equity

"Reserves" of fund equity are established to segregate fund balances which are either not available for expenditure in the future or are legally set aside for a specific future use.

Reserved for Encumbrances - An account used to segregate that portion of fund balance committed for expenditure of financial resources upon vendor performance.

Reserved for Advances - An account used to segregate a portion of fund balance to indicate that advances to other funds, although a component of assets, do not represent available spendable resources.

13. Commitments and Contingencies

Outstanding Lawsuits - There are several pending lawsuits in which the County is involved. The County's management is of the opinion that the potential future settlement of such claims would not materially affect its financial statements taken as a whole.

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

14. Pension Plan

The County follows the provisions of GASB Statement No. 27, *Accounting for Pensions for State and Local Government Employees*, with respect to the employees' retirement funds.

A. Plan Description

The County contributes to the New Hampshire Retirement System (NHRS), a cost-sharing multiple-employer contributory defined benefit pension plan. NHRS provides service, disability and death, and vested retirement benefits to plan members and beneficiaries. NHRS is administered by a 13-member Board of Trustees. The Board of Trustees formulates administrative policies and procedures and authorizes benefit payments to members and their beneficiaries. The NHRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New Hampshire Retirement System, 4 Chenell Drive, Concord, NH 03301-8509 or by calling (603) 271-3351.

B. Funding Policy

Sheriff's deputies and correctional office plan members and all other employee plan members are required to contribute 9.3% and 5%, respectively, of their annual covered salary and the County is required to contribute at an actuarially determined rate. The current rate for sheriff's deputies and correctional officers is 7.87% of annual covered payroll. The current rate for all other employees is 5.90% of annual covered payroll. The contribution requirements of plan members are fixed by statute. The County's contributions to NHRS for the years ended June 30, 2007, 2006, and 2005 were \$ 523,220, \$ 499,688, and \$ 387,562, respectively, equal to the required contributions for each year.

15. Self Insurance

The County participates in the New Hampshire Municipal Association Health Insurance Trust Self-Funding Plus Program (Program) which provides medical health benefits to its eligible employees and their eligible dependents. The claims liability represents an estimate of claims incurred but unpaid at year-end, based on past historical costs, and claims paid subsequent to year-end. The County is insured above a stop-loss amount of approximately \$ 75,000 on individual and aggregate claims as of June 30, 2007.

Changes in the aggregate liability for claims for the year ended June 30, 2007 are as follows:

Claims liability, July 1, 2006	\$ 365,462
Claims incurred/recognized in fiscal year 2007	2,380,198
Claims paid in fiscal year 2007	<u>(2,348,960)</u>
Claims liability, June 30, 2007	\$ <u>396,700</u>

Workers Compensation

The County contracts with an insurance consultant for claims processing of the County's workers compensation policy, which has no excess liability coverage for any employees. The Workers Compensation claims liability represents an estimate of future costs based on a historical analysis of similar claims for all employees excluding public safety. The County is unable to make any reasonable estimate of its liability for public safety employees.

16. Risk Management

The County is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County and other municipalities and other qualified political subdivisions of New Hampshire are members of the Public Risk Management Exchange (Primex³), a Trust organized to provide property and liability insurance coverage to its members. The County pays an annual premium to Primex³ for its property and liability insurance coverage. The premium paid in 2007 was \$ 102,416.

The coverage includes a retrospective contribution endorsement under which the County may receive a portion of its premiums back based on a loss ratio as defined in the agreement.

17. Prior Period Adjustment

A prior period adjustment of \$ (24,015) was made to restate the DOC inmate liability for commissions renewed.

18. Subsequent Events - Fiscal Stabilization Plan

On November 14, 2007, the Sullivan County Commissioners voted unanimously to raise the fiscal year 2007 budgetary deficit (as reflected on page 15) in the fiscal year 2009 budget. In addition, fiscal year 2008 appropriations will be scrutinized, and budget cuts will be made wherever possible. The Board of Commissioners is confident that this will result in a substantial decrease in fiscal 2008 expenses.

**Sullivan County NH
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SULLIVAN COUNTY NH CONVENTION - 2007 / 2008 Directory

District No. 1 (2) – Cornish, Grantham and Plainfield; **District No. 2** (3) – Croydon, Goshen, Newport, Springfield and Washington; **District No. 3** (1) – Sunapee; **District No. 4** (5) – Claremont Wards 1-3, Lempster and Unity; and **District No. 5** (2) – Acworth, Charlestown, and Langdon.

<u>Representative Name</u>	<u>District</u>	<u>Ways to contact your delegate ...</u>
Franklin, Peter <i>Delegation (Chair)</i> <i>Executive Finance Committee (Exofficio)</i>	2	PO Box 411, Newport NH 03773 E-mail: peter.franklin@leg.state.nh.us Tel: (H) 863-1923
Gagnon, Raymond <i>Executive Finance Committee (Exofficio)</i> <i>Delegation (Vice Chair)</i>	4	122 Elm Street, Claremont NH 03743 E-mail: raymond.gagnon@leg.state.nh.us Tel. (H) 542-7286
Nielsen, Ellen <i>Delegation (Clerk)</i>	4	50 Lane Ridge Road, Claremont NH 03743 E-mail: nielsens@sover.net Tel. (H) 542-1590
Ferland, Brenda <i>Executive Finance Committee (Chair)</i>	5	267 River Road, Charlestown NH 03603 E-mail: brendalee1949@earthlink.net Tel: (H) 826-5034
Cloutier, John <i>Executive Finance Committee (Vice Chair)</i>	4	10 Spruce Ave., Apt. 1, Claremont NH 03743-5306 E-mail: jocloutier@comcast.net Tel: (H) 542-6190
Converse, Larry <i>Executive Finance Committee</i>	4	7 Clover Street, Claremont NH 03743-3027 E-mail: lcallcone@aol.com Tel: (H) 542-2180
Donovan, Tom <i>Executive Finance Committee</i>	4	165 Mulberry St., Claremont NH 03743 E-mail: mrtedd2001@yahoo.com Tel: (W) 542-0463 Tel. (H) 542-0435
Gottling, Suzanne <i>Executive Finance Committee</i>	3	173 Lake Avenue, Sunapee NH 03782 E-mail: sgottling@comcast.net Tel. (H) 763-5904
Jillette, Arthur G. Jr.	2	80 Brickyard Road, Goshen NH 03752 E-mail: agj@theworld.com Tel. (H) 863-2788 Fax. 863-8178
Phinizy, James	5	Box 175, Black North Road, Acworth NH 03601 E-mail: jgphinizy@yahoo.com Tel: (H) 835-6074
Houde, Matthew	1	PO Box 66, Meriden NH 03770 E-mail: matthewhoude@yahoo.com Tel. (H) 504-2744
Rodeschin, Beverly	2	336 Sunapee St, Newport NH 03773 E-mail: (Bc) Tel: (H) 863-1941
Skinder, Carla M.	1	465 East Road, Cornish NH 03745 E-mail: cskinder@vrh.org Tel. (W) 543-6895

Committee Appointments:

Nursing Home Resident Trust Fund Committee – **Rep. Tom Donovan**

UNH Cooperative Extension Committee – **Rep. Carla Skinder**

Solid Waste District Committee – **Rep. Beverly Rodeschin**

NH State (fka: 5% Monies) Incentive Funds Committee – **Rep. Peter Franklin**

Sullivan County Criminal Justice Coordinating Committee – **Rep. Raymond Gagnon**

Sullivan County Land Management Use Committee – **Rep. Ellen Nielsen**

Sullivan County Facilities (buildings) Committee – **Rep. Larry Converse**

**Sullivan County NH
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**Sullivan County NH
STATE – COUNTY DELEGATION
MEETING MINUTES**

The following pages reflect the minutes of all meetings held by the full Delegation during Fiscal Year 07. The meeting dates shown are:

July 14, 2006	Full Delegation 9:30 AM Location: Newport Appointment of delegation member to study commission for count government under Senate Bill 319/Committee reports/Other business
Aug 31, 2006	Full Delegation 1:00 PM Location: Newport (No Quorum) (No minutes)
Oct 06, 2006	Full Delegation 10:00 AM Location: Newport Update on correction of the MS42/Review of audit report/Revised Judkin's property easement-Commissioners/Nursing Home update/Other business
Oct 06, 2006	E.F.C. 9:00 AM Location: Newport (No minutes for)
Oct 20, 2006	Full Delegation 10:00 AM Location: Newport
Nov 27, 2006	E.F.C. 10:00 AM Location: Newport Authorize the County Treasurer to borrow Revenue Anticipation Notes pending receipt of the 2006 taxes
Nov 27, 2006	Full Delegation 10:30 AM Location: Newport County Treasurer Borrowing/Report by EFC/Other business
Dec 13, 2006	Full Delegation 10:30 AM Location: Unity-Ahern building Introduction of new Delegates/Election of new officers/Appointment to Committees/Committee reports/Other business
Jan 19, 2007	E.F.C. 10:00 AM Location: Newport Elect officers/Review the county's financials (No minutes for)
Jan 29, 2007	Full Delegation 9:00 AM Location: Unity-Ahern building Presentation by E.F.C/Other business
Feb 19, 2007	Full Delegation 10:00 AM Location: Newport Genesis report-Mr. Thivierge/Other business
Mar 19, 2007	Full Delegation 7 PM Location: Newport Reports Commissioners/County Manager
Apr 16, 2007	E.F.C./Commissioners 8:30 AM Location: Newport

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Review and authorize the County Treasurer to borrow up to \$5,000,000.00 (million) in anticipation of revenue

April 23, 2007 E.F.C. 9:00 AM Location: Unity-Ahern building Quarterly finances (No Minutes for)

April 23, 2007 Full Delegation 10:00 AM Location: Unity-Ahern building Correspondence review/Committee reports

May 14, 2007 Full Delegation 9:00 AM Location: Newport-Lou Thompson Room, Newport Vocational Center Condition of county finances/Other business

May 21, 2007 Full Delegation 1:00 PM Location: Newport -Lou Thompson Room, Newport Vocational Center Review of county finances/Other business

May 22, 2007 E.F.C. 9:00 AM Location: Newport (No Minutes for)

May 25, 2007 E.F.C. 9:00 AM Location: Newport (No Minutes for)

May 29, 2007 E.F.C. 9:00 AM Location: Newport (No Minutes for)

Jun 04, 2007 Full Delegation 9:00 AM Location: Newport Review of county finances/Other business

Jun 07, 2007 E.F.C. 9:00 AM Location: Newport (Canceled)

Jun 11, 2007 Full Delegation 9:00 AM Location: Unity-Ahern building Review of county finances/Other business

Jun 12, 2007 E.F.C. 9:00 AM Location: Newport Resume their review of the FY'08 Proposed County Budget (no minutes)

Jun 12, 2007 E.F.C. 6:00 PM Location: Claremont Sugar River Valley Regional Technical Center County Treasurer borrowing

Jun 12, 2007 Full Delegation 7:00 PM Location: Claremont Sugar River Valley Regional Technical Center Public Hearing of the Commissioners' FY08 Budget (minutes in draft format)

Jun 15, 2007 E.F.C. 9:00 AM Location: Unity-Ahern building Resume their review of the FY'08 Proposed County Budget (No minutes for)

Jun 18, 2007 E.F.C. 9:00 AM Location: Newport Resume their review of the FY'08 Proposed County Budget (No minutes for)

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- Jun 19, 2007 E.F.C. 9:00 AM Location: Newport
Resume their review of the FY'08 Proposed County Budget (No minutes for)
- Jun 21, 2007 E.F.C. 5:30 PM Location: Unity-Ahern building
Resume their review of the FY'08 Proposed County Budget (No minutes for)
- Jun 25, 2007 E.F.C. 9:00 AM Location: Newport
Review county budget (No minutes for)
- Jun 26, 2007 E.F.C. 9:00 AM Location: Newport
Review county budget (No minutes for)
- Jun 29, 2007 Full Delegation 9:00 AM Location: Newport-Sugar River Valley
Technical Center Lou-Thompson Room
Public comments on Proposed FY '08 Budget/Report from
E.F.C/Presentation and Consideration of the Proposed County
Budget/Other business
- Jul 13, 2007 Convention FY 08 Budget Ratification 10 AM Location:
Newport-Probate Court Room. Continued review and
ratification of the FY 08 County Budget.
-

Minutes of the Sullivan County Delegation and the Delegation Executive Finance Committee can be viewed on line at the County website: www.sullivancountynh.gov or at the Sullivan County Commissioners' Office Monday through Friday during regular office hours 8 a.m. – 4 p.m.

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Date/Time: July 14, 2006 / 9:00 AM
Place: Newport Remington Woodhull County Complex
Commissioners Conference Room

Members Present: Rep. Steve Prichard, Rep. Thomas Donovan, Rep. Peter Franklin, Rep. Charlotte Houde-Quimby, Rep. Larry Converse, Rep. Harry Gale, Rep. Joe Osgood, Rep. Arthur Jillette, Rep. Beverly Rodeschin, Rep. James Phinizy, Rep. John Cloutier

Commissioners Present: Comm. Don Clarke, and Comm. Ethel Jarvis

Other Elected Officials and County Employees Present: *County Manager*- Ed Gil de Rubio

Other Attendees: Members of the Press and Public

Chair John Cloutier called the meeting to order at 9:00 AM

Following the pledge to the flag, Rep. Donovan moved and Rep. Gale seconded a motion to approve the minutes of the 6/19/2006 meeting as written. Rep. Phinizy felt the proposed minutes did not reflect what he proposed in a motion made towards the end of the meeting. Rep. Donovan felt that Rep. Phinizy had a right to correct the minutes as it pertained to his statements. Rep. Franklin felt there was no rush to get the minutes approved. He does however, feel a timely transcript is needed. Rep. Rodeschin questioned the need for a verbatim transcript – felt it would be a waste of time and money. She did not have a problem with adding the comments of Rep. Phinizy.

Then Rep. Phinizy moved to amend the minutes to reflect a summary of the comments he made in the annual meeting. Question was called (10-3 in favor). Phinizy motion passed via a majority voice vote.

Question called on amended motion to approve the minutes of the annual convention. (Voice vote 10-1 in favor). Motion passed on a Roll Call vote 9-2 in favor. (Yea – Prichard, Donovan, Houde-Quimby, Gale, Osgood, Jillette, Rodeschin, Phinizy, Cloutier. Nay-Franklin, Converse.)

Rep. Rodeschin moved and Rep. Osgood seconded a motion that Rep. Gale be appointed to the SB319 Task Force. Rep. Phinizy felt this was not a proper vote, as the Chair should appoint the Task Force member. Rep. Rodeschin and Rep. Osgood withdrew their motion.

Committee Reports- Rep Prichard commented that a study committee should be appointed to develop a better (shorter) process to develop a budget in future years. County Manager Gil de Rubio – noted that he is planning some activities to reduce the time for the development of a budget in future years. Commissioner Clarke feels that any decisions should involve the county officers and the executive finance committee and that the county commissioners and the executive finance committee should meet together. Rep. Franklin feels that the budget is a two-step process. The commissioners approve a budget, the EFC recommends a budget and then the convention makes a decision. Rep. Phinizy recommended that a committee be appointed to streamline the budget process.

There ensued a discussion of Sullivan County Healthcare:

Rep. Donovan expressed some serious concerns about

- a.) The Genesis Contract
- b.) Unit Aide Firings
- c.) Changes in practices
- d.) Resident care quality
- e.) Only one meeting with genesis staff
- f.) Quality of care since changes in staffing patterns
- g.) Family concerns re: quality of care
- h.) Staff concerns about quality of care
- l.) The Baylor situation

Rep. Donovan feels he cannot remain silent any longer. He expressed a desire that new intakes be halted until we are sure these issues have been resolved.

Rep. Rodeschin – has HHS been requested to conduct an audit? You can request an audit if you feel there has been mistreatment of residents.

Rep. Donovan feels that there have been a lot of problems with the Baylor Program. Rep. Houde-Quimby wants more information on the Baylor Program. Ed Gil de Rubio- there has been problems with the program. Too many call outs etc. We are absorbing the Baylor staff back into our regular program. Rep. Houde-Quimby is any of the Baylor Staff resigning. Ed Gil de Rubio – most are staying on with us.

Rep. Osgood – feels we should hire a consultant to compare the County Facility to other facilities. He feels there is as conflict of interest with Mr. Donovan making statements as a member of the county delegation with his employment as a worker with elderly people.

Rep. Prichard – is this a discussion about Genesis or a discussion about conditions at the County Home? Rep. Phinizy has had discussions with people about problems at the Home. He feels we need a professional audit of the place.

Rep. Rodeschin left the meeting at 11:00 AM

Rep. Donovan - questions the remarks about conflict of interest. When he hears about problems it's a conflict of interest. When others hear about problems it's not??

Rep. Houde-Quimby- noted that she has received information about problems with staffing loads, and illegal changes in patient records. Rep. Franklin spoke in support of Rep. Donovan and Rep. Houde-Quimby. He feels that they have no personal gain to make from the questions they are asking.

Rep. Rodeschin returned to the meeting at 11:10 AM. She had made a phone call to HHS about the issues being raised. She spoke about the process for seeking a program audit.

Commissioner Clark remarked that he has yet to receive a complaint. Mr. Gil de Rubio made a comment about providing assistance. He referred to current discussion as a "Witch Hunt". Rep. Donovan noted that he would continue to follow up on complaints made to him.

Rep. Gale -- noted that we have approved changes that reduced the tax drain on the county. We are now moving into a new phase that may have created new unexpected problems. He feels we should be spending more time looking at what we have accomplished, document problems, and propose solutions.

Rep. Phinizy -- if we don't get results from HHS, then we need to request a performance audit. Rep. Donovan -- We have tried to phase out Genesis as a delegation. The Commissioners have killed a phase-out. For a Performance Audit, we may have to wait in line. My concerns are real.

Rep. Franklin -- We voted to fund Genesis for 9 months. That would have allowed for a smooth transition. The next day the Commissioners moved to find the money to continue the contract. RSA 24:15 makes this illegal. RSA 27:17 cites' our right to create a committee to investigate County activity. RSA 24:16 cites' our right to conduct Performance Audits.

Rep. Phinizy and Rep. Osgood had a dialog over the need to allow a HHS Audit or to Request a Performance Audit.

Rep. Prichard -- The County Commissioners have a right to move funds. Rep. Franklin quotes the RSA's that the Commissioners cannot transfer funds without permission of the delegation.

Rep. Houde-Quimby -- The number of patients with High Acuity Needs has increased and the number of nurses available to deal with them had decreased.

Rep. Phinizy -- suggests that he and Rep. Donovan seek an anonymous complaint.

Rep. Osgood -- Wants a legal opinion regarding RSA 24:14 -- what is the intent of that law? Feels that Chair Cloutier contact the Attorney General.

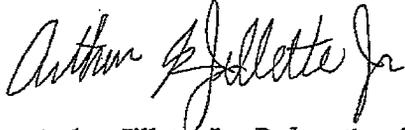
Rep. Franklin- There are other items in the budget related to the Nursing Home.

Rep. Converse – Thought our budget did not have enough money.

Rep. Franklin - Suggests monthly meetings to audit county affairs.

Following a short discussion, Rep. Cloutier recessed the meeting at 11:53 AM to meet at the call of the Chair.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Arthur Jillette Jr.".

Rep. Arthur Jillette Jr., *Delegation Clerk*
Sullivan County Delegation

AJ/lg

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Place: Newport Remington Woodhull County Complex
Date/Time: October 6, 2006/10:00 AM
Superior Court Courtroom

Members Present: Rep. John Cloutier, Rep. Larry Converse, Rep. Thomas Donovan, Rep. Brenda Ferland, Rep. Peter Franklin, Rep. Harry Gale, Rep. Arthur Jillette, Rep. Jay Phinizy, Rep. Steve Prichard, Rep. Beverly Rodeschin, Rep. Joe Osgood.

Commissioners Present: Ethel Jarvis, Don Clarke

Commissioner Jarvis led the pledge to the flag.

The minutes for July 14, 2006 were approved by voice vote with Rep. Ferland abstaining.

The County Manager, Mr. Ed Gil de Rubio, introduced the newly hired Nursing Home Administrator – Mr. Scott Wojtkiewicz. Mr. Wojtkiewicz has worked for the Genesis Corporation for the past 11 years in a variety of assignments as a nursing home administrator.

New Business: Discussion of MS 42 Form:

Mr. Gil de Rubio provided a general discussion of the MS 42 Form, and the changes that were made to bring the form into condition to satisfy the DRA. The changes to the MS42 were spelled out in a pass out sheet dated 10/5/2006, that is attached to this report. It was emphasized that the figures in the report are all best estimates of anticipated results.

There was a further discussion of the MS42 Form and the significance of the figures presented in the report. There were questions raised about the information that was reported, 2nd the auditor was requested to provide additional information at a later date.

Rep. Ferland moved, and Rep. Prichard seconded a motion to accept the revised MS42 with a bottom line of \$25,998,660.00 and to allow it to be submitted to the Department of Revenue Administration in Concord.

(Below is the budget summary on the MS42 form discussed at the meeting.)

BUDGET SUMMARY	
Total Voted Appropriations	25,998,660.00
Total revenues	16,714,939.00
Amount Certified to be Raised by Taxes	9,283,721.00

**On a roll call vote, the Delegation voted 8-3 to approve Rep. Fenland's motion.
Vote YES – Cloutier, Ferland, Gale, Jillette, Phinizy, Prichard, Rodeschin, Osgood.
Vote NO - Converse, Donovan, Franklin.**

A motion by Rep. Gale, seconded by Rep. Prichard that the delegation attend the audit exit interview and ask questions there. After some discussion, the motion was withdrawn.

Rep. Cloutier was of the opinion that the Delegation could meet again by Friday October 20 @ 10:00 AM to approve minutes and accept the audit report. Rep. Franklin has questions about changes made since first draft of the report. Rep. Prichard feels that the Commissioners should request the auditors to provide explanations for changes made in the two versions of the report.

Comm. Clarke discussed the Judkins property easement. (254 acres near Charlestown town line.) The easement will cost \$44.5K to be paid to the county. The town is raising the cost of the easement. He has an opinion from the County Attorney that the Commissioners have a right to sign the easement. He is just bringing the delegation up to date on the activity.

Rep. Phinizy questioned the interpretation by the County Attorney that the proposed easement need not be approved by the delegation.

Rep. Phinizy felt that the delegation should review and approve the proposed easement with Unity due to the fact that a significant amount of time has elapsed since a former delegation had approved the easement; there has been a change in the composition of the delegation; and that these are changes to the terms of the proposed easement.

Rep. Franklin requested, and was granted a 5-minute recess for personal reasons.

Following the recess, suggestions for the 2006-2008-budget process was discussed. More evening meetings were suggested. A better-advanced schedule needs to be developed. There was a suggestion that the EFC be reduced to 3 members.

Rep. Gale thanked Rep. Ferland for her work as chair of the EFC. Rep. Franklin felt that the Commissioners and the Delegation EFC should meet separately at different times and should not meet Jointly. Rep. Rodeschin noted that the State has joint meetings of their finance committees. Rep. Prichard noted that this will save time and people.

OLD BUSINESS:

John Cloutier was reminded regarding a question he was supposed to ask the Attorney General's office. He will tend to it in the near future.

Rep. Ferland reported on a conference she attended on Mental Illness and the Corrections System.

Rep. Rodeschin moved and Rep. Osgood seconded a motion to adjourn. Passed by unanimous voice vote at 12:14 PM.

Respectfully Submitted,

A handwritten signature in cursive script, appearing to read "Arthur Jillette, Jr.", written in black ink.

Rep. Arthur Jillette, Jr. *Delegation Clerk*
Sullivan County Delegation

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Date/Time: October 20, 2006 / 10:00 AM
Place: Newport Remington Woodhull County Complex
Jury Assembly Room

Members Present: Rep. John Cloutier, Rep. Larry Converse, Rep. Tom Donovan, Rep. Brenda Ferland, Rep. Peter Franklin, Rep. Arthur Jillette, Rep. Beverly Rodeschin, Rep. Harry Gale, Rep. Stephen Prichard, Rep. Philip Osgood, and Rep. James Phinizy

Members Absent: Rep. Chris Irish, Rep. Houde-Quimby

Commissioners Present: Comm. Don Clarke, and Comm. Ethel Jarvis

Other Elected Officials and County Employees Present: Ed Gil de Rubio, *County Manager*

The recessed meeting of the full delegation was called to order at 10:00am. Commissioner Ethel Jarvis led the pledge to the flag. The first item of business was old business.

Rep. Gale moved and Rep. Rodeschin seconded a motion to approve the minutes of the July 14, 2006 recessed meeting. The motion was approved by a voice vote with Rep. Ferland abstaining, as she was not present on July 14. Rep. Cloutier noted that the August 30th meeting failed to provide a quorum and a recording of the meeting is available.

New Business: Mr. Gil de Rubio introduced Scott Wojtkiewicz, the new Administrator of the County Home Complex. Mr. Wojtkiewicz spoke a few words and then left the meeting.

Mr. Gil de Rubio introduced Mr. Graham to give us an update on the MS42 report form. Mr. Gil de Rubio gave an overview of the changes that had been made in the revised report form. A copy of the revised form was provided to all delegation members. Mr. Graham gave a detailed analysis of how the form had been revised. Various members of the delegation asked specific questions about items in the report. Rep. Ferland noted for the record that in spite of all the changes made to the report the bottom line, in terms of taxes to be collected, has not changed.

Rep. Ferland moved, and Rep. Prichard seconded a motion to accept the revised MS42 report form. Rep. Cloutier affirmed with Mr. Graham that the form would now be acceptable to the DRA. A discussion of the motion ensued. Following a number of questions by Rep. Franklin, Rep. Prichard proposed, and Rep. Gale seconded a motion to call the question. The question was called. By a hand count, 7 were for calling the question and 4 were opposed. The motion carried. The vote on the motion was by roll call as follows: Converse, N; Donovan, N; Ferland, Y;

Franklin, N; Gale, Y; Jillette, Y; Phinzy, Y; Prichard, Y; Rodeschin, Y; Osgood, Y; Cloutier, Y. The motion passed, 8 yes / 3 no.

The final exit interview with the auditors has not been held. The time for that will be announced at a later date. It may be part of a Commissioners meeting. Rep. Cloutier proposed that the delegation meet on the same day as the auditor's visit to ask any questions they might have. Rep. Ferland suggested that the agenda continue and the questions for the auditors be generated at the close of this meeting.

A motion was made by Rep. Gale and seconded by Rep. Prichard to invite the delegation to the auditor's exit interview with the commissioners and be allowed to ask questions. Rep. Franklin urged that the motion be defeated. Rep. Ferland suggested that we meet Friday, Nov. 20 at 10:00am. It was decided by acclamation to do this. The previous motion was withdrawn.

Comm. Clarke, speaking for the Commissioners, reviewed changes in the revised Judkins Property Agreement. This update was a courtesy to the delegation. There was a discussion of the history of the previous action of the delegation regarding this agreement.

Rep. Franklin asked for a 5-minute recess, which was reluctantly granted by Chair. The meeting resumed after 4 minutes had passed.

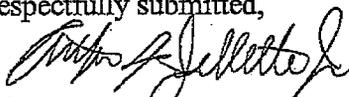
Suggestions for the FY 2008 budget process were discussed. Rep. Ferland supported reducing the Finance Committee to three delegation members. Rep. Gale voiced thanks to Rep. Ferland for her work on the Executive Finance Committee. Rep. Osgood suggested that any changes to the committee be put off until after the election. Rep. Prichard spoke in favor of reducing the size of the Executive Finance Committee.

Old Business: Rep. Osgood questioned if any answer to a previous inquiry to the Attorney General's office had been received. Chairman Cloutier indicated that he had had difficulty contacting the Atty. General's office regarding the question during the summer, and it had finally slipped his mind. He indicated that he would try to get an answer by the next meeting.

Rep. Ferland mentioned that it would be helpful to meet the counselor at the House of Correction. She suggested it would be helpful for the counselor to speak to the delegation at a future meeting. It was decided to have this happen on the new delegation organization day to be held in Unity on December 13.

A motion to adjourn was proposed by Rep. Rodeschin, seconded by Rep. Osgood and carried by voice vote.

Respectfully submitted,



Arthur G. Jillette, Jr., Delegation Clerk

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Date/Time: November 27, 2006 / 10:30 AM
Place: Newport Remington Woodhull County Complex
3rd Floor Probate

Attendees (The following names were reflected on the attends sheet)...Rep. John Cloutier, Rep. Larry Converse, Rep. Tom Donovan, Rep. Brenda Ferland, Rep Peter Franklin, Rep. Harry Gale Jr., Rep. Charlotte Houde-Quimby, Rep. Arthur Jillette Jr., Rep. James Phinizy, Rep. Beverly Rodeschin.

The meeting opened at 10:34 AM. Rep. Cloutier led the discussions.

Commissioner Clarke led the pledge to the flag.

Rep. Cloutier introduced Rep. Ferland and turned the meeting over to her so she could report on the Executive Finance Committee meeting that had been held just prior to this meeting. Rep. Ferland explained that the county needed to issue additional tax anticipation notes, as the next payroll will come close to depleting the tax anticipation funds previously approved by the delegation. Following her presentation there were a few questions.

Rep. Franklin questioned if the tax receipts were going to be significantly later this year than on prior years.

Rep. Rodeschin questioned why the cash flow problems happen now since the County changed its' fiscal year dates about 5 or 6 years ago.

Rep. Franklin noted that the County will have to pay interest on any new tax anticipation notes that it issues, and that part of the current outstanding notes are covering for funds that should have been received the prior fiscal year. He noted that his prior question was about other revenues besides taxes. Are these other sources coming in more slowly than in prior years? Rep. Ferland stated that there were not significant sources of other revenues to offset the shortfalls created by tax anticipation. Rep. Franklin noted that in his opinion, on the MS-42 Form, Fund 30 was reported as a major source of anticipated income. The County Manager indicated that fund 30 was for intergovernmental transfers only.

The minutes of the October 20th meeting were considered. Rep. Phinizy moved, and Rep. Gale seconded, a motion that the minutes be approved. Rep. Houde-Quimby asked that her name be added to the list of absentees for the day. A date referred to in the text of the minutes was corrected. By a voice vote, the minutes of the October 20th meeting as corrected, were approved.

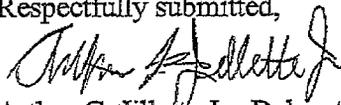
Rep. Cloutier noted that the next full delegation meeting will be held on December 13th. At that meeting we will elect a Chair, Vice Chair, Clerk, EFC Chair, and consider appointments to other standing committees. He asked the returning delegation members to give this some thought. We will be holding the meeting at 10:30 AM at the Unity Complex. Following the business meeting there will be a sandwich luncheon followed by a tour of the County Home and the County Prison.

Rep. Cloutier stated for the record that he will not be a candidate for Delegation Chair.

He noted for the record that he wanted to thank Reps. Houde-Quimby, Prichard, Gale, Irish and Osgood for their years of service and steadfast attendance to the Delegation. He requested that each of them be sent a copy of these minutes.

At 10:55 AM Rep. Ferland moved and Rep Phinizy seconded a motion to adjourn. The motion passed by a voice vote.

Respectfully submitted,


Arthur G. Jillette Jr., Delegation Clerk

Sullivan County Delegation
Wednesday, December 13, 2006, 10:30 AM
Unity County Complex – Ahern Building

Delegation attendees: John Cloutier – District Claremont 4, Carla Skinder – District 1, Mathew Houde – District 1, Peter Franklin – District 2, Jay Phinizy – District 5, Beverly Rodeschin – District 2, Tom Donovan – District 4, Larry Converse – District 4, Art Jillette - District 2, Brenda Ferland – District 5, Sue Gottling – District 3, and Ray Gagnon - District – 4.

Delegate absent: Ellen Nielsen – District 4

Other attendees: Sullivan County Board of Commissioners Donald S. Clarke - Chair, Ethel Jarvis - Clerk and Bennie C. Nelson – Vice Chair (arrived later), Ed Gil de Rubio – County Manager, Michael Prozzo – High County Sheriff, Marc Hathaway – County Attorney, Scott Hagar – DOC Superintendent, Sharron King – Registrar of Deeds and newly elected Commissioner Jeffrey Barrette.

Agenda No. 1. Introduction of New Delegates

Introductions were made to the above Delegation members.

Introductions were made of the Board of Commissioners listed above.

Introductions were made to County Manager.

Introductions were made of the other County Elected Officials and Department Heads listed above.

Commissioner Jarvis led all in the *Pledge of Allegiance*.

Introductions were made to the Commissioner Elect Jeff Barrette.

Agenda No. 2. Meeting Minutes Review and Approve

Agenda No. 2.a. November 27, 2006 Minutes

Motion: The Chair entertained a motion to accept the November 27, 2006 meeting minutes. Jay Phinizy moved the motion. Larry Converse seconded the motion. **Discussion:** Converse noted there was no mention of cost of today's meal in the minutes and the date of this meeting was noted as 12/17/06 and should be 12/13/06. Rodeschin reminded all, during the meeting, she noted cost of the tours and lunch would be taken from the Delegation line, with all Delegates

agreeing. Peter Franklin noted in the next to last paragraph, on first page, the last sentence. There is no note here that "The county Manager indicated that fund 30 was for intergovernmental transfers only." Converse asked to table this until the corrections are made in writing. Converse withdrew his second. Ferland moved to accept the minutes as amended. Rodeschin seconded the amended motion. There was no discussion. A voice vote was made. Converse voted "No"; all other voted "Yes". The motion carried, with the majority.

Agenda No. 3 Election of New Officers

The Chair noted if there are two or more appointments to a office, he would request secrete ballots to be submitted to him, with a Commissioner supervising the number of votes.

Agenda No. 3.a. Chair

Chair Cloutier opened the meeting for nominations:

1. Rodeschin nominated Brenda Ferland as Chair of the Delegation. Phinizy seconded the nomination.
2. Converse nominated Peter Franklin as Chair of the Delegation. Skinder seconded the nomination.

Commissioner Jarvis noted the votes were as follows: Franklin received 8 votes and Ferland received 4 votes. Accordingly, the Chair became Peter Franklin.

At this point Cloutier handed over gavel to the new Chair Peter Franklin. Rep. Converse and Rep. Skinder both thanked Cloutier for the years he served as Chair. Representative Franklin thanked all for their votes.

Agenda No. 3.b. Vice Chair

Chair Franklin opened the floor for nominations for Vice Chair

1. Jay Phinizy nominated Ray Gagnon for Vice Chair. Tom Donovan seconded the nomination.
2. No further nominations were submitted.

Motion: Rodeschin moved to close the nominations. A second was received from Houde. A voice vote was taken. The motion carried, unanimously. Accordingly, Ray Gagnon became Vice Chair of the Delegation.

Agenda No. 3.c. Clerk

Chair Franklin opened the floor to nominations for Clerk. There were some made and declined. He asked for volunteers, noting, to prospective nominees, there would be secretarial assistance provided.

Motion Rodeschin moved Tom Donovan for Clerk. Cloutier seconded the motion. Discussion – Donovan accepted, noting he would need assistance. Franklin closed nominations and asked the records to reflect Tom Donovan as Clerk.

Agenda No.3.d. Executive Finance Committee Members

Rodeschin moved to appoint Brenda Ferland as EFC Chair. John Cloutier indicated a Point of Order: Delegates can elect members to EFC, but EFC is to elect the officers. He noted also that Chair, Vice Chair and Clerk are Ex Officio's of the EFC.

Chair Franklin asked if they wanted to vote on how many EFC members there should be? Cloutier noted the statutes are not clear how many could be part of the committee. Franklin asked for volunteers. Ferland noted Nielsen volunteered for the EFC Committee.

After much discussion, the following were nominated to the EFC:

- Ellen Nielson, Suzanne Gottling, Brenda Ferland, Larry Converse, Tom Donovan and John Cloutier.

Motion: Larry Converse moved to accept all six candidates [as EFC members]. Jay Phinizy seconded the motion. There was no discussion. A voice vote was taken. The motion carried, unanimously.

Motion: Brenda Ferland moved the EFC do officer appointments at their first meeting. A second was received from Skinder. No discussion. A voice vote was taken. The motion carried, unanimously.

Agenda No. 4. Appointments to Committees

Chair Franklin requested to defer appointments to their next meeting. Cloutier noted UNH Cooperative Extension Committee requested immediate action and recommended Skinder. Cloutier noted, he historically asked for volunteers, then made the appointments. Carla Skinder noted she is willing to accept the appointment.

Agenda No. 4.b. UNH Cooperative Extension Committee

The Chair appointed Carla Skinder to the UNH Cooperative Extension Committee.

Agenda No. 4.c. Solid Waste District Committee

Rodeschin and Donovan see no reason to have a Solid Waste District Committee.

Agenda. No. g. S.C. Criminal Justice Coordinating Committee

Ray Gagnon volunteered for the Criminal Justice committee. Franklin appointed Ray Gagnon "temporarily" to the SCJCC committee. Rodeschin objected to the word "temporarily" and recommended making it a permanent appointment. Franklin noted he would make the appointment permanent with option to "opt out".

Motion: Rodeschin moved to permanently appoint Representative Gagnon to the SCJCC. A second came from Donovan. Point of order: Converse asked if it was up to the Chair to pick. Franklin noted members can over rule him. Phinizy noted, as former Chair, the Chair made appointments with allowance of the entire Delegation and allowed motions to be made. Voice vote was made. Converse voted "No". All others voted in favor. The motion carried, with majority.

Agenda No. 4.d. 5% Monies/Incentive Funds Committee

Donovan noted this committee met 1-2 days, unlike the other committees, and is open for anyone to participate in.

Agenda No. 4.a. Nursing Home Trust Fund Committee

Per request of Phinizy, Mr. Gil de Rubio noted this committee meets 2-3 times per fiscal year, to review the resident funds at the nursing home, with the Committee members being: the County Treasurer, one County Commissioner, one County Delegate and a Nursing Home employee. He noted the funds are under the supervision of the County Treasurer and reported per RSA's.

Agenda No. 5. Review 2007 Delegation Contact List

Chair Franklin requested all to review the contact list and to submit corrections to Laurie Geer.

Agenda No. 6. Report of the Board of Commissioners

Mr. Clarke noted he had no formal report to provide and thanked all Delegates who helped him over the six years he held office as Commissioner.

Agenda No. 7. Report of the County Manager

Mr. Gil de Rubio congratulated all Delegates on their appointments.

Agenda No. 7.b. Orientation Package Briefing

Mr. Gil de Rubio briefed the group on the contents of their canvas bags, which included:

- FY 06 County Annual Report
- FY07 County budget, approved by the Delegates
- NHAC Brochure Role of the County Delegation
- County Government Organizational Chart
- FY 08 Budget Time Line - he encouraged them all to familiarize themselves with the time line and in particular with the RSA deadlines
- County Directory of Elected/Appointed Officials and Department Heads
- Blue binder "Sullivan County Goal Setting Retreat Summary Report", which he briefed them on. He anticipates meeting with Delegates in January with NH Primex facilitators to review goals and start a dialogue on how to accomplish

these goals. He requested the Chair to set a date, and provided a couple good dates. He noted the meeting would be approximately 2 hours, and that he's flexible on when to hold it, in the AM or PM. He anticipates his Department Heads to meet several times throughout the year, to come up with the goals, and then sit down with the Commissioners and Delegates. Rodeschin recommends meeting to discuss what the Delegation is going to be looking at, as there will be State level discussions on the budget, which is not received until February from the Governor. She also recommended they prioritize the goals.

Motion: Rodeschin moved to meet Monday, January 29th, 9 a.m. at the Ahern Building. A second was received from Cloutier. Discussion – this would be 9-12. A voice vote was taken. The motion carried, unanimously.

Agenda No. 7.a. Introduction to:

Mr. Gil de Rubio asked each of the County employees present, who had not introduced themselves earlier, to introduce themselves now. Those present were: Laurie Geer – Commissioners Office Receptionist, Jan Heighes – Conservation District Manager, Seth Wilner – UNH Cooperative Extension, Heidi Smith – Director of Nursing SCHC, Scott Wojtkiewick – SCHC Administrator, Peter Farrand – Human Resource Director, Sherrie Curtis – Human Services Coordinator and Scott Hagar – DOC Superintendent. Mr. Gil de Rubio noted his only other Department Head absent was Greg Chanis, the Facilities & Operations Director.

Agenda No. 8. Goal/Directions Seminar – Tentatively in January 2007
(See above motion).

Non agenda item request for full Delegation meeting

Chair Franklin requested the Delegation meet to discuss the condition of the current County budget in early January. Phinizy noted this is the duty of the EFC. Discussion commenced on whether to hold a full or EFC meeting for this issue. Donovan and Ferland noted they would be holding a brief EFC meeting after adjournment today. Ferland confirmed, to Skinder, she writes highlights of her EFC meetings and verbally updates the full Delegation at their full Delegation meetings. It was decided to have the EFC update the full Delegation January 29th at 9 a.m., just prior to the presentation already scheduled. Mr. Gil de Rubio summarized, noting, the EFC would meet prior to the 29th, the full Delegation would meet at 9 a.m. and the presentation would begin at 10 a.m. The group concurred, with the understanding that if discussions regarding County finances required more time, they would adjourn the meeting at 10 a.m. for the presentation, and resume finance discussions immediately following.

Agenda No. 9. Adjourn for lunch and tour of Unity County Complex

Motion: Rodeschin moved to adjourn the meeting. A second was received from Donovan. A voice vote was taken. The motion carried, unanimously.

*Respectfully submitted,
Sharon Johnson-Callum*

These minutes were typed from audio tapes of the 12/13/06 meeting.

Date the 12/13/06 minutes were approved by Delegates: 12/16/07

Clerk signature: *Donna E. Donovan*

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Date/Time: January 29, 2007 / 10:00 AM
Place: ~~Unity County Complex~~ – 5 Nursing Home Drive
Ahern Building

Participants:

Rep. Peter Franklin (chair), Rep Ray Gagnon (vice-chair), Rep. Tom Donovan (clerk). Representatives John Cloutier, Larry Converse, Brenda Ferland, Arthur Jillette, Sue Gottling, Matthew Houde, Ellen Nielsen, Jay Phinizy, Carla Skinder and Beverly Rodeschin. Commissioners Jeff Barrette, Ethel Jarvis and Ben Nelson. County Manager Ed Gil de Rubio.

The meeting was observed by county employees and members of the public.

Rep. Rodeschin moved that the Delegation should meet until 10:00 and then recess in order to start the scheduled Goal Setting seminar on time at 10:00. Rep. Skinder seconded the motion and it was passed unanimously.

Rep. Franklin announced that there are no minutes for the last full delegation meeting (the organizational meeting held on December 13, 2006.)

Executive Finance Committee Report:

Rep. Ferland presented the EFC report. She reviewed County Revenue and Expense reports for December (which most delegation members received by email prior to the EFC meeting on January 6, 2007.) Rep. Ferland also explained a financial record provided to EFC members at the last EFC meeting, which tracks certain employee, benefits such as accrued sick leave.

Rep. Phinizy moved that the delegation accept the EFC report and the motion was seconded by Rep. Rodeschin. Discussion followed:

Rep. Rodeschin asked what percentage of total county employee compensation consisted of benefits. Mr. Gil de Rubio responded that the figure was about 40%.

Representative Franklin asked why the amount of expense charged to the delegation was so large. Rep Ferland responded that the cost of paying the auditors to attend the full delegation meeting in October 2006 in order to explain corrections of the MR 42 was charged to the delegation. Rep. Franklin expressed his objection to this charge and then requested that a copy of the auditors' contract be sent to the delegation members. Mr. Gil de Rubio observed that the accountant who works for the county is an independent service provider who charges by the hour and that he is not an auditor and does not audit the county's financial records.

Rep. Phinizy moved that discussion end and that the EFC report be accepted. Rep. Rodeschin seconded the motion. The delegation voted 12—2 to accept the EFC report.

Rep. Ferland left at this time.

Old Business:

Representatives were appointed to various county committees as follows:
Land Use Committee—Rep. Nielsen, Building Committee—Rep. Converse, NH Trust —
Rep. Donovan, Extension Service—Rep Skinder, 6% Incentive Monies —Rep Franklin
Criminal Justice—Rep. Gagnon

The Solid Waste Project soon will cease to exist. Rep. Franklin has been serving on this committee and wishes to be relieved of this responsibility. Rep. Rodeschin, who represents the town of Newport on this committee, volunteered to report on its activities to the delegation.

New Business:

Rep. Skinder asked for information about a virus outbreak at the nursing home. Mr. Gil de Rubio reported that although many residents and staff were affected in early January, the outbreak appears to have subsided at this time.

Rep Phinizy reported a constituent complaint about lack of staff at the nursing home. Mr. Gil de Rubio promised to respond to the complaint at a later date.

Rep. Franklin asked several questions about the end date and the cost of the Genesis contract. After a spirited discussion of this issue between Rep. Franklin, Mr. Gil de Rubio, and Commissioners Nelson and Jarvis it was noted that it was after 10:00 and it would be necessary to continue the discussion at another time and to begin the Goal Setting Seminar.

After a short discussion about the date, time and location of the continuation of the meeting, **Rep. Cloutier moved that the meeting be recessed. Rep. Gottling seconded the motion and the motion was passed and the meeting was recessed.**

Next Steps:

The recessed meeting will reconvene at 10:00 on February 19 at the Newport county complex. Since that day is a state holiday, Mr. Gil de Rubio will arrange for the front door to be open.

Respectfully submitted,


Tom Donovan, Delegation Clerk

TD/lg

Sullivan County NH

2/19/07 Minutes
Approved @ 3/19/07
Meeting with no changes
S.J.C.

~~DRAFT~~

Type of Meeting: Sullivan County Full Delegation
Date / Time: February 19, 2007 / 10:00 am
Place: Newport County Complex—Jury Room

Participants:

Rep. Peter Franklin (Chair), Rep Ray Gagnon (Vice-Chair), Rep. Tom Donovan (Clerk).
Representatives John Cloutier, Larry Converse, Sue Gottling, Arthur Jillette, Ellen Nielsen, Jay Phinizy
and Carla Skinder. Commissioners Jeff Barrette, Ethel Jarvis and Ben Nelson.

There was no participation by members of the public.
The meeting was opened by Rep. Franklin at 10:00. Rep. Nielsen asked for an addition to the agenda:
could each member of the delegation make a brief statement about his/her perception of the relationship
between the delegation and the executive branch of the county government? Rep Franklin added this to
the agenda under "new business."

Minutes:

The delegation was asked if they would accept the minutes of the delegation meeting of 12/13/06.
Rep. Skinder moved that they be accepted; Rep. Cloutier seconded the motion. After it was
pointed out that no minutes for this meeting are available, Rep. Cloutier moved that the previous
motion be tabled, and this motion was seconded by Rep. Converse. The motion to table was
passed, with one objection. Next, Rep. Cloutier moved that we accept the minutes of the
recessed delegation meeting of 1/29/07; this motion was seconded by Rep. Gottling. The motion
passed unanimously.

A discussion of how the minutes of future meetings of the delegation should be prepared followed these
motions. The delegation agreed that we do not need a verbatim transcript for most delegation meetings
(except possibly for the County Convention.) However, if one member of the delegation is continuously
taking notes, that member cannot participate in deliberations, so it might be helpful if a member of the
county staff were to take notes during the meeting, and work with the clerk on preparing the draft of the
minutes. Commissioner Barrette offered to bring this issue up at the Commissioners' meeting on
2/20/07. Meanwhile, the Delegation agreed that Rep Donovan, assisted by Rep. Nielsen, would prepare
the minutes for this meeting [which is actually a continuation of the recessed meeting of 1/29/07.]

Old Business:

Rep. Franklin reviewed the recent correspondence between himself and County Manager Gil de Rubio.
He stated that he had asked that Mr. Ray Thivierge, the VP and regional manager for Genesis, attend
this meeting to give us a report on the status of the ability of the county to manage the nursing home.
Mr. Gil de Rubio had responded that Mr. Thivierge would not attend the meeting, and that the subject
matter which Rep. Franklin had asked that Mr. Thivierge address would be covered as part of the Goals
Setting process. Rep. Franklin stated that he thinks policy decisions should not be a part of the Primex-
facilitated Goals Setting process. Several Representatives talked about past difficulties getting
information from Genesis. It was pointed out that a transition plan was part of the contract with Genesis
and this has not been provided.

**Rep. Phinizy moved that the Delegation request that the Commissioners provide a report or a
presentation about the operation and management of the nursing home by Genesis at the next
Full Delegation meeting at the end of March, and be prepared to answer questions at that
meeting. Rep. Skinder seconded this motion.**

More discussion about what kind of information the Delegation wants from Genesis followed Rep.
Phinizy's motion. Commissioner Barrette observed that representatives from Genesis probably would
not be willing to attend the meeting. Rep. Donovan commented that he had had cordial and helpful

discussions with Genesis personnel in the past and it is not in the best interests of Genesis to refuse to cooperate with the Delegation. Commissioner Nelson stated that, since the Commissioners had not made a decision about ending the Genesis management contract, they had not asked Genesis for a transition plan. Rep. Skinder reported several complaints from constituents about the nursing home manager. **Rep. Gottling moved the question, and Rep. Cloutier seconded the motion. Rep. Phinzy's motion was passed by a unanimous vote.** The commissioners then agreed to take up this request at their meeting, which was scheduled for the following day, 2/20/07.

Next, members of the Delegation discussed the County's financial obligations under the present contract with Genesis. The former contract specified that the County would pay Genesis \$200,000 per year to manage the nursing home and provide certain services, such as physical therapy and a nurse practitioner who can write prescriptions. The current contract does not specify a dollar amount, but instead states that Genesis will be paid 4% of the "net revenue" of the nursing home, with a cap of \$450,000. The County is being billed \$16,666.67 [one-twelfth of \$200,000] per month. The explanation that has been given is that since the Genesis managers have not yet determined what should be counted as "net revenue" the County cannot be billed for the actual amount owed, since that amount is not known. Rep. Donovan pointed out that there are many ways in which Genesis could make "hidden profits" from the services it provides at the nursing home. Rep. Franklin stated that no one knows how much the administrator is paid. Commissioner Nelson observed that the nursing home benefits in many ways from Genesis services. For instance, the county cannot bill Medicaid for the services of a nurse practitioner, but these services are provided as part of the Genesis package. Many Delegation members expressed concern about the lack of transparency in the dealings between the county and the Genesis corporation.

New Business:

The Delegation considered the question of whether or not Rep. Donovan had been elected to the Executive Finance Committee at the 12/13/06 organizational meeting [for which there are no minutes.] As Clerk of the Delegation, he attends the EFC meetings, but is he able to vote? Rep. Donovan agreed to listen to the tape recording of that meeting and report back.

Rep. Cloutier spoke to a bill which he is sponsoring which relates to the running of County conventions and timelines for reports.

Earlier, Rep. Nielsen had requested that each member of the delegation speak briefly about the relationship between the Delegation and the executive branch of the County government, and time was allotted for this at the end of the meeting. Themes that emerged included the inevitability of conflict, the need for transparency balanced with the need for civility, the necessary messiness of democracy, and the possibility of a fresh start. After the round of statements, Rep. Skinder asked if the Delegation might want to consider working with a mediator. Rep. Nielsen agreed to gather some information about mediators / facilitators who work with organizations in conflict and present the information at the next meeting.

The representatives set a date and time for the next full Delegation meeting—Monday, March 19 at 9:00 am. It is likely that the meeting will be held in Newport. The meeting was adjourned at approximately 12:15 pm.

Who moved to adjourn and who seconded that motion?

Bellevue was Phinzy + Shunda

Thomas E. Donovan
Clerk

**Sullivan County NH
Delegation – Full Regular Meeting
Minutes**

**Date/Time: Monday, March 19, 2007; 7 PM
Place: Newport – Remington Woodhull County Complex
1st Floor - Jury Assembly Room**

Delegates Present: Representatives Peter Franklin – *Chair*, Ray Gagnon – *Vice Chair*, Larry Converse, John Cloutier, Carla Skinder, Arthur Jillette, Suzanne Gottling and Matthew Houde.

Delegates Absent: Representatives Tom Donovan, Brenda Ferland, Jay Phinizy and Beverly Rodeschin, Rep. Nielsen

Others Present: Commissioners Ethel Jarvis – *Chair*, Ben Nelson – *Vice Chair* (arrived at 6:12 p.m.) and Jeff Barrette – *Clerk*; Ed Gil de Rubio – County Manager, Tom Connair – Claremont citizen, Sharon Johnson-Callum (minute taker).

AGENDA ITEM NO. 1. CALL TO ORDER

6:02 p.m. The Chair, Peter Franklin, brought the meeting to order.

AGENDA ITEM NO. 2. AGENDA REVIEW

Rep. Franklin requested approval of the agenda. Rep. Skinder requested they add the Sullivan County Health Care Doctor's duties. Rep. Franklin noted they would add this under Old Business. The Chair approved the agenda verbally with the new addition.

AGENDA ITEM NO. 3. MINUTES

AGENDA ITEM NO. 3.A. DECEMBER 13, 2006

Ms. Johnson-Callum confirmed the Dec. 13th, 2006, draft minutes were not given to Laurie Geer, as of yet. Rep. Franklin confirmed he would speak with Rep. Donovan.

AGENDA ITEM NO. 3.B. FEBRUARY 19, 2007

The Delegates reviewed the draft Feb. 19, 2007 minutes during the meeting.

6:05 p.m. Rep. Larry Converse made a motion, to accept the February 19, 2007 meeting minutes as printed. Rep. Cloutier seconded the motion. There was no discussion. A voice vote was taken. The motion carried, unanimously.

AGENDA ITEM NO. 4. PUBLIC PARTICIPATION

Tom Connair spoke on education funding. He discussed his 18-year background with the Claremont School Board, education fundamental right and the State's obligation to fund this right. He encouraged Delegates to seek his advise on upcoming legislative bills regarding educational funding and to seize on the opportunity to fund education differently than solely through property taxes. Rep. Cloutier asked if the Delegates should vote against any targeted aid? Mr. Connair indicated "Absolutely." He noted they need to ask: "*What does it cost?*", "*How are we going to fund it?*", and disburse the cost across the State. One option he spoke on was funding through an income tax – "*not saying this is the way*", but "*those in Claremont would probably pay less out of pocket for education funding than they do through property tax*". He encouraged the Delegates to look at any legislative proposal with great scrutiny and call him first. Mr. Connair noted he appreciated "*Public Participation*" placed at the beginning of the meeting. Per request of the Delegates, Mr. Connair will e-mail his contact information to Mr. Gil de Rubio.

AGENDA ITEM NO. 5. REPORT OF COUNTY COMMISSIONERS

6:21 Rep. Franklin asked Commissioner Jarvis for the "Commissioners Report".
Commissioner Jarvis requested Mr. Gil de Rubio to provide the report.

Mr. Gil de Rubio noted copies of the "*Sullivan County Nursing Home Executive Summary Prepared by Genesis HealthCare March 16, 2007*", were disbursed to all Delegates. Mr. Gil de Rubio read through the report as follows:

- Page 1, Executive Summary,
- Page 1, Leadership – he noted this was an area to be embellished on as they still have key issues at the nursing home, but, with Genesis, they have been able to put their arms around the issues. Their key people include: Heidi Smith – Director of Nursing and Ron McPhall – Dietary Director. Mr. Gil de Rubio discussed how Mr. McPhall has enhanced food services since he took over from Fitz, Vogt & Associates, remodeled the dining room, making improvements with new equipment and training of staff. He indicated, key personnel also include, Brenda Temple and Patti Koscielniak. He has received many compliments on both Temple's work with Social Services and routine check-ins with residents, as well as keeping in constant communications with the resident's family. He noted Ms. Koscielniak is out in the area, has great network brought over from being the Long Term Care Coordinator and keeps her mission to serve the people of the county wherever they will best be served, whether it's in the nursing home or in their own home. He noted, Ann Labelle is another key personnel. Ms. Labelle has worked there for two years as Recreation Director, enhancing the program. He noted that department needed a good shake up, and with Ms. Labelle's help and that of the Genesis team, they were able to do just that.
- Page 2, Clinical Services. Mr. Gil de Rubio spoke of how Genesis improved on the quality of care issues. He reminded the Delegates about past NH State surveys, having problems with the acquired pressure ulcers, and the steps initiated by Genesis to improve upon this with the pressure-reducing cushions. Mr. Gil de Rubio spoke regarding placing substantial funds in capital improvements for mattresses and beds.

He discussed in-house LNA classes, training in hospice and that training has become a constant since Genesis came on board. He noted Patti Henderson does a great job with classes, Human Resources is always looking for people, and Genesis is always looking for specialists to embellish the program.

- ❑ Page 3, Clinical Outcome Table (10/01 – 9/30)
- ❑ Page 3, Regulatory Compliance – Mr. Gil de Rubio discussed increasing acuity of care rising in nursing homes statewide.
- ❑ Page 3, Clinical Programming.
- ❑ Page 4, Staffing and Clinical Competencies. Mr. Gil de Rubio discussed how staffing is difficult not only within the state but nationally. He noted nursing staff is attracted more to the larger centers. He indicated they've done a great job getting out into the field, that their wage and benefit package is excellent, that word has circulated they are a pro-active facility, and, have done well over the last couple years at attracting good staff.

Rep. Franklin interrupted at this point to indicate the report was straying from the status of the ability of the County to manage the nursing home. He indicated Mr. Gil de Rubio had not spoken or mentioned the ability of the staff to take over the management of the nursing home, and that was not the report they requested. Mr. Gil de Rubio noted this was the report he received from Genesis and that it was his understanding of what the Delegates were looking for. He noted he could give an overview on how they can take care of the nursing home without Genesis, that he's been with the County five years and is more than qualified to do this. He indicated the County can do anything they want, that the staff can manage it; but, "...do they need Genesis or that type of situation?" He indicated, "Yes". "To what extent? Can we do it with our own administrator?" Rep. Franklin asked if Genesis has been successful in getting County personnel up to speed to run the nursing home? Mr. Gil de Rubio noted if Mr. Franklin was asking "How good we are?", then Genesis has been successful in that respect. They have taken staff focused on Medicaid and re-trained them to focus on the constant dynamics of skilled care - high acuity levels. "They have made great strides, but have a lot of improvement to do". Rep. Gagnon questioned Mr. Gil de Rubio's reference to the "dynamics". Mr. Gil de Rubio discussed regulatory policies, people staying home more, skilled care – people going in for certain ailments - they go through rehab and leave - placing a whole new dimension in the dynamics. He confirmed skilled care makes up about 1/3 of the census. Commissioner Nelson reminded the Delegates they needed to keep in mind revenues are greater with skilled care. Mr. Gil de Rubio noted the County was capable of administering the nursing home, but it would not be an easy run. He noted staff and management is willing to do it. It would be a bumpy road, but is doable with consultants to help. He discussed conducting pre-surveys, which would reflect deficiencies before the State surveyors arrived, and get staff used to being scrutinized so they are not nervous when the surveyors arrive. As far as training, they have systems in place, such as the in-house LNA training with Patti Henderson. He noted Dr. Catino is on site and is involved with training curriculum and scrutinizing the nursing. Rep. Gottling questioned which management belonged to the County vs. Genesis. Mr. Gil de Rubio noted Genesis provides the Administrator, who has availability to Genesis's team of other management personnel, such as Linda Goldthwaite who works closely with the County's Director of

Nursing, Heidi Smith. Mr. Gil de Rubio noted the Nurse Practitioner and Medical Director are separate Genesis contracts. Rep. Franklin noted the report indicated those services would be lost when Genesis left. The group discussed when the Nurse Practitioner came on board. Commissioner Barrette discussed the Genesis contracts. He spoke of the positive work Dr. Catino is doing with the Department Of Corrections. He feels it makes sense to keep the contracts in the long run. He discussed the payment format to Genesis. The connection the Medical Director had with various other facilities was discussed as a group. Mr. Gil de Rubio noted the current Nurse Practitioner and Medical Director contracts with Genesis replace contracts they held previously with Valley Regional Hospital. He noted the County was not receiving services stipulated in the contracts, so they asked Genesis's regional physician, Mark Levy, to help with communications between Valley Regional physician and the County. Mr. Gil de Rubio noted that services did not improve and the County ended up recruiting a new Medical Director through Genesis. Rep. Skinder confirmed most hospitals hired outside consultants to perform "mock surveys". She asked if the County had a nurse educator on staff? Mr. Gil de Rubio confirmed Patti Henderson was a certified instructor. Rep. Skinder asked if they have an active continuing education schedule? Mr. Gil de Rubio confirmed, "Yes", and noted the County also provides educational funding. Rep. Skinder asked if residents had the right to maintain their own physician? Mr. Gil de Rubio confirmed, "Yes". She asked if they had admitting privileges to Dartmouth? Mr. Gil de Rubio noted they rarely send residents to Dartmouth unless admitted by their own physician. He noted residents are admitted to Valley Regional when necessary. Mr. Gil de Rubio confirmed Genesis provides coverage for Dr. Catino, when Dr. Catino is on vacation. Rep. Gottling questioned how many days Dr. Catino was in the County nursing home? Mr. Gil de Rubio confirmed 3 days a week and helps out with DOC. Commissioner Jarvis inserted the contract provides for the physician to be there 12 hours. Mr. Gil de Rubio clarified that was hours for the administration. He noted how Dr. Catino is performing routine "rounds" unlike the previous Medical Director. He confirmed \$42,000 is the contract with Dr. Catino for 12 hours of administration time. Rep. Franklin requested Mr. Gil de Rubio to confirm, in the next few days how many hours Dr. Catino spends on administration per week and rounds at the nursing home and jail. Mr. Gil de Rubio noted Dr. Catino provides four (4) hours at the DOC, which is in addition to the contract with the nursing home. Rep. Houde pointed out if there are three separate contracts: 1) the Administrator - the umbrella contract, 2) the Medical Director and 3) one for the Nurse Practitioner, if a decision was made to terminate the umbrella contract, would the others be contingent on the umbrella? Mr. Gil de Rubio confirmed each contract is very separate. He noted Genesis would bend over backwards to help if the umbrella is terminated; and, feels the other two contracts will not terminate. Mr. Gil de Rubio confirmed there is a 30-day out on all three contracts. He confirmed Genesis has been involved with Sullivan County through the rehab department for many years, and would not place them at risk. Mr. Gil de Rubio noted to the Delegates "*If you want Genesis here, that's fine; if you don't want them, that's fine, they [Genesis] just want clear direction*". He reviewed additional Genesis Health Care services they provided as part of the larger umbrella; he noted those would continue, but at a different expertise level. Mr. Gil de Rubio discussed how if the umbrella contract were terminated, they would need some type of consultant replacement to keep up the expertise level. He

discussed how nursing home management, in this day and age and environment, could not be done with just one Administrator. He spoke about constant State and Federal updates. Rep. Franklin commented that the staff should be performing these duties. Mr. Gil de Rubio noted staff could not perform the duties at the same expertise level and continue to do their jobs ... *"whether it's Genesis or another consultant, the County needs someone to train and keep staff up to date"*. Rep. Skinder questioned: if they were to look at all the other services, all but the State and Federal, could the staff handle this? Mr. Gil de Rubio noted, on a daily basis, if staff or the Administrator has a problem, they need only pick up the phone and ask for expertise from Genesis's management team in a particular field. Rep. Skinder asked about the County's expertise in marketing and admissions. Mr. Gil de Rubio discussed the expertise Ms. Koscielniak brought to the County in that respect. He indicated if she ever left, they would need to train someone. He spoke of how even with Ms. Koscielniak's expertise, Genesis's marketing team was consulted to *"ramp it up"*. Mr. Gil de Rubio spoke of the loss of revenue during those *"ramped up"* periods. Rep. Skinder debated the idea of hiring consultants more for these aspects. Rep. Gagnon asked if the County had it broken down by dollar and time in regards to the Genesis services? Mr. Gil de Rubio spoke briefly of Genesis costs and services provided. Rep. Franklin questioned if there was a contract for the Medical Director and the price. Mr. Gil de Rubio confirmed there was, at \$48,000. Rep. Franklin questioned when the contract was signed. Mr. Gil de Rubio confirmed it was three months ago. Rep. Franklin asked where in budget was this reflected? Mr. Gil de Rubio indicated in the Medical Director line. Mr. Gil de Rubio referred them to FY08 financials; the page number and line 40.580.12029 [Contract Services]. It was noted as of today, the FY08 budget books were disbursed to E.F.C. members and ex-officio. Rep. Franklin pointed out \$10,000 was illustrated in FY07 budget book details and questioned the legality of them signing a contract for \$48,000, which was more funds than was appropriated. Mr. Gil de Rubio indicated they are unable to overspend funds. Rep. Franklin argued that that statement was incorrect, noting it pertained to each line. He continued, indicating the County Delegation voted under Chapter 24 that they must come to E.F.C. to transfer monies and to spend money they don't have. *"The Delegation appropriates money and estimates revenue and you are bound to live within those strictures. What is the justification for signing this contract?"* Mr. Gil de Rubio noted the Board of Commissioners ratified the contract; the County Attorney had spoken before on this; and their interpretation on budget transfers was different. He noted the justification was *"simple, our old contract was with Valley Regional, I will not name names with doctors, we're paying by the hour, breaking laws and regulations and that is why we asked Genesis to step in with Dr. Levy, we were anticipating revenue to..."*. Rep. Franklin interrupted asking *"What is purpose to have budget, appropriate for items and not going for authority to get permission?"* Mr. Gil de Rubio and Rep. Franklin debated at length on this issue. Commissioner Nelson noted the County department heads have the ability to move funds from line to line within their department, Commissioners can move from line to line within funds; and, it was pointed out the items on the agenda were an example of when they must come before the Delegation to receive approval to move from fund to fund. Rep. Franklin recited RSA Chapter 24:13 - Powers. (8:25 p.m.). He then directed the Delegates to go out of order from the agenda, to *"Agenda 7.b. Transfer of Emergency Funds"*.

AGENDA ITEM NO. 7. NEW BUSINESS: B. COUNTY MANAGER REPORT: TRANSFER \$4,000 FROM EMERGENCY 10.407.21095 TO: 10.980.12029 DELEGATION CONTRACT SERVICES \$1,000, 10.980.17076 DELEGATION EXPENSES \$3,000

Rep. Franklin questioned what this agenda item was about. Mr. Gil de Rubio reminded him that this was how the Delegation handled the situation last year when they overspent their budget. Rep. Franklin asked if this had gone before the E.F.C.? Mr. Gil de Rubio indicated he thought the Executive Finance Committee members would all be here this evening. He noted they could put that off and bring it to the E.F.C. attention. The group discussed how last year the full Delegation approved the use of emergency funds. Rep. Franklin noted this was after the E.F.C. reviewed the request, and then brought it before the Delegation as a recommendation. Rep. Franklin again quoted from RSA 24:13-Powers. Commissioner Nelson pointed out they allocated the monies to the competing funds. Rep. Franklin interrupted Commissioner Nelson, indicating he was twisting the meaning of "funds". Commissioner Nelson, *"What you are suggesting, is that the Delegation approve each line when it is under or over? That's nut."* Rep. Franklin interjected, *"during the last Convention"* they voted the Commissioners must come before the Delegation to transfer monies. Commissioner Nelson argued that was to move from fund to fund. Mr. Gil de Rubio noted they had the County Attorney outlining this same issue; and, that there is case law that goes with the statutes, that he should not use just the statutes alone. Mr. Houde indicated they needed clarification from the County Attorney or Attorney General's office on "authority". He pointed out they are quite grounded in old business, suggested they table this debate and move forward on to new items. Mr. Gil de Rubio spoke of the NH Primex meeting rescheduled due to snow day - which needs to be rescheduled. Speaking candidly Mr. Gil de Rubio noted *"As far as the Genesis issue ..."* *"What is really undermining the whole system is the limbo that we are right now, politically, over this whole Genesis, to go or not to go with Genesis."* He noted Genesis, as well as staff and him, wants direction... *"say, yeah or nay, give me a hand showing, do you want it or not, and I'll implement it" ... "we just can't continue this way"*. In response to Mr. Houde's comment, Rep. Franklin noted they were not on Old Business, they were on No. 5 Report of County Commissioners. He noted these were about six-month-old unanswered questions. He asked:

1. *"How much money are we paying for the Genesis contract?"*
2. *"Is it according to the contract, if not why?"*
3. *"How much are we paying the Health Care Administrator?"*
4. *"Where is the 2 million Genesis profit which the County Manager spoke of publicly"*

... *"if we can get a quick answer to that, perhaps we can go onto New Business."* Mr. Gil de Rubio confirmed the contract stipulates, *"Genesis is paid 4% of the [net] revenue not to exceed \$450,000. To this day, we have not paid them that full amount, and I have announced some of the line items we are going to be talking about."* Rep. Franklin asked *"Why haven't we paid them according to contract?"* Mr. Gil de Rubio noted *"they had not billed us"*. Rep. Franklin asked why this had not been straightened out and why he has not received a straight answer. Mr. Gil de Rubio noted the lack of bills received has

been communicated with them. Mr. Gil de Rubio is not paying them until he gets a correct bill. Mr. Gil de Rubio spoke about the new facilities Genesis has been busy opening, and feels the billing is not on their priority list. Rep. Franklin asked *"What is the rate of pay we have with Genesis for the Administrator?"* Mr. Gil de Rubio confirmed it was *"\$120,000 per year, plus \$42,000 for benefit. \$162,000 total."* Rep. Franklin asked *"You are not bound by budget?"* Mr. Gil de Rubio discussed having issues with the Administrator in April, which the Commissioners, staff and Mr. Gil de Rubio met with Genesis about, they tried to correct the issues, but they needed to do something quickly and proactively and did what they thought was best for the nursing home. He noted the budget is a snapshot on the day it's made. He noted, there are definite parameters in law they abide by, but if emergencies come up they need to be flexible and react. Rep. Franklin noted they have to go before the E.F.C., before they act. Mr. Gil de Rubio noted this was an issue Rep. Houde brought up and they need clarification on. Rep. Franklin *"Where's the 2 million profit you were talking about?"* Mr. Gil de Rubio noted this was his opinion, which had been explained several times by him and Rep. Ferland. He explained that during the '05 budget, the nursing home posted somewhere between a \$243,000 - \$249,000 deficit, in addition 1.7 million of tax payer money was used to substantiate the nursing home, so we came in at 1.9, the '06 budget saw an operating surplus of \$42,000, so over a 16 month period Genesis has made us a few million dollars. He noted, *"even if he's 50% right this County has done all right financially with Genesis"*. Rep. Franklin indicated the County Manager has a responsibility when making public statements to be accurate. Rep. Franklin questioned if Genesis had to have, in '06, *"an \$800,000 infusion of cash from the General fund?"* Mr. Gil de Rubio noted this was not due to Genesis as they were not here at that time. He noted this pertained to writing off old bills, old accounts, that bills were not sent out on. He noted, *"the auditors clearly stated that Genesis had a \$43,000 operating surplus"*. Rep. Skinder reminded everyone during the last meeting they spoke of civility. She noted the meeting was not being conducted in a civil manner, they were not moving ahead, it was late, she had a lot to do, and took objection to the arguing back and forth. Rep. Franklin noted questions were asked in writing for the last three - six months. She recommended questions be put in writing again for the new Delegates, for all to review, so that they could be answered by the next meeting. She noted the meeting was not going forward in a positive manner for her to stay.

Rep. Franklin asked is there was any further Old Business?

Rep. Houde asked if they had a recommendation from the Commissioners and County Manager as to the retention of Genesis? He recommended they, as Rep. Gagnon suggested, request a list to be compiled that shows the contracts, hours and type of services, so that they could make an educated decision. Commissioner Barrette, noted, given the history of the issue, the Board of Commissioners had yet to hold a discussion as to whether the Board wants to retain Genesis. He noted he feels its within the scope of the Commission to decide if Genesis will there, and within the scope of the Delegation to decide whether to fund it or not. He noted they want to find out where the full Delegation stands on the issue and trying to give them the facts and get direction as to what the Delegation is willing to fund? Commissioner Barrette noted Mr. Gil de Rubio

was asked by him to provide a snap shot, progress report, as far as where they have been and where they are going to go and was not aimed necessarily at what's it going to take to stand on our own two feet. He noted Mr. Gil de Rubio provided exactly what he was asked to do. Rep. Franklin noted, "*What I asked for tonight, was what I asked for at the last meeting. I read to you out of the minutes*". Commissioner Nelson noted they are just receiving the report tonight and will review this and discuss as a Board. Commissioner Jarvis noted she reviewed the original contract and March 16, 2007 report and 2005 report, and truly believes from reading she has done, they have completed their mission with Genesis. She noted she was not speaking for other two Commissioners. She recommended they review the reports, and ask for the Medical Director's contract also. Commissioner Jarvis then indicated she was concerned about staffing at nursing home. She feels it's not enough to take care of the people they are taking in. She indicated she wanted the Delegation to know that and just received it through a report today. Rep. Gottling noted the Delegation last year had a strong opinion and voted on Genesis, and that would tell Commissioner Barrette the direction. Rep. Franklin spoke about discussions, at the County Convention, a year before the last Convention, to limit the contract length, a couple different proposals put forward – some wanted to continue the contract for a year and some to terminate the contract in six months. He noted, the final vote of the County Convention was to fund the Genesis contract for nine months. He pointed out the Commissioners voted at their next meeting, they'd find the money anyway and continue the Genesis contract. He noted that is what is happening now, that the budget does not have money for \$450,000, and it was meant to be $\frac{3}{4}$ of that. He noted there are other contracts, the doctor's contract that are more than what is in the budget. He noted the Graham, Accounting Contract line, is overspent. "*Where is the money is coming from? I don't know.*" He indicated he did not want to be blind sided with a bill from Genesis. He believes they are going to run short of money to pay for the contracts. Commissioner Barrette noted they were trying to improve the good feelings and work in a positive manner to settle this. He noted that Rep. Gagnon's point, there is going to be a replacement cost, is a reasonable one. He noted he'd love clarification of shifting monies in funds as he voted in favor of the contract for the medical director, because it seemed very much the appropriate thing to do. He indicated "*If I've operated out of scope of what I'm supposed to do, I would like to know this, for future reference*". He continued noting he could see both sides of the issue and would appreciate legal clarification as when he reads it he can hear both sides, and would love to know the case law and get a professional opinion. He noted Mr. Gil de Rubio was trying to bring to the table what their operating parameters were and would feel better knowing this moving forward. He noted the replacement cost Rep. Gagnon mentioned dovetails into all this, as they are going to need consulting services. Rep. Franklin concurred any nursing home could on occasion use consulting services, but feels it should not be a surprise and should be built into the budget. Commissioner Barrette noted it seems logistically difficult to make line item changes via a committee, as he sees how difficult it is to convene them all as a group. Rep. Franklin indicated in a well-prepared budget there should be relatively few transfers. He noted the transfers should only happen in the end of the year, at which time you go before the E.F.C., justified by the administration, then the E.F.C., and that's the way it is.

Rep. Cloutier noted it was 9 p.m. and requested the group move forward to New Business. He noted they've had enough debate on Genesis. Rep. Franklin concurred they would move forward. Rep. Gagnon noted they needed clarification and guidance as to parameters, and could come from Attorney Generals or the Association. He urged the Commissioners and Manager to act on this immediately. Mr. Gil de Rubio reminded them of the meeting canceled previously by the Delegates with NH Primex, Dan Crean. Rep. Franklin noted they needed to consider who to ask. He pointed out this person was a County official. Mr. Gil de Rubio pointed out Dan Crean was not a County official, but a municipal attorney. The group debated whether to create a list of roles and responsibilities, or to have someone come in and speak as a group. Commissioner Jarvis asked if NH Municipal Associate (NHMA) could be used? Mr. Gil de Rubio pointed out that NH Primex Dan Crean works with NHMA. Ms. Johnson-Callum left the room to get the dates that Dan Crean would be available to meet with the Delegates. Rep. Franklin asked Rep. Houde if he could recommend a neutral party. Rep. Franklin noted the Delegation has money to do this. Rep. Skinder suggested they compile questions ahead of time for this person. She questioned why they would want to vote out Genesis if they have a 2 million dollar profit. Mr. Gil de Rubio noted to the group that Dan Crean was available the following days: May 11, 14, 18 and 25. Rep. Franklin noted he'd make a list of questions and invited all Delegates to submit their questions to him. He requested Rep. Houde to find a neutral attorney. Rep. Houde confirmed he'd do that. Commissioner Barrette spoke about the neutrality, by noting NH Primex provides insurance and are a liability limiting organization wanting us to stay within the letter of the law so that there is no liability on the County or legislative body. Rep. Franklin questioned trying to mix goal setting with policy. He believes the Convention has its responsibility towards policy and the Commissioners have their responsibilities, and must look at it from a different point of view. He feels there is an ethical conflict with goals and policy. No date was decided on as to when to reschedule the canceled appointment.

NON AGENDA ITEM DOC NEEDS ASSESSMENT PRESENTATION APPOINTMENT TO MAKE
Mr. Gil de Rubio requested a special meeting of the Delegates in April to meet with Ricci Greene & Associates for an update on the Sullivan County Criminal Justice System/Jail Facility Needs Assessment. Rep. Franklin noted his personal feeling was that the County's financial condition is very precarious and discussions on a new prison premature, but asked the Delegation body what the majority wanted. After much discussion, the group decided on April 23, 2007 10 a.m. – noon at the Ahern Building.

AGENDA ITEM NO. 7.A. NEW BUSINESS: APPOINTMENT TO TASK FORCE ON COUNTY GOVERNMENT

Rep. Franklin reminded everyone Rep. Gale represented the Delegates last year on the Task Force On County Government committee. He indicated Representative Suzanne Gottling expressed interest in the committee, and, therefore appointed her to the committee. It was noted the committee next meeting would be Thursday March 22, at the Legislative Office Building in Concord. Rep. Franklin confirmed he would notify Betsey Patten of the appointment. Representative Cloutier recommended the Chair to do a formal letter of the appointment.

AGENDA ITEM NO. 7.B. NEW BUSINESSES: COUNTY MANAGERS REPORT: TRANSFER \$10,400 FROM 10.400.10001(COMM. OFFICE SALARIES) TO 30.409.12029(ACCOUNTING-CONTRACT SERVICES)

Mr. Gil de Rubio noted they budgeted \$10,400 in 10.400.10001 for a part time person in the Commissioners Office due to workload issues. He noted several things have changed with the staff workload - increased expertise with the accounting work, staff has become more accustomed to accounting software and that the staff consensus is that the position is unnecessary. He noted, on the other hand, they utilized the accountant, Graham & Graham, more times, and only have approximately \$4,000 in the account, and would like to transfer funds from 10.400.10001 to 30.409.12029. Rep. Converse questioned if the item needed to be reviewed by the E.F.C. prior to the full Delegation. Rep. Franklin noted it would eventually, after they have their discussion here. Rep. Franklin asked what was budgeted for the PTE including benefits. Mr. Gil de Rubio noted part time employees do not receive benefits and \$10,400 was budgeted. Rep. Franklin questioned if the position was in the FY 08 budget? Mr. Gil de Rubio indicated "no". Rep. Franklin questioned if the line for contract services was for Mr. Graham? Mr. Gil de Rubio noted "correct". Rep. Franklin asked for year-to-date payments paid to Mr. Graham and asked Mr. Gil de Rubio to get the budget book. Rep. Houde questioned procedurally if this was going before the E.F.C., and if so, why the full Delegation would need to look at them twice, when the E.F.C. was going to provide a recommendation? Rep. Franklin noted, *"Considering the fact the E.F.C. meets irregularly and apparently has little interest in certainly asking questions, I don't think it's going to be duplicate."* Mr. Gil de Rubio noted year-to-date for fund 30 accounting is \$26,280. More discussion commenced between Rep. Franklin and Mr. Gil de Rubio on the specific charges by Graham & Graham, why the charges were incurred, and whether it was appropriate to apply them in the line they were appropriated to. A lengthy debate commenced on: the charges from Graham & Graham's audit of the MS 42, the meeting with NH State DRA, the correctness of the form, and ratification of the form. Rep. Franklin noted he feels Mr. Gil de Rubio is misrepresenting Ms. Robinson and noted he'd be talking to DRA again. He noted he feels he is not justified in charging expenses to the Delegation, as they were not consulted about this and did not ask Mr. Gil de Rubio to hire an accountant. He noted the other money he charged for the audit is part of the County audit. Mr. Gil de Rubio disagreed indicating those were separate from the County audit, and due to a special meeting. Rep. Franklin questioned how much was spent by Mr. Gil de Rubio on Graham and Graham's contract and charged to the Delegation? Mr. Gil de Rubio reminded him the data was distributed previously, and was \$2,835.60. Rep. Franklin questioned how much was charged to the auditors? Mr. Gil de Rubio did not have that information at the meeting, but would get that for Rep. Franklin. Rep. Franklin questioned if the County owed Graham & Graham anything? Mr. Gil de Rubio indicated no, and was current as of March 7th. Rep. Franklin questioned why he would need another \$10,000? Mr. Gil de Rubio noted another trial balance was needed and any other services to end of fiscal year.

AGENDA ITEM NO. 7.B. NEW BUSINESS: COUNTY MANAGER'S REPORT: TRANSFER \$4,000 FROM EMERGENCY 10.407.21095 TO: 1) 10.980.12029 DELEGATION CONTRACT SERVICE \$1,000 AND 2) 10.980.17076 DELEGATION EXPENSES \$3,000

Rep. Franklin requested the Delegates to skip through the agenda to *Agenda Item No. 7 New Business. b. County Managers Report: Transfer \$4,000 from Emergency [line] 10.407.21095 to: 10.980.12029 Delegation Contract Service \$1,000 and 10.980.17076 Delegation Expenses \$3,000* section. Mr. Gil de Rubio discussed the Delegation line being in the red for \$3,200. He reminded last year, when they had a similar circumstance they took money from the Emergency Fund. Rep. Gottling questioned what the expenses were for. Mr. Gil de Rubio noted they are an active group and they had increased their budget last year to \$8,500. Rep. Franklin questioned if the Graham and Graham total was \$8,000? He indicated the auditors would not say those charges should have been applied to the Delegation budget. Mr. Gil de Rubio noted he consulted with the auditors on that issue.

8:30 Representative Jillette made a motion to approve the transfer of \$10,400 from 10.400.10001 to 30.409.12020 and transfer of \$4,000 from 10.407.21095 to 10.908.12029 \$1,000 and 10.99980.17076 for \$3,000. Representative Cloutier seconded the motion. Representative Franklin ruled the motion was out of order, that the transfer request must go to the E.F.C. first. Rep. Franklin noted they needed to drop further discussion to move on to other issues, if the E.F.C. were going to review it. Rep. Gottling requested it be placed in the minutes that "this is the sense of the Delegation present that we approve theses, as a message to the Executive Finance Committee". Rep. Franklin noted that was putting the cart before the horse. Rep. Skinder noted they needed to move on. Rep. Franklin noted they could rule the Chairs "out of order". (The motion failed with no vote)

Rep. Cloutier urged the Delegates to move forward to consider Agenda Item 7.b. County Manager's Report: Authorize Registrar of Deeds to use Equipment Account Fund. Mr. Gil de Rubio confirmed this issue was approved before the Board of Commissioners and required further authorization from the full Delegation. He noted they had an opinion from the County Attorney.

8:35 A motion was made, by Representative Cloutier, to authorize the Registry of Deeds, use a total amount and withdraw it from the Equipment Account Fund, of \$111,832 even. Representative Gottling seconded the motion. Discussion: Rep. Franklin asked if the Registry of Deeds approved of this? Mr. Gil de Rubio confirmed, "Yes". Rep. Franklin asked what the money was to be used for. Mr. Gil de Rubio directed the Delegation to the hand out detailing the quotes. Commissioner Jarvis confirmed they, the Board, reviewed this. Role call vote taken. Those that voted YES: Representative Cloutier, Converse, Franklin, Houde, Jillette, Skinder, Gottling and Gagnon. The vote passed unanimously.

UPCOMING EVENTS

Rep. Skinder reminded the Delegates of a UNH Cooperative Extension yearly info event to be held April 16th in Charlestown.

9:38 The meeting was adjourned by the Chair.

*Respectfully submitted,
Sharon Johnson-Callum
Emergency Minute Taker for 3/19/07 meeting.*

Minutes approved on: 4/23/07

Delegation Clerk Signature: 
Rep. Tom Donovan

Sullivan County NH

Type of meeting: Board of Commissioners, Executive Finance
Committee of the Convention and the County
Treasurer - Special Meeting For Borrowing

Date/Time: Monday, April 16, 2007; 8:30 AM

Place: Newport Remington Woodhull County Complex – 1st
Floor, Jury Assembly Room.

Attendees: Commissioner Ethel Jarvis - *Chair*, Ben Nelson – *Vice Chair*, Jeff Barrette – *Clerk*; Cynthia Sweeney – *County Treasurer*; Ed Gil de Rubio – *County Manager*; Sharon Johnson-Callum (minute taker).

Executive Finance Committee: Brenda Ferland, Larry Converse, Suzanne Gottling, John Cloutier, Tom Donovan, Ray Gagnon – Delegation Vice Chair and Ex Officio.

Rep. Ray Gagnon questioned the definition of *Executive Committee* vs. *Executive Finance Committee*. He noted the RSA indicates the Executive Committee is responsible for authorizing the borrowing and thought the Executive Committee was the Chair, Vice Chair and Clerk. Representative Ferland and Commissioner Jarvis negated the comment, indicating the Executive Committee has historically been the Executive Finance Committee, and is the Chair, Vice Chair, Clerk and those appointed to the Executive Finance Committee.

8:40 Commissioner Jarvis opened the meeting.

Rep. Gagnon noted there is confusion on the wording. Mr. Gil de Rubio noted this is an RSA, and does not involve just us but all counties. Representative Gottling read through RSA 24:2 “..the county convention shall elect a chairperson, vice-chairperson, clerk, and executive committee. The chairperson, vice chairperson, and clerk shall be members of the executive committee, ex officio. The county convention may designate the executive committee to act as a subcommittee to consider the budget, or other matters, and make recommendations to the county convention”. She thought that was what they did.

Commissioner Jarvis opened the floor to Mr. Gil de Rubio “to explain why we need the 5 million?” Representative Ferland noted the correct procedure was for the County Treasurer to explain this. Commissioner Jarvis concurred and opened the floor to Cynthia Sweeney, County Treasurer.

Ms. Sweeney noted she came before the group to take out a line of credit, which could be used up to 5 million. She noted the County has \$334,000 and the County will require \$350,000 to meet this week’s payroll. She noted they would only borrow what is needed, no more; they would be paying interest only on the borrowed amount. Mr. Gil de Rubio

added that they needed, in addition, \$300,000, to cover expense checks. He noted they anticipate \$700,000 - \$800,000 revenues coming in this week, is unsure of the exact receipt date, and needs funding to make payroll and expense checks. Commissioner Barrette asked why they were borrowing 8 weeks earlier than normal. Mr. Gil de Rubio discussed the third quarter finances they were truing up, that the County is looking pretty good, and referred them to the YTD (Year To Date) column reflected on the end of March expense and revenues report, printed April 10, 2007 @ 1:54:24 PM. Grand Total on Page 8 shows \$18,805,941.07 million. To this, he indicated he added \$700,000, a guesstimate, that included the Human Services average bill of \$300,000, page 8. This would bring the total to \$19,505,941.07, which would place expenses more around 25%. Mr. Gil de Rubio referred the group to Page 8 on the Revenue report, to the YTD column that reflected \$20,544,623.73. He noted from this amount, he subtracted the bond fund balance, to come up with \$1,038,662, a positive fund balance. He noted these are just rough numbers and the accountant is reviewing numbers and will be creating a third quarter report. Mr. Gil de Rubio confirmed he calculated these numbers based on the calculations Mr. Graham used in the past. The group reviewed the balances on the various funds reflected in the reports. Mr. Gil de Rubio pointed out that Nursing Home revenues were short, expenses are running high and he will be meeting with Scott [Wojtkiewicz] to sure those issues up. They are having staffing issues, call outs increased, and the expenses triple as they pay for the ET for the call outs, plus any over time to other staff, or agency replacements. The County Manager discussed reasons for call outs and noted they occur more during holiday, spring, nice weather, deer hunting; and occur in streaks. He confirmed money has been budgeted for this issue for FY08. He noted they are at the negotiating table with the Union, that Union representatives are cognizant of the Call Outs and in turn try to educate the staff; but basically it's trying to change the mind set. Rep. Donovan and Mr. Gil de Rubio discussed extra cost issues reflected in expense lines. Commissioner Nelson noted the Union rejected an incentive bonus idea. The group briefly discussed how other nursing homes handle the staffing problem. Mr. Gil de Rubio noted they are low on census, 145-146; budgeted census 151. He noted three years ago, low would have been 115. He noted how they are unable to adjust staffing according to population, as they must guarantee employees 40-hour weeks, compared to a private organization that can lay off staff during low periods. Mr. Gil de Rubio confirmed Medicaid is holding its own, skilled care revenues are down. Rep. Donovan questioned what Year End would look like with the current trend. Mr. Gil de Rubio feels they will look good and just need to sure up on expenses. Rep. Donovan noted he needs a clear grasp of expense projections over the next 3 months to make a judgment on borrowing. Commissioner Barrette asked if they could quantify cost of call outs? Mr. Gil de Rubio confirmed he could put something together. Commissioner Barrette asked why the dietary fund balance was almost to zero when it should be at 25%. Mr. Gil de Rubio noted he would look into that matter. Rep. Donovan reminded the group the financials do not take into consideration the Genesis contract. Rep. Gottling questioned the protocol on "moving monies" and noted she believes appropriations cannot be moved around within the funds without approval from the Delegation. Rep. Ferland negated the statement; it says "one fund to another or any appropriation". Rep. Gottling noted she had spoken to a municipal representative on this issue. Commissioner Barrette noted the wording indicates "or any part there of"; he noted "In practice" he

"can't believe that would work". Rep. Cloutier noted his understanding was that the Commissioners could move money within a particulate fund, but must get approval from the E.F.C. to move from fund to fund. Rep. Donovan noted this was another day's discussion, and expressed concern about mapping this out as far as where the County is going to be. Rep. Ferland reminded the committee they would be coming in for lots of meetings. Commissioner Jarvis noted the difficulty of having a good budget if the Delegation does not know how things are moved around. Commissioner Barrette noted *"the budget is a snapshot in time and you make at the end of the year adjustments and move forward"*. Rep. Cloutier asked if they would see another request for borrowing come before them in early June? Rep. Ferland reminded the Executive Finance Committee the County borrows only what they need at the time it's needed. Mr. Gil de Rubio noted they came before the Commissioners and E.F.C. in December and asked for 1 million, never drew on the amount, but did it for safety. He reminded them that there was no cost to not draw on the line of credit. Mr. Gil de Rubio recommended in the future they look at a line of credit for the entire year. Rep. Cloutier asked if they approve of the line of credit, would it be paid before the end of the calendar year? Rep. Gottling questioned if it was a fiscal or calendar year? Rep. Donovan requested a running tab, estimate of major expenses and revenues to June 30th. Mr. Gil de Rubio noted he would do a cash flow analysis. Rep. Donovan requested an itemization of the cost to the Genesis contract, expressing concern about unbilled invoices; he again requested a projection of the finances to 6/30/07. Mr. Gil de Rubio confirmed again he would do a cash flow analysis. Commissioner Barrette noted *"if we just received tax money in December and here it's April 15th and looking to borrow we need o look at what we are doing"*. Ms. Sweeney noted they have 3 million, not the 7 million. Commissioner Jarvis noted she *"feels terrible that Cynthia did not request an audit of the books when she took over, to know the status of the County"*. Commissioner Barrette commented, *"if we have big ticket revenues, seems we should not have a negative balance"*. Rep. Gottling questioned how many invoices Genesis had not billed for. Mr. Gil de Rubio confirmed Genesis sent a spreadsheet and he will be sitting down with Genesis's District Manager, Mr. O'Leary, to review. Rep. Gottling again requested Mr. Gil de Rubio to provide them, now, with an estimate and how old. Mr. Gil de Rubio noted the last payment was in December, and with Managerial contract around \$300,000. Commissioner Barrette added \$16,660 was paid to Genesis for six months. Rep. Donovan noted *"this sounds bleak to me, from past history, when we see those figures, there may have to be further adjustments to the budget per cost containment for the remaining"*. Mr. Gil de Rubio confirmed he'd spoken to Department heads already and they know they are to buy only items that are drastically needed.

Rep. Ferland requested the Commissioner Chair to resume borrowing discussions. Rep. Gagnon noted he feels there is an issue, they need to borrow money, they need to pay that back, they need to manage expenditures and salaries, and expenditures are all based on this discussion. Commissioner Barrette noted with the pace they are going at, and the budget they have of 5.57 million for the nursing, they will be at 7 million soon. Commissioner Jarvis noted he needed to also take into consideration the nursing on call of 512 million. Commissioner Barrette pointed out that there are still positions to fill, and was concerned. Mr. Gil de Rubio confirmed he would get the exact staff count and

provide that for him. Rep. Gagnon spoke hypothetically about spending money on staffing that was not needed, just to justify the next year budget. Rep. Donovan noted that was not the case this year. Rep. Gagnon questioned if there was "on hands management", which Mr. Gil de Rubio confirmed was there. Mr. Gil de Rubio confirmed Jeff Graham was finishing the hard numbers and he will be meeting with Scott [Wojtkiewicz] and can have something to them by their next meeting.

9:29 A motion was made, by Commissioner Nelson, to ask the [County] treasurer to borrow up to Five (5) million, based on this copy in front of us. There was no second. Commissioner Barrette noted they do not have to go for the 5 million and could do the 2 million; and should they go over the 2 million mark, they could reconvene the EFC. This motion failed as not second.

9:31 A motion was made, by Commissioner Barrette, to ask the [County] Treasurer to borrow Two (2) Million credit [line]. Commissioner Nelson seconded the motion. There was no discussion. A voice vote was taken. The motion carried, unanimously.

9:32 *Commissioner Jarvis handed the meeting over to Representative Brenda Ferland, Chair of the Executive Finance Committee.*

Rep. Ferland noted the E.F.C. had heard the motion and asked if they would like to entertain a motion.

9:33 A motion was made, by Rep. Converse, to borrow Two (2) million. Rep. Gottling seconded the motion. Discussion – Representative Gagnon wanted a cash flow analysis provided. Mr. Gil de Rubio confirmed he would do this. Rep. Gagnon requested the issue be brought before the full Delegation 4/23/07. Rep. Ferland reminded Rep. Gagnon as E.F.C. Chair it would be her job to report this matter to the full delegation at their next meeting. Rep. Gottling noted she was uneasy on next year's budget, when "*we don't know quite where we are*". Rep. Ferland noted she was certain with the budget in packets; they will get a better picture. Discussion on when to repay the loan began and in coming revenues. This motion failed with no vote.

9:39 A motion was made, by Representative Converse, and seconded, by Representative Gottling, to borrow up to Two (2) Million, as of this date. There was no discussion. A roll call vote was taken. The following Delegates voted in favor of the motion: Representatives Cloutier, Converse, Gottling, Donovan and Ferland. There were no votes against the motion. Representative Neilson was absent.

Mr. Gil de Rubio asked Ms. Sweeney if she went out to bid. She noted she contacted only Lake Sunapee Bank.

9:40 The meeting was adjourned.

Respectfully submitted,

Jeff Barrette, Clerk
Board of Commissioners

JB/s.jc.

Date signed: 

Sullivan County NH

Type of Meeting:

Sullivan County Delegation

Date/Time

April 23, 2007

Place:

Ahern Bldg. Unity

Participants: Rep's Franklin (Chair), Gagnon (Vice-Chair), Donovan (Clerk), Cloutier, Converse, Gottling, Jilette, Houde, Neilson. Phinizy, Ferland and Skinda. Commissioners, Jarvis (Chair), Nelson (Vice-chair) and Barrett.

- 1) The meeting was called to order at 10AM by Rep. Franklin.
- 2) Minutes -
 - a) December 13, 2006 - Motion by Phinizy, 2nd by Skinda. No changes. Passed
 - b) March 19, 2007 - Motion by Phinizy, 2nd by Cloutier. Rep. Neilsen stated that she was absent from this meeting. Passed as noted.
- 3) Agenda Review -
 - a) Issue raised by Rep Cloutier to change agenda and allow Correction Discussion to be moved up on the agenda
 - b) Motion by Rep Ferland, 2nd by Rep Skinda to allow Corrections Discussion to be front-ended on agenda. After a great deal of discussion the motion passed. Rep Franklin felt that the Chair of the Delegation had set the agenda and that there were critical financial issues that needed discussion first. It was clarified that the "discussion" would only be 20 minutes plus questions.
- 4) Commissioners and County Criminal Justice Committee report.

Presentation given by Ricci Greene Associates with questions followed by the Delegation. Handout provided by Ricci Greene.

- 5) Public Participation - None

6) Correspondence Review - Representative Franklin reviewed the history of the e-mail correspondence over the last week between himself and the County office, primarily the County manager. It was a discussion that supposed to have included the County Manager for the clarification of all who were privy to the copies of the e-mails, yet the County Manager had apparently left the Delegation Meeting, with apparently no notice, immediately following the Ricci Greene presentation. Attempts by the Commissioner to locate the Manager and have him return to the meeting to discuss the issues were unsuccessful. Commissioner Nelson felt that the County manager may have left as he may have felt the issues that were going to be discussed were personal.

A lengthy discussion then took place at this time between Rep Franklin and other Representatives and Commissioners addressing the issues that he was hoping to discuss through the correspondence and issues that he desired that we have resolved as a Delegation, such as the lack of a trial balance, no answers to the Genesis contract questions and why would we need to borrow up to 5 million dollars. We are also being asked to double the contract with the accountant firm of Graham and for what reason, especially when we cannot get the information now on the finances from the County manager and Office staff (alluding to his being barred

from meeting with the office staff.)

Further concerns were initially brought up by Rep Franklin as to "us" being in the red at the end of March as what was presented through the local media. He had hoped the County manager would have been there to answer the question as to why and on what basis was that determines and if it were not true, why was there no response to the public. Commissioner Barrette tried to explain why this may

have been the case as at times revenues for services are at times late being picked up on the books. Commissioner Barrette agreed to find the answer to that question for the Delegation. Another issue that needed discussion was the entire nursing line item and the major changes from month to month on the cost associated with that item. Rep Skinda stated that it could be due to the large increase in the use of "agency" nursing, and area that Rep Franklin reminded the Delegation that Genesis was supposed to assist us in controlling. Rep. Donovan reiterated that it is so difficult for the Delegation to work in a vacuum and most unfair that the persons who are supposed to be at the meeting to answer these questions choose not to be there, thus leaving this responsibility totally up to others, namely the Commissioners. Commissioner Nelson stated that he had hoped that many of the questions that the Delegation had today would have been answered by the cash flow analysis which he had thought would be available today.

Rep Franklin made mention that there was some thought that we may be in the "red" due to payments from the state being late. He has apparently talked with Jim Frydema, the Controller for DHHS and he said that definitely is not the case as payments are not late. Comm Barrette stated again that we really needed a cash flow analysis but that he was not aware of a definite date was given for one. He did say that the Nursing Home Director is putting together a report as to the cost of call outs that are happening a great deal at this time. He also stated that last week Arther O'Leary from Genesis stated that Genesis was putting together a report as to what we were going to owe them, (as Genesis has not billed the County since the end of December.) Rep Franklin requested a complete and concise billing from Genesis as to their management costs and also any costs having to do with the administrator. Rep Gagnon pointed out to the Commissioners that they are responsible for the management of the County and that we had asked back in December of a delineation of the roles between all parties, and still haven't received it. He reiterated again that we hear nothing at all of what is going on financially. Rep Gottling said that she fully expected the cash flow analysis by the end of that week which the County manager was asked to put that together. She felt that if it was going to be a little late, a call of explanation would have been the courteous thing to do.

Rep Phinzy stated that it is not abnormal to ask for money to be borrowed at this time of the year. Rep Gottling did state though that the date we authorized the money that a large payment was made to the County and the County allegedly knew that it was forthcoming that day. Rep Franklin agreed that we usually have to borrow money but usually never this early. Rep Phinzy spoke to the point that we needed to hold the Commissioners responsible for getting the data that we all need. Commissioner Barrette agreed that "the buck stops" with the Commissioners and that if they are unable to get the information from the County manager then they have to deal with that. Commissioner Barrett then tried to summarize what the Delegation was asking for. According to him they are as follows: the 3rd quarter trial balance; a detailed report from Genesis on their true costs of their management contract and of the administrators salary and associated administrators costs from July 1st of '06 through the 3rd quarter; a cash flow analysis that we had asked for; March's profit and loss

statement and how the figure of \$59,000 in the "red" was determined; and an explanation of the nursing costs overruns. Rep Franklin had one more question also to ask the County Manager, that being when he asked the County Manager if the "problem" was one of cash flow or a budget problem. Apparently the County Manager had stated that initially it was a cash flow problem. Rep Franklin believe that this

problem began when the County Manager put in the \$1.9 million on the mS42 last year and that if we borrow that money to balance the budget that is something we cannot do. Rep Gottling also requested from Commissioner Barrette copies of the spread sheets Genesis had talked about regarding their costs. Commissioner Nelson did say that we are in much better shape this year than we have been in the past though.

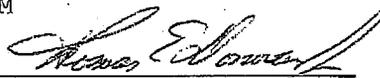
Rep Franklin spoke of the freeze we had discussed at our last meeting with the county Manager and we learned from Commissioner Jarvis that the County Manager had implemented some type of cost containment after that last meeting. Rep Donovan asked Commissioner if there was some sort of time frame for this information to be given to us. Commissioner Barrette stated that as soon as possible but hopefully within 2 weeks. Rep Franklin stated that when the information becomes available he will call a meeting. Rep Donovan stated again that he though the most critical piece of information and one that we had asked for initially was the cash flow analysis, and we should have that immediately. One more troubling issue to Rep Franklin was that centering around the so-called "clawback provision" and that he feels that the County did not have the authority to set up a new account or appropriation for this in the budget. He hopes that some further clarification of that will also be forthcoming. Rep Skinda had some questions relative to the fact that people were not showing up for work and "calling out." Commissioner Jarvis felt that it was not due to any "union issues." as was some thought out there.

Next meeting at the call of the chair and it will be after some communication with Commissioner Barrette as to the status of these questions. Meeting will be scheduled here in Unity unless changed.

Other- Rep Neilson has submitted her resignation from the executive Finance Committee. Rep converse made the motion to accept this with regret. Seconded by Rep Gottling. Passed unanimous. Rep Converse made a motion to open nominations for Finance Committee. Rep Franklin asked if there were any volunteers. Rep Donovan volunteered to become a member of the Finance Committee. Rep Neilsen volunteered to switch jobs with Rep Donovan. Rep Donovan offered his resignation as Delegation Clerk. Rep Gottling made motion to accept resignation and Rep Gagnon seconded motion. Passed unanimously. Rep Converse made a motion to nominate Rep Neilson as clerk and Rep Skinda seconded it. Unanimous. Rep Gottling made a motion to nominate Rep Donovan to the Finance Committee and Rep Converse seconded the motion Passed unanimous.

Meeting adjourned at 12:37PM

Respectfully Submitted by


5/11/07

Thomas E. Donovan, Jr Clerk

Date

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Date / Time: May 14 2007 9:00 am
Place: Lou Thompson Room, Newport Vocational Center

Participants:

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Sue Gottling, Jay Phinizy, Beverly Rodeschin, and Carla Skinder

Commissioners: Ethel Jarvis and Ben Nelson

County Employees: County Manager Ed Gil de Rubio and Nursing Home Administrator Scott Wojtkiewicz

Public Participants: None

The meeting was called to order at 9:00 am by Rep. Franklin.

Minutes of April 23, 2007:

The motion to accept was made by Rep. Gottling and seconded by Rep. Cloutier. The motion was passed; Rep. Rodeschin abstained, having been absent from that meeting.

Agenda Items:

County Manager's Report
Nursing Home Administrator's Report
Discussion of County Financial Situation

County Manager's Report:

Mr. Gil de Rubio passed out reports, which include 3rd quarter financials and a cash flow statement to each member of the delegation. He stated that he was projecting a deficit of about \$100,000 at the end of the fiscal year and said that much of the deficit was due to "call outs." Rep. Skinder asked how much the nursing home was using agency nursing—her question was not answered. Rep. Donovan asked if the \$100,000 deficit would be after the borrowed money [tax anticipation line of credit] had been repaid and if payment to Genesis is included in the report. Mr. Gil de Rubio answered: "I don't know." Rep Rodeschin asked how much of the deficit is a result of unfilled beds. Mr. Gil de Rubio answered that the vacancy rate was about 6%, and that there was a statewide slump in nursing home occupancy. Mr. Gil de Rubio said that the nursing home administrator, Mr. Wojtkiewicz, could answer these questions more fully.

Nursing Home Administrator's Report:

Mr. Wojtkiewicz presented a report on the financial status of the nursing home. He said that the census changes daily, and that there were 153 residents on this day, May 14, 2007. Because some rehab patients were short-term, and there had been some deaths, there had been more departures than new referrals. The lowest census had been 144. The drop in occupancy had been mainly in Medicare Part A patients.

Rep. Franklin pointed out that the delegation used to get monthly census reports and requested that they get them again. Rep. Phinizy asked about the 6% vacancy rate—Mr. Wojtkiewicz said that the facility budget is based on the assumption that there will be 153 residents although the capacity is 156. Rep Rodeschin asked Rep Franklin to get bed counts from facilities in other counties for comparison. Rep Gottling asked about the distribution of patients with different funding sources. At this time there are 20 private pay patients, 22 Medicare patients and 110 Medicaid patients. Medicare payments vary according to the condition of the patient and the type of services received, but the budget assumes the Medicare rate will average \$375 per day. The nursing home is paid \$140 per day for patients on Medicaid, but the cost of a bed is \$170

per day. Rep. Franklin asked if Medicare patients require more services. Mr. Wojtkiewicz responded that this was not necessarily the case—some Medicaid patients require intensive services. Rep. Donovan asked about the importance of documenting the need for services and the services received. Mr. Wojtkiewicz said that better documentation results in a higher Medicare rate. He also said that he attends monthly administrators' meetings and that referral rates from doctors are down statewide. Rep. Donovan asked about a story in the *Eagle-Times* about the nursing home deficit. Mr. Wojtkiewicz responded that the story was not accurate because certain other revenues had not been included, and added that the quality of care in the county home is better than in most other facilities—quality of care is not the reason for the deficit.

Rep. Skinder asked Mr. Wojtkiewicz to explain to the delegation how Medicare patients eventually may become Medicaid patients or vice versa. Patients who have been in a hospital for 3 days and who need continuing skilled nursing care or therapy are covered by Medicare for 100 days, but after the 20th day there is a co-pay (private pay, other insurance, or Medicaid.) After 60 days of wellness (with no need for skilled care) patients may re-qualify for Medicare. Rep. Skinder followed up with a question about how care is documented. Mr. Wojtkiewicz answered that two employees work full time on this activity.

Rep. Phinizy asked how, given that Medicaid pays only \$140 for a bed which costs the County \$170, we can deal with the shortfall of Medicare patients which contributes to the budget deficit? Is the budget too optimistic? How can we fill more Medicare beds? These questions elicited a conversation between Mr. Wojtkiewicz and several representatives and Mr. Gil de Rubio about the effect of bad publicity on Medicare referrals. Points that were made included:

- Other payment sources, including private pay, remain fairly constant but Medicare is dynamic.
- Unlike private facilities, the county facility is out in the open and citizens ask their representatives for information the representatives don't have. The public nature of the nursing home leads to public scrutiny.
- Publicity about the infighting over Genesis may lead to a drop in Medicare referrals.
- Some bad publicity may be sparked by disgruntled employees.
- All such facilities can have deficits and disgruntled employees.
- Mr. Wojtkiewicz wants citizens who have a complaint to call him directly.
- Maybe the delegation should stop trying to micromanage the facility.

Representative Franklin asked Mr. Wojtkiewicz what he hoped for at the end of the fiscal year. Mr. Wojtkiewicz said that he hoped the nursing home would break even. Mr. Wojtkiewicz was asked if Sullivan County is ready to end the Genesis management contract. His answer was no: the County still needs the knowledge and expertise of the Genesis staff, and if county officials tried to manage the nursing home without their help, they would be in trouble immediately. Rep. Skinder asked a question about the range of salaries for nursing home administrators. Mr. Wojtkiewicz responded that the salaries ranged from \$70,000 to \$100,000, with 58% for benefits. Rep. Franklin asked for more information about benefits. Representative Phinizy objected to this question—an employee should not be required to disclose information about his own compensation to the public. Rep. Gagnon thanked Mr. Wojtkiewicz for coming and expressed appreciation for his clear answers to questions from the delegation. Rep. Franklin also expressed his thanks and appreciation. Mr. Wojtkiewicz left the meeting shortly after completing his report.

Discussion of the County's Financial Situation:

The nursing home administrator's report was followed by a conversation about the County financial picture and representatives' frustration about not getting timely information. Mr. Gil de Rubio stated that if things don't change, however, the nursing home could end up with a deficit of \$220,000, and the County with a deficit of \$110,000. Rep. Gottling stated that we have been asking for this financial information since March. Mr. Gil de Rubio stated that the

report had been delayed because the County's accountant, Jeff Graham, was tied up with income taxes during April, and because of an illness in Mr. Graham's family.

Mr. Gil de Rubio explained that the information he had passed out to delegates at the beginning of the meeting represented a quick email report and that more information will be available soon. He said that there are many questions that he cannot answer because he is not an accountant.

Rep. Rodeschin asked if, when the County Treasurer set up a \$2,000,000 line of credit for the County, she had put the loan out to bid. [Since the meeting, Commissioner Jarvis has informed the delegation by email that a formal bidding process is not required but that three lending institutions had submitted informal proposals and that the money was borrowed from the institution that offered the lowest interest rate—the bank the County normally uses.] Shortly after asking this question, Rep. Rodeschin left, stating that she had another commitment.

There was uncertainty about how much money had been borrowed using the line of credit. At the time of the meeting, Comm. Jarvis thought that \$350,000 had been borrowed but Mr. Gil de Rubio said that another \$450,000 had just been borrowed, to make a total of \$800,000. Rep. Franklin asked if Mr. Gil de Rubio's projections of a \$100,000+ deficit included payment to Genesis (which apparently will be the full \$450,000 authorized) and repayment of the money borrowed through the line of credit. At this point, the exchange between Rep. Franklin and Mr. Gil de Rubio became more personal, and Mr. Gil de Rubio left.

Representatives continued to express frustration: Rep. Gottling said that the County is way over budget and that the commissioners have spent money not in the budget without approval from the Executive Finance Committee of the Delegation. Rep. Franklin expressed concern about whether the County could repay the \$800,000 that has been borrowed and wondered if the line of credit should be rescinded. Rep. Donovan expressed his frustration about the lack of comprehensible information and the lack of a transition plan for the exit of Genesis. Rep. Gottling asked when the next county payroll was due. Commissioners Jarvis and Nelson said that the County may have to borrow more money to meet it. Representative Gagnon wanted to know more about the borrowing process and how Commissioners learn when borrowing is needed. Is their decision based on last-minute information from the county Manager? He stated that we are all working for the County and that if the fiscal year ends with a huge deficit, he is concerned that the County tax rate will go up.

Next Steps:

Before Mr. Gil de Rubio left, Rep. Phinzy had requested that this meeting should be recessed and that the Delegation should re-convene at a time when the County accountant and all members of the EFC can be present. He suggested that the delegation should reconvene on Monday, May 21 at 1:00. Representatives acted on his request. Rep. Gottling moved that the Delegation should be in recess until Monday, May 21 at 1:00, and Rep. Donovan seconded this motion. The motion passed and the meeting was recessed.

Respectfully submitted by



Rep. Ellen Nielsen, Clerk

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Date / Time: May 21, 2007 1:00 pm
Place: Sullivan County Probate Courtroom

Participants (at the beginning of the meeting):

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Arthur Gillette, Sue Gottling, Jay Phinizy, and Beverly Rodeschin

Commissioners: Ethel Jarvis, Ben Nelson and Jeff Barrette

County Employees: County Manager Ed Gil de Rubio

Jeff Graham, Certified Public Accountant

Public Participants: Gordon Flint (observer)

The meeting was called to order by Rep. Franklin at 1:10 pm. This meeting was a continuation of the recessed meeting of May 14, 2007.

Minutes of May 14, 2007:

Paper copies of these minutes had been distributed at the beginning of the meeting and the minutes had been emailed to the delegation that morning. Since some participants had not had a chance to study the minutes, Rep. Phinizy moved to table the minutes until the next meeting. Rep. Converse seconded this motion, and the motion passed.

Agenda Items:

County Manager's Report
Nursing Home Administrator's Report
Accountant's Report

Rep. Franklin requested that the accountant's report be shifted to the beginning of the agenda he had prepared, and the other participants agreed to this request. Because of the many questions asked by several representatives, the accountant's report took several hours. During this report, the commissioners, Mr. Gil de Rubio, and Mr. Flint left, and eventually some representatives left. The accountant's report turned out to be the only agenda item covered during the meeting.

Accountant's Report:

Mr. Graham, the certified public accountant who is employed by the County on an hourly basis, had prepared a detailed financial report, which had been distributed to members of the Delegation by Mr. Gil de Rubio at the meeting of May 14, but was not reviewed or discussed at that meeting. Since Mr. Graham was available at this meeting, the representatives took the opportunity to review and discuss his report.

At the beginning of the meeting, Representative Gottling passed out six written questions she had prepared:

1. How much cash, not including line of credit, is available for paying county bills from now until the end of the financial year/ [June 30]
2. What are our expenses from now until the end of the financial year based on previous years' experience?
3. What is our likely income from now until the end of the financial year based on previous years' experience?

4. How is the payment to Genesis accounted for in our expense reports? Invoices reflect umbrella payments only through 12/30/06 and administrator payments only through 11/20/06.
5. How is the withdrawal of line of credit money accounted for in our expense reports? Two withdrawals, as of last week, have been reported totaling \$650,000.
6. Why did we [the EFC] have to authorize borrowing up to \$2,000,000 on 4/16/07 when the 4/30/07 financial report gives year-to-date revenues as \$21,811,750.84 and year-to-date expenses as \$19,397,149.55 giving a positive balance of \$2,414,601.29? Did all this money come in between April 16 and April 30? If so, where did it come from?

Mr. Graham explained that the report he had prepared covered the period from the beginning of this financial year on July 1, 2006 to March 31, 2007, but includes some extrapolations for the fourth quarter based on dividing the amounts for the first three quarters by three. Using the report, he would be able to answer some of Rep. Gottling's questions.

Question 1: As of 3/31/07, the County's cash on hand was \$1,182,436.00. This money was in a temporary investment account (earning some interest) a checking account and the account for the Registrar of Deeds. (Excess funds from the Registry of Deeds are transferred to the General Fund.)

To find answers to Questions 2 and 3, Mr. Graham asked the representatives to take a closer look at the main section of his report—STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES. This section has three columns and is organized by funds, with itemized revenues and expenses within each fund. The first column lists projected revenue and expense items from the 2006-2007 county budget. The second column contains "actuals"—the actual revenues and expenditures for the first three quarters. The third column contains projected revenues and expenditures for the fourth quarter, in most cases extrapolated by dividing the figure in the second column by three. (In some cases, no additional revenue or expense is anticipated.) The accountant's report makes it possible to compare, at a glance, the revenue and expense projections in the budget prepared before the beginning of the 2006-2007 with actual revenues and expenses up until 3/31/07. After representatives had gone over the report with Mr. Graham, Rep. Phinizy noted that the report provides a management tool for the County; for example, if a line item is consistently over budget, changes must be made in the budget, or cuts must be made.

As they examined the accountant's report, representatives asked questions about specific line items, and noticed certain patterns. In some areas, the actuals were close to the budget, and in some areas, for example in the Human Services section of the General Fund, the actual expenditures were significantly less than the budgeted amount. However, the actuals for the Nursing Home Fund were significantly over budget, particularly for the Dietary and Nursing sections. Mr. Graham agreed with the statement made by Mr. Gil de Rubio at the previous meeting that the nursing home accounts will show a deficit at the end of the financial year.

Mr. Graham explained why it is difficult to predict exactly how much the deficit will be. The nursing home receivables are the largest part of the revenues in the budget, but they vary a lot and are not always predictable. For instance, the county expects to receive more Pro-Share monies than anticipated—\$747,000 instead of \$650,000. The nursing home budget expenditures include items which are fixed expenses, items which may vary slightly, and items which may vary a great deal.

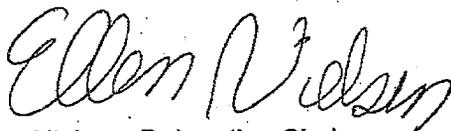
The representatives were not able to identify line items in the documents provided by Mr. Graham which correspond to all of the payments made to Genesis, or for the nursing home administrator's salary. Therefore, Question 4 does not seem to be answered. The documents provided by Mr. Graham do not contain an answer to question 5 because they contain actuals for only the first three quarters of the financial year and the borrowing of the \$650,000 took place in the fourth quarter. In answer to question 6, Mr. Graham stated that the expenses listed do not include capital expenditures. Also, he pointed out that the Pro-Share money has not yet arrived, and explained it is not standard accounting practice to count revenues which are anticipated but have not yet arrived (and may arrive after the end of the financial year) as actual revenues.

After several hour of questions and answers, the representatives who were still present (some had left) had more information about the County financial picture, but there were still unanswered questions. Several representatives expressed concern about the possibility that the projected deficit might become larger, once payments to Genesis were figured in. Another concern is that, if the year ends with a deficit, and the County is not able to repay the \$650,000 which has been borrowed before the end of the financial year, it will be necessary to cut the budget and / or raise taxes during the next financial year. When Rep. Franklin asked Mr. Graham if the County would be able to pay back the money, Mr. Graham estimated that \$250,000 could be repaid, and that there might be an outstanding debt of as much as \$400,000. However, this estimate does not take the most recent revenues received into account. Rep Franklin pointed out that there had been a recent Medicaid reimbursement of \$400,000, which does not appear in the accountant's report, and wanted to know if there had been other revenues received which might change the picture.

Rep. Franklin asked Mr. Graham if he thought the delegation should recommend a budget freeze at this time. Mr. Graham said he did not recommend a freeze, but he thought every expenditure should be carefully reviewed. Rep. Franklin asked Mr. Graham to update the information he has provided, and Mr. Graham agreed to email more information to the Commissioners' Office by the end of the week.

By 4:00 pm, so many representatives had left that there no longer was a quorum. Rep. Franklin suggested that this meeting be recessed until 9:00 am on Monday, June 4. He will let the delegates know where the meeting will take place.

Respectfully submitted,



Ellen Nielsen, Delegation Clerk

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Date / Time: June 4, 2007 / 9:00 am
Place: Sullivan County Commissioners' Conference
Room

Participants

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Arthur Jillette, Sue Gottling, Carla Skinder, and Beverly Rodeschin

Commissioners: Ethel Jarvis and Ben Nelson

Public Participants: none

Press: Aaron Aldrich from the *Eagle-Times*

The meeting was called to order by Rep. Franklin at 9:15 am. This meeting was a continuation of the recessed meeting of May 21, 2007.

Agenda Review:

The agenda was to consist of a continued discussion of the county financial situation, with reports from the nursing home administrator and the county manager. No formal changes were made, although neither Mr. Wojtkiewicz nor Mr. Gil de Rubio was present at the meeting.

Minutes of May 14, 2007:

These minutes had been tabled at the meeting of 5/21, as not all members of the delegation had had a chance to read them. Rep. Converse moved that these minutes now be accepted; Rep. Gottling seconded this motion. The minutes were accepted by a vote of all representatives except Rep. Jillette who abstained because he had not attended the meeting.

Minutes of May 21, 2007:

Rep. Converse moved that these minutes be accepted, and Rep. Cloutier seconded this motion. The minutes were accepted, with Rep Skinder abstaining because she had not attended the meeting.

Review of County Finances:

Rep Franklin asked Rep. Cloutier to check with the office staff to find out if Mr. Wojtkiewicz or Mr. Gil de Rubio would be able to attend this meeting and learned that both were at a staff meeting at the nursing home in Unity and would not be able to meet with the delegation. There was a discussion about whether or not the nursing home administrator and the county manager should be required to attend delegation meetings if requested to do so by the delegation. Rep. Skinder pointed out that most medical facilities do have staff meetings on Monday mornings and that it is difficult to re-schedule such meetings.

Rep. Gottling said that she was struggling to understand the MS-42 (a synopsis of the Commissioners' proposed 2007-2008 budget) and wanted to know how it is related to the actual budget document. Commissioner Jarvis stated that after studying the document carefully, she has concluded that the Estimated Revenue figures in Column 3 are not correct and that the figures appear to be those for the previous fiscal year, 2006-2007. Rep. Franklin proposed that, in the absence of the County Manager, we ask the bookkeeper, Ms. Dodi Violette, to explain the relationship between the MS-42 and the full budget document. Rep. Gagnon suggested that the delegation should ask the commissioners to make this request of Ms. Violette.

Commissioner Jarvis went to the outer office to make the request. When Commissioner Jarvis returned, she explained that Ms. Violette had been told by Mr. Gil de Rubio not to talk directly with the delegation. Rep. Rodeschin reminded the delegation that the previous delegation had voted that all budget questions should go through the county manager. Mr. Franklin responded that this vote does not bind the present delegation.

Rep. Rodeschin asked questions regarding the role of the Executive Finance Committee in the budget deliberations. Rep. Franklin stated that, as an ex-officio member he has attended some but not all of the EFC meetings, and he has concerns about whether or not the EFC has fully participated in deliberations about the current budget. Rep. Cloutier agreed to discuss these concerns with Rep. Ferland, the chair of the EFC. Rep. Rodeschin said that she thinks the clerk of the delegation, Rep. Nielsen, should attend the EFC meetings (Rep. Nielsen no longer is a member of the EFC) and take minutes.

Rep. Franklin said that the current financial situation of the county appears to be precarious. He noted that on April 16, 2007, the commissioners had arranged a \$2,000,000 line of credit and at this time the county appears to have borrowed \$1,512,000 against this line of credit. He said that at the May 21 meeting, Mr. Graham, the accountant had stated that he estimated that the County had borrowed \$650,000, and would be able to pay back about \$250,000 before the end of the fiscal year. Instead, the county borrowed an additional \$512,000 on May 24 and since then has borrowed another \$350,000. Rep. Franklin doubts that any of the loan can be repaid this fiscal year and said he believes the debt will be carried into fiscal 2007-2008, but this indebtedness does not appear in the MS-42.

Rep. Franklin pointed out that the delegation has no information about how much money is presently owed to Genesis, and that we don't know the salary of the nursing home administrator, and that this information is needed for planning the 2007-2008 budget. Commissioner Nelson responded that the county manager was still negotiating with Genesis about the amount which would be owed to them, and that the delegation had received a lot of information from the nursing home administrator and the county manager on May 14, and from the accountant, Mr. Graham, on May 21. Commissioner Nelson stated that the county's borrowing involved short-term loans against anticipated revenue, which may not come in before July 1, and that more short-term borrowing should be anticipated until taxes come due in December.

Rep. Gagnon said that we are hearing that the county does not end up with a fund balance at the end of the fiscal year and that this leads to a cycle of borrowing. He reminded the delegation that Mr. Graham has already told us that to get out of the cycle, the county must increase taxes or cut spending, and Rep. Gagnon does not want to increase taxes. He believes the county needs to create a budget that works toward the goal of creating a fund balance.

A general discussion among the representatives about the idea of a fund balance followed Rep. Gagnon's suggestion. It was noted that many towns, including Newport, do maintain fund balances, and that the Department of Revenue Administration recommends but does not require that municipal and county governments maintain a fund balance to cover unexpected expenses. The recommended amount is between 5% and 10% of the total budget. In the case of Sullivan County, the fund balance should be at least \$1,000,000. Sullivan County may have a fund balance of \$364,264, but it is not clear where this money is located. Representatives agreed that it would be desirable to plan for a fund balance in the 2007-2008 fiscal year. Rep. Rodeschin agreed to do some research about the feasibility of sponsoring legislation that would require counties to maintain a fund balance.

Several representatives pointed out that, in order to create a fund balance in the current budget without raising taxes, it will be necessary to make budget cuts. Rep. Franklin explained the budget process: department heads make requests to the county manager, who submits proposals to the commissioners, who consult with the Executive Finance Committee and then with the delegation. The budget can be modified at any point during this process. Commissioner Jarvis agreed that the commissioners' proposed budget should be cut, and thinks that the Capital Improvement Fund should be cut. Commissioner Nelson pointed out that budget planning is complicated by the fact that because while expenses are immediate, the revenue often arrives in the next fiscal year. Flexibility is needed for contingencies. Rep. Rodeschin said that the State deals with this problem by shifting line items within a departmental budget—for instance, when state troopers are paid for overtime work, the funds may come from elsewhere in the Department of Safety budget.

The delegation appeared to reach a consensus that the 2007-2008 Sullivan County budget is a work in progress, and that cuts need to be made in an effort to reduce debt and work toward a balanced budget which includes maintaining a fund balance of at least 5% of the total budget to pay for unexpected expenses.

Next steps:

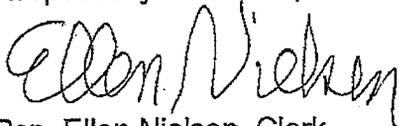
The delegation members asked to receive copies of the commissioners' proposed budget and the revenue and expense summaries for May. Copies of the budget were available immediately but the revenue and expense summaries won't be available until June 7. Rep. Cloutier agreed to talk with Rep. Ferland, the chair of the EFC, about the concerns and issues raised at this meeting. Rep. Gottling asked the commissioners if it would be necessary to borrow more money. Commissioner Jarvis said the County probably would need to borrow \$350,000 to cover the mid-June payroll.

In order to continue the deliberations on the 2007-2008 budget, three public meetings were planned. The delegation already had scheduled the public hearing on the commissioners' proposed budget. A follow-up delegation meeting was scheduled, as well as the County Convention. Here is the proposed timetable:

- Continuation of recessed full delegation meeting—Monday, June 11 at 9:00 am. The time may be changed to 1:00 pm, if necessary, to accommodate Mr. Gil de Rubio and Mr. Wojtkiewicz. The location will be either at the Ahern building in Unity or at the Commissioners' conference room, whichever is available.
- Public hearing on the commissioners' proposed budget-- Tuesday, June 12 at 7:00 pm at the Sugar River Tech Center in Claremont.
- Sullivan County Convention—Friday, June 29 at 10:00 am at the Lou Thompson Room in the Tech Center in Newport, to be preceded by an EFC meeting at 9:00 am.

Rep. Gottling moved that this meeting be recessed, to meet again at the call of the chair. Rep. Converse seconded the motion, and the motion was carried by a vote of 8 to 1.

Respectfully submitted,



Rep. Ellen Nielsen, Clerk

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Date / Time: June 11, 2007 / 9:00 am
Place: Sullivan County Probate Court and
Commissioners' Conference Room

Participants

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk),
Larry Converse, Sue Gottling, Arthur Jillette and Beverly Rodeschin

Commissioners: Ethel Jarvis and Jeff Barrette

Jeff Graham, CPA

Dodi Violette, Bookkeeper

Public Participants: none

The meeting was called to order by Rep. Franklin at 9:15 am. This meeting was a continuation of the recessed meeting of June 4, 2007.

Agenda Review:

The main item on the agenda was to be a continuation of the delegation's review of the county finances, with a report from the county manager and the nursing home administrator, who could not attend. Mr. Graham, who is a CPA employed on an hourly basis by the county commissioners, attended the meeting at the county manager's request.

Minutes of June 4, 2007:

Rep. Converse moved that the minutes be accepted and Rep. Gottling seconded the motion.

After one spelling correction (Gillette was changed to Jillette) these minutes were accepted by a unanimous voice vote.

Review of County Finances:

Rep. Nielsen moved that the delegation direct the Executive Finance Committee not to approve the borrowing of any additional money for fiscal 2007 without first being provided with a cash flow statement showing what the county has on hand and expects to receive in revenues, and what it will have to spend before June 30, and that the EFC not approve any borrowing for fiscal 2008 at this time. Rep. Gottling seconded the motion.

Extended discussion followed:

Rep. Gottling, a member of the EFC, spoke to the motion, saying that on May 21, Mr. Graham had stated that the county probably would not have to borrow more money, and probably would be able to repay much of what it had borrowed before June 30. Since then, the EFC has received different financial statements and more requests to approve borrowing large amounts of money against the county's two-million-dollar line of credit. Rep. Rodeschin said the county treasurer should be present at this meeting and asked if the delegation wanted to close down the county.

Rep. Franklin described the procedure for borrowing money: First, the county commissioners must determine the financial need, and request approval for the borrowing from the EFC. Then the EFC must ask the county treasurer for permission to

borrow money. The county commissioner's office, not the county treasurer, keeps the detailed financial records.

Rep. Rodeschin asked what had happened to all of the tax money—"What does the treasurer do with it?"

Rep Franklin explained procedures for county financial transactions: Bookkeeping for the county is done by Dodi Violette, the head bookkeeper. All revenue goes through the county commissioners' office, as do all expenditures, including those for the nursing home. Revenue goes either to the investment account, or to a checking account (in a different bank). When bills are to be paid, a manifest is prepared in the county office, and the commissioners sign off the manifest and all invoices. Then the county treasurer transfers the required funds from the investment account to the checking account. If there are not enough funds in the investment account, the treasurer, with the approval of the EFC, borrows the needed money. The amount to be borrowed is determined in the county office and not by the treasurer. Rep. Franklin stated that according to his calculations, in fiscal 2007 the treasurer has been asked to borrow almost \$1,662,000 against a previously arranged \$2,000,000 line of credit, leaving \$338,000 which can still be borrowed.

Rep Gottling said that we (the EFC) don't know what is being authorized, and we don't know how much it has cost to run the county this year. It is important that financial information and financial transactions do not overlap between fiscal 2007 and fiscal 2008.

Rep. Franklin asked Jeff Graham if he could tell the delegation how much money is in the investment account and the checking account at this time. Mr. Graham went downstairs to the commissioners' office in order to use the computers to access this information.

Rep. Rodeschin asked if the county would be late in paying current bills if the delegation passes this motion.

Rep. Franklin there is some lag time, and that the \$500,000 borrowed on June 5 should be enough to cover the June 15 county payroll.

Rep. Rodeschin asked the two commissioners present (Barrette and Jarvis) how they felt about the motion.

Rep. Franklin said that the commissioners could speak to the motion later but first the delegation should discuss the motion.

Representative Rodeschin said that the delegation should not try to micro-manage the county finances, and then left the meeting.

After Rep. Rodeschin left, there no longer was a quorum. The remaining representatives agreed to continue the meeting in order to get more information, even though it was not possible to vote on the motion.

Rep. Gagnon asked how the county could avoid going into debt for \$10,000,000 (the \$2,000,000 line of credit for fiscal 2007 and the proposed \$8,000,000 to be borrowed at the beginning of fiscal 2008).

Rep. Nielsen said that this appears to be an unusual situation, and that maybe it is necessary for the delegation to micro-manage.

At this point Commissioner Barrette asked to speak to the motion. He said that the first part of the motion was in order and that the oversight of borrowing and spending was long overdue. However, he is concerned about creating a roadblock to carrying out county business in fiscal 2008—it might be hard to convene the EFC and approve necessary borrowing. Members of the EFC who were present said that it fairly easy to call a meeting of the EFC and only three members were needed for a quorum.

Commissioner Barrette continued, saying that he had concerns about borrowing \$8,000,000 at the beginning of fiscal 2008. The county expects to receive about

\$10,700,000 in taxes in mid-December 2007; and if the county ends fiscal 2007 with a debt of \$2,000,000 and borrows another \$8,000,000, most of the tax revenues would be used to repay the borrowed money. Commissioner Barrette would like to see a detailed financial management plan for the county which is updated every 14 days. He said that he did not intend to ask the County Treasurer to borrow \$8,000,000.

Commissioner Barrette added that the June 15 county payroll will be covered by the \$500,000 borrowed on June 5, and the remaining amount in the line of credit, along with revenues which will come in during June, will be enough to cover the June 29 payroll. At this point Mr. Graham returned to the room with additional information which he had just obtained from checking the financial data in the computer files and by talking with Dodi Violette, the head bookkeeper.

Several representatives asked whether or not Genesis has been paid. At this point, the head bookkeeper, Dodi Violette, was asked to bring her laptop into the room and check out some of the numbers. However, the WIFI did not work in the third-floor probate courtroom. The meeting was recessed briefly and reconvened in the commissioners' conference room.

Having checked the financial records, Commissioner Barrette informed the delegation that Genesis has been paid, and that he had signed off on the invoice. Rep. Franklin said that in June 2006, the county convention had approved a nine-month contract, and that Genesis should have been paid \$337,500 [three fourths of \$450,000, which is the maximum amount specified for a twelve-month contract]. Commissioner Barrette said that there is a contract, and we are being billed on it. Rep. Franklin said that the county convention should have had the final say, and that he also has serious questions about the amount of the nursing home administrator's salary. Commissioner Barrette stated that he could not speak to things that had happened before his term started and he wants to move forward and make things right.

Rep. Gagnon asked if Mr. Graham could go over the figures he had provided and explain them more fully. The commissioners and representatives reviewed photocopies of Mr. Graham's handwritten notes and asked many questions. After extended discussion, and using the estimated figures provided by Mr. Graham, the group agreed that the following figures represented a "snapshot" of the county finances as of June 11, 2007:

• •	Checking account	\$407,000	
• •	Investment account	\$25,000	(some figures are rounded off)
• •	Registry of Deeds account	<u>\$208,000</u>	
• •	Total cash on hand	\$640,000	
• •	Medicaid payment	\$440,000	will arrive June 15?
• •	Medicare payment	\$110,000	will arrive June 25?
• •	Pro-Share payment	<u>\$750,000</u>	will arrive June 29?
• •	Total expected revenues	\$1,300,000	
• •	Cash plus expected revenues	\$1,940,000	
• •	Accounts payable	\$80,000	
• •	Payment to State of NH	\$350,000	
• •	Payment to retirement system	\$105,000	
• •	Health insurance	\$200,000	

• • June 15 payroll	\$370,000?	(includes holiday pay)
• • June 29 payroll	<u>\$350,000</u>	
• • Total major obligations	\$1,455,000	

Mr. Graham cautioned the group that these figures are only estimates and do not include additional unexpected expenses or possible additional revenues such as payments from private pay residents of the nursing home. Using these figures, it appears that between \$400,000 and \$500,000 could be available at the end of the fiscal year.

Commissioner Barrette said that what this shows me is that if the Pro-Share money comes in before June 29, the county will not have to borrow the final \$338,000 left in the \$2,000,000 line of credit. Representative Franklin asked if Mr. Graham would be able to create a cash flow statement, using his handwritten notes, and email it to the county office, so that it would be available to the EFC before their next meeting at 6:00 pm on June 12. With this information, he said, they can vote more responsibly at that meeting. Rep. Gottling said she was sorry that Rep. Rodeschin had left, because no one had any intention of not paying salaries, and that we simply did not want to appropriate money that was not needed or overlap transactions into the next fiscal year. Rep. Nielsen agreed that that was not the intent of her motion.

Mr. Graham said that although according to his figures, the county could end up with a \$500,000 "surplus" [of borrowed money] at the end of the fiscal year, we should remember that the nursing home is the wild card, and that the nursing home costs keep going up. He pointed out that the tax rate was decreased in 2005, which caused the county to lose its fund balance or cushion for the next fiscal year.

Rep. Gagnon said that the issue is transparency—we should not create budgets which project more revenues than actually come in. Mr. Graham responded that there has been no purposeful inflating of revenue or deflating of expenses. Rep. Gagnon said that what Mr. Graham has said reinforces the need for the commissioners to come up with a realistic and accurate financial management plan.

Rep. Franklin asked if the county would need to borrow additional money against the line of credit if the Pro-Share money does not come in on time. Mr. Graham said that if the Pro-Share payment were late, the county would have to borrow an additional \$255,000 against the \$338,000 left in the line of credit. Then Rep. Franklin asked if the \$2,000,000 line of credit would get the county through fiscal 2007. Mr. Graham said that, according to his "snapshot" the line of credit would be enough.

Rep. Gottling asked Dodi Violette how long it takes to process a loan against the line of credit. Ms. Violette answered that the County Treasurer handles this task and that it does not take long. Ms. Violette then returned to her office, after being thanked by the members of the delegation.

Rep. Franklin returned to the subject of the nursing home administrator's salary. Rep. Gottling asked why the county appears to have paid salary to two administrators during several months in the fall of 2006. Was there a severance payment to the former administrator? Rep. Gagnon suggested that this subject should be discussed by the commissioners at their meeting that afternoon.

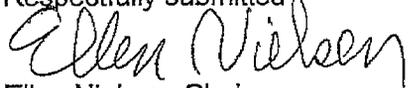
Rep. Franklin asked Mr. Graham several questions about Fund 30—he expressed concern that the revenues listed in Fund 30 might be counted twice, since the revenue in Fund 30 consists of transfers from other departments, not additional revenue coming into the county. Mr. Graham said that the expenses which appear to be paid out of Fund 30 are actually paid out by other funds and the transfers to and from Fund 30 are just paper transfers.

Mr. Graham explained that the monthly expense and revenue summaries are on an accrual basis, and don't reflect actual cash in and cash out. Rep. Nielsen asked Mr.

Graham to define the accounting term "accrual." Mr. Graham explained that in accrual accounting, revenues consist of money earned, but not necessarily received, and expenses consist of money obligated, but not necessarily paid out. This can create confusion when there appear to sufficient revenues on paper yet it is necessary to borrow money because the cash has not yet been received.

Representative Gagnon then said that we have received ample information and that perhaps it was time to end the meeting, especially since the representatives could not vote on the motion which was on the floor because of lack of a quorum. Rep. Franklin said that he was relieved to learn that the county probably would not need to borrow additional money before June 30. Mr. Graham was thanked by the commissioners and representatives, and the meeting was recessed shortly after noon to reconvene at the call of the chair.

Respectfully submitted



Ellen Nielsen, Clerk



**Sullivan County State Delegation
Executive Finance Committee (EFC) Meeting**

June 12, 2007 – 6:30 PM

**With the
County Treasurer
Regarding Borrowing**

Place: Claremont – 111 South Street
Sugar River Valley Regional Technical Center
Scott Pope Room (Next to CCTV Community Business Room)

EFC Attendees: Brenda Ferland - *Chair*, John Cloutier – *Vice Chair*, Tom Donovan, Suzanne Gottling, and Larry Converse.

Other Attendees: Cynthia Sweeney – *County Treasurer*, Peter Franklin – *Delegation Chair (EFC Exofficio)*, Ray Gagnon (*Delegation/EFC Exofficio*), Arthur Jillette - *Delegate*, Matthew Houde – *Delegate*, Aaron Aldridge – *Eagle Times staff reporter*, Matt – *Eagle Times*; Carla Skinder – *Delegate* (arrived later in meeting).

6:30 The meeting was brought to order by EFC Chair, Brenda Ferland.

Ms. Cynthia Sweeney recapped the borrowing request she just made before the Board of Commissioners and noted they authorized her to borrow up to \$500,000, in order to get the County through FY 07. She briefly discussed anticipated ProShare revenues to be sent from the State to the County at the end of June, and MQIP revenues they anticipate arriving in August or September. Representative Gottling noted amounts the Accountant had indicated would be coming in. Representative Ferland recommended they use current numbers on the books and not anticipated numbers. Representative Gottling requested dates on two checks that arrived, but Ms. Sweeney noted she would not have that type of paperwork in front of her here. Ms. Sweeney confirmed she notifies both the Chair of the Commission and Delegation when she takes from the line of credit. Representative Franklin refuted that statement, indicating she did not notify him before she made a few borrowings. She agreed, said she advised Commissioner Jarvis, but she provided information upon his inquiries. Ms. Sweeney advised the group that she is unable to participate in day meetings, with her job schedule, that she could meet evenings or weekends. Representative Donovan pointed out they have met weekends and nights; and all concurred that was not a problem.

6:38 Representative Donovan entertained a motion to allow the County Treasurer to establish a line of credit to borrow \$500,000 and no more, at this time.

Representative Converse seconded the motion. *Discussion:* Ms. Sweeney confirmed \$29,000 of revenues was received today and is unsure of anticipated revenues.

Representative Franklin requested Representative Donovan to amend his motion, to add that the money can't be used after June 30th, and can only be used for FY07 needs. After

more discussion on anticipated revenues and expenses Representative Franklin requested his amendment to say "... to be used only for expenses of FY 07". 6:51 Representative Carla Skinder arrived, then left at 6:52. Representative Ferland questioned the wording on the Franklin's amendment. Representative stated amendment should read: "**only for money to be used for expenses in fiscal year 07**". Ms. Sweeney noted she was unsure what set of numbers they referred to that was used by Mr. Gil de Rubio and Mr. Graham, but the numbers given them tonight are what is available on the books and taken off the computer screen today. **The EFC Chair asked for a roll call vote. Those that voted "yes": Cloutier, Converse, Donovan and Gottling. Those that voted "no": Ferland. The motion with amendment carried with the majority.**

Representative Franklin questioned if the Commissioners were supposed to participate in this meeting?

6:55 Representative Cloutier made a motion to adjourn the meeting. Representative Gottling seconded. The motion. There was no discussion. The motion carried, unanimously.

Respectfully submitted,

Tom Donovan, Clerk of the EFC

TD/s.j-c.



DRAFT



**Sullivan County State Delegation
Public Hearing of the
FY 08 Commissioners County Budget**

June 12, 2007 – 7 PM

Place: Claremont – 111 South Street
Sugar River Valley Regional Technical Center
Scott Pope Room (Next to CCTV Community Business Room)
(Meeting taped and aired by CCTV and on DVD-R)

Delegates Present: Peter Franklin – *Chair*, Ray Gagnon – *Vice Chair*, Ellen Nielsen – *Clerk*, Brenda Ferland – *EFC Chair (arrived approximately 5-10 minutes later)*, John Cloutier – *Vice Chair*, Arthur Jillette, Matthew Houde, Suzanne Gottling – *EFC*, Larry Converse – *EFC*, Carla Skinder, Beverly Rodeschin, and James Phinizy.

Delegates Absent: Tom Donovan – *EFC*.

Commissioners Present:

Ethel Jarvis – *Chair*, Bennie Nelson – *Vice Chair* and Jeffrey Barrette – *Clerk*

Other County Officials & Staff:

Ed Gil de Rubio – *County Manager*, Cynthia Sweeney – *County Treasurer*, Captain John Milliken – *DOC*, Sullivan County Sheriff Michael Prozzo, Dodi Violette – *Account Clerk I* and Janice Bryk – *Payroll Clerk*.

Public Participants:

Aaron Aldridge – *Eagle Times staff reporter*, Matt – *Eagle Times*, Deb Mozden – *Women's Supportive Services*, Barbara Brill – *Community Alliance Family Services Executive Director* and Donald Clarke – *Claremont Citizen*.

7:00 The Public Hearing was brought to order.

Introductions were made to the three Sullivan County Board of Commissioners, the Delegation members, the County Manager and various other County employees and elected officials present.

A package of documents was made available to all Delegates, County Officials/staff, and public participants. The package included a PowerPoint presentation on the FY 08

County Budget and a document labeled *Property Tax Rates* of all 15 municipalities in the county, reflecting local valuations and rates from: municipal, local and state education and county, for years encompassing 1997 through 2006. It was also noted a spreadsheet was just replaced in the paper copy of the PowerPoint document.

Commissioner Jarvis announced Mr. Gil de Rubio would present the PowerPoint presentation. She noted, not reflected in the PowerPoint, was the Boards' recent decision to terminate the Genesis [Skilled Nursing Facility Management Support Agreement] contract. She noted Commissioners budgeted \$240,000 in FY 08 for the contract and would disburse it as follows: \$200,000 applied for additional staff and education/training with \$40,000 for the transition period from Genesis to their own Administrator.

Mr. Gil de Rubio began the PowerPoint presentation overview, which was then taken over by the Commissioners. The presentation included:

Goals of the Commissioners

- Continue To Provide High Quality of Service
- Foster Regional Leadership
- Establish Non Tax Base Revenue Resources
- Stabilize the Cost of Employee Benefits
- Invest in the County Infrastructure

Total Budget Amount: \$27,629,657

- Fund 10 / General Fund \$10,739,809
- Fund 22 / Deeds 450,000
- Fund 24 / Grants 445,716
- Fund 30 / Intra Governmental 1,544,050
- Fund 40 / SCHC 13,779,582
- Fund 42 / Capital 670,500
- Total \$27,629,657

Budget Highlights

- 3% Increase in Wages
- 18% Increase in Medical Costs
- 25% Increase in Workmen's Compensation Costs
- 34% Increase in Retirement Costs

New Grant Resources

- Avian Flu Grant \$60,000
- Emergency Management Grant \$75,000
- Strategic Prevention Framework Grant \$464,504

Increase in Medical Benefits

- Sullivan County is "Self-Insured"
- Our Increases Are Attributable to Greater Use of Emergency Room and Prescription Costs

- We Have Implemented a "Wellness Program"
- We Began an Optional "High Deductible/Health Savings Program"

Workmen's Compensation

- Management Continues: to Build and Maintain a Positive Risk Management Culture
- To Provide Staff Training and Education
- To Work with Our Provider
- To Foster and Promote Communication

Regional Leadership

- Sullivan County is in a Pilot Program for Regional Emergency Management
- Sullivan County is a Leader in Regional Health Hazard Management
- Is Currently Studying Regional Recycling
- Provides Leadership in Regional Substance Abuse Programs

To Be Raised From Taxes \$10,594,871

<input type="checkbox"/> Human Service	\$4,363,875	41%
<input type="checkbox"/> DOC	\$2,881,479	27%
<input type="checkbox"/> Capital	\$670,500	6%
<input type="checkbox"/> Other Services	\$2,679,017	26%
<input type="checkbox"/> SCHA	\$0	0%
<input type="checkbox"/> Bond Debt	\$0	0%
<input type="checkbox"/> Total	\$10,594,871	100%

SCHC Fund Balances

	Fund 40 Revenue Actual	Fund 40 Expenses Actual	Surplus (Deficit)
1997 \$	8,659,663.00	\$ 8,887,046.00	\$ (227,383.00)
1998 \$	8,203,691.00	\$ 8,653,037.00	\$ (449,346.00)
1999 \$	8,520,644.00	\$ 8,502,268.00	\$ 18,376.00
2000 \$	7,444,310.99	\$ 9,025,126.10	\$ (1,580,815.11)
2001 \$	7,879,853.00	\$ 9,431,899.30	\$ (1,552,046.30)
2002 \$	7,909,977.66	\$ 9,616,007.33	\$ (1,706,029.67)
2003 \$	7,855,143.25	\$ 9,581,688.20	\$ (1,726,544.95)
2004 \$	11,675,323.79	\$ 10,735,677.10	\$ 939,646.69
2005 \$	12,093,079.72	\$ 12,313,217.70	\$ (220,137.98)
2006 \$	12,023,676.43	\$ 11,984,692.18	\$ 38,984.25

Fiscal Trends

	FY '03	FY '04	FY '05	FY '06	FY '07	FY'08
Total Salaries	\$9,398,656	\$10,095,398	\$10,706,706	\$11,779,667	\$8,755,200 \$12,299,016	\$14,149,221
Retirement Costs	\$282,316	\$440,792	\$471,261	\$605,672	\$574,155	\$827,371
Health Care & Dental Costs	\$822,744	\$1,502,817	\$1,724,809	\$2,085,321	\$2,506,320	\$3,100,287
Total Costs of Capital (Fund 42)	\$874,954	\$220,000	\$83,082	\$1,254,445	\$972,750	\$670,500
Costs of DOC (Fund 10)	\$2,061,271	\$2,220,141	\$2,291,842	\$2,547,472	\$2,617,708	\$2,881,479
Costs of Human Services (Fund 10)	\$4,272,830	\$4,338,207	\$4,414,701	\$4,324,263	\$4,411,268	\$4,363,875
Property Taxes	\$9,840,870	\$9,336,760	\$9,433,119	\$9,433,119	\$9,283,721	\$10,594,871

Total amount of Budgets	\$19,613,985	\$21,174,490	\$21,207,928	\$24,210,025	\$25,998,660	\$27,629,657
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Bar graphs of the above were illustrated in the PowerPoint

In Summary

- 3% Increase in Wages
- 18% Increase in Medical Costs
- 25% Increase in Workmen's Compensation Costs
- 34% Increase in Retirement Costs

Public Announcement was made for the **County Convention: FY 08 Proposed Budget** to be held **Friday, June 29, 2007, 9 AM**, Newport at the Sugar River Valley Regional Technical Center, Lou Thompson Room.

The floor was opened for questions from Delegates:

- Q. Rep. Nielsen noted she sat on the House of Criminal Justice Safety Committee. She discussed the high cost of incarceration and social costs of recidivism, and asked what the County plans to do for programs other than incarceration?
- A. Commissioner Nelson noted the following programs are in place: Sullivan Academy, Community Alliance Court Diversion, SCIP, electronic monitoring, and recently, a grant application was submitted by Kevin Warwick to assess the juvenile issues.

- Q. Rep. Skinder noted the total salary was over 14 million for nursing, and asked what portion of that was for contract agency nursing?
- A. Commissioner Jarvis noted the contract nursing is shown in the On Call lines. Commissioner Nelson added, they are "growing their own" with current staff. Commissioner Barrette added the Board would be developing strategies with staff development and staffing per shifts.

- Q. Rep. Skinder noted Commissioners indicate higher health care cost in part is attributable from an increase in Emergency Room usage; and, asked if they had considered an in-house nurse to handle the smaller employee health problems. She also asked if they would be increasing deductibles.
- A. Mr. Gil de Rubio noted trips, slips and falls are their main problem. He indicated NH Primex is and will continue to come into the facility to provide training/education. He indicated, they need to change the culture, beginning from leadership level on down, this being his main goal. Commissioner Nelson encouraged all Delegates to schedule an appointment with SCHC administration to view the improvements in the facility bathrooms and other areas.

- Q. Rep. Rodeschin noted they have a 3% increase in wages and inquired if this was included in the Union contract?
- A. Commissioner Barrette confirmed it was across the board, that there were some "out of whack" with their responsibilities, and Union negotiations are ongoing.

- Q. Rep. Rodeschin inquired if the \$464,504 Strategic Framework grants funds came from the State or Federal government?
- A. Mr. Gil de Rubio confirmed this was federal money distributed through NH State.
- Q. Rep. Gagnon asked for clarification on Commissioner Jarvis's first statement regarding distribution of the \$240,000.
- A. Commissioner Barrette confirmed \$200,000 would be applied to staff development and staffing levels per shifts. Commissioner Nelson noted their main concern is LNA training. Commissioner Barrette added that translates into better patient care.
- Q. Rep. Houde inquired about the FY 08 Salary amount of \$8,755,200, and if that was the amount corrected on the extra hand out?
- A. Mr. Gil de Rubio confirmed it was, that it should reflect 12.2 million.
- Q. Rep. Phinizy noticed the salary for the Victim Witness program was \$46,000, but the budget "notes" do not indicate the previous salary or the amount it changed by.
- A. Commissioner Jarvis noted Ms. Vezina, the Victim Witness Coordinator, brought to their budget meeting statewide salary comparables, which they used to approve an approximate \$5,000 wage increase.
- Q. Rep. Phinizy observed the Sheriff's Office PT/FT wage increase was 3%, yet County Attorney's Office increases included a 5% rate, and inquired why not 3% across the board.
- A. Commissioner Barrette noted a handful received 5% wage increases workload increase and during budget reviews considered the cost of hiring a new person with benefits vs. increasing the wage rate on a current employee.
- Q. Rep. Phinizy asked what the effect was on the 3% increase.
- A. Mr. Gil de Rubio discussed the approximate cost of salary and benefits. Commissioner Barrette noted he could provide details of those who would receive 5% increases.
- Q. Rep. Franklin asked, "is there an authorized number of employees in the County? And, if so, has it increased or decreased?"
- A. Commissioner Barrette noted the budgeted number increased. He indicated, for example, inmate labor was used in the Dietary Department and in FY 07 was entered differently than in FY 08. He feels the controls are not in place, to control it in the manor Rep. Franklin would like to see.
- Q. Rep. Rodeschin asked if there are state requirements for staffing levels at the DOC?

- A. Commissioner Barrette confirmed there are no State statutes for DOC on staffing standards. Commissioner Nelson noted staffing levels at the nursing home are based on acuity levels.
- Q. Mr. Don Clarke indicated he noticed the spreadsheet Total Salary wage line shows an increase of 13%, not 3%, and questioned if this represented new positions due to the Genesis contract being cut?
- A. Commissioner Barrette noted there has been no shift in monies from the contract line to salary. Commissioner Nelson pointed out the Total Salary line includes benefits and should be labeled Salary and Benefits.
- Q. Rep. Skinder questioned whom the substance abuse program grants were for?
- A. Commissioner Barrette noted this was attained through the [Sullivan County Community] Coalition. Mr. Gil de Rubio indicated the County has been receiving grant funds for approximately four years for various programs, including SCIP (Sullivan County District Court Intervention Program). He noted the county has no employee substance abuse programs, except what is offered through the employees health care program. He added, most of the grant funds are targeted towards juvenile/young adults.
- Q. Mr. Clarke asked to revisit the spreadsheet, he noticed the health care and dental amounts are listed separately further down, so would not assume they would be lumped into the Total Salary line.
- A. Commissioner Barrette noted the Total Salary line did include benefits.
- Q. Rep. Cloutier asked if they anticipated Union negotiations to be over before the annual Convention?
- A. Commissioner Barrette and Mr. Gil de Rubio indicated they did not believe so.
- Q. Rep. Rodeschin indicated she just received an "Emergency Meeting Notice" from Rep. Converse about a meeting of the Board of Commissioners for 6/13/07, 8:20 a.m. at the SCHC. She asked what the meeting was about and why the notice was labeled "Emergency".
- A. Commissioner Nelson noted it was a meeting regarding personnel. Commissioner Barrette confirmed the notice is dictated by protocol.
- Q. Representative Cloutier observed one item that could change the County's budget is the State's budget, which would be voted on 6/27/07. He noted one difference would be a new way of funding for Human Services costs, with a proposal out there for the State to take on the cost of juveniles; while Counties take on the cost of senior care. He asked if the Board had any thoughts on this issue? He encouraged the Board to contact the Delegates to advise if this type of change would impact the County's budget in a negative or positive way.
- A. Commissioner Jarvis indicated she had been following the issue in the Concord Monitor and had seen several e-mails on the issue and would come to a conclusion. Mr. Gil de Rubio is concerned about the recent spreadsheet the State

circulated that contains numbers for Sullivan County he is unsure where they come from. He recommends Delegates consult with the Commissioners and him when receiving data from the State, for their observations on numbers. He further added, he is unsure how the State would divide the youth and senior cost fairly. Representative Ferland commented that if the State does not step up to fund the juvenile programs the County's invoice will continue to increase.

There were no further public comments or questions.

8:15 The public hearing was adjourned.

*Respectfully submitted,
Sharon Johnson-Callum*

Date approved: _____

Signature of current Clerk: _____

Sullivan County NH

Type of Meeting: Sullivan County Convention
Date / Time: June 29, 2007 / 9:00 am
Place: Sugar River Valley Regional Tech Center
Lou Thompson Room

Participants:

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), Larry Converse, John Cloutier, Tom Donovan, Brenda Ferland, Sue Gottling, Matthew Houde, Arthur Jillette, Jay Phinizy, Beverly Rodeschin and Carla Skinder
Commissioners: Ethel Jarvis, Ben Nelson and Jeff Barrette
Elected Officials and County Employees: Sherrie Curtis, Laurie Geer, Ed Gil de Rubio, Mark Hathaway, Jan Hughes, Sharon Johnson-Callum, Sharron King, Michael Prozzo, Dodi Violette, Seth Wilner and Scott Wojtkiewicz
Public Participants: Helen Charpentier and Donald Clarke
Press and Media: Aaron Aldridge and Peter Martin

The County Convention was called to order by Rep. Franklin at 9:15 am.

Agenda Review:

1. Open Meeting – Welcome & Introductions
2. Minutes: Review & Approve
 - June 11, 2007
3. Public Comments on Proposed FY 08 Budget
4. Report from Executive Finance Committee
5. Presentation and Consideration of the Proposed County Budget
6. Any other Old Business
7. Any other New Business
 - Motion to accept and expend funds
 - Motion for transfer of funds, RSA 24:14.1
 - Any other new business
8. Adjourn Meeting

County Employees and elected officials introduced themselves and were welcomed by the Chair.

Rep. Converse moved that the minutes of the delegation meeting of June 11 be accepted. Rep. Jillette seconded this motion. The minutes were accepted by voice vote, with Reps. Ferland and Rodeschin abstaining, because they had been absent for that meeting or part of that meeting.

Rep. Franklin invited public comments on the 2008 budget; there were none.

Report of Executive Finance Committee:

Rep. Ferland presented a report from the Executive Finance Committee. She stated that the committee had met several times since the budget hearing on June 12, but had been unable to approve the Commissioner's budget which was presented on that day,

and had been unable to complete the task of revising that budget. However, the EFC expects to be able to recommend a revised budget to the delegation by July 13, and requests that a delegation meeting be scheduled for that day. Therefore, Rep. Ferland moved that the delegation pass a continuing resolution which would allow the county to meet payrolls and provide essential services after the end of the 2007 fiscal year on June 30. Rep. Donovan seconded this motion, and Rep. Ferland spoke to the motion. Discussion followed. Several members of the EFC noted that although the EFC had met a number of times, and a quorum had been present for at least part of each meeting, there had been many last minute changes, including ending the nursing home management contract with Genesis. The EFC members had discussed the concept of a continuing resolution and several stated that they were in favor of such a resolution. However, no member of the EFC except Rep. Ferland had seen the text of the resolution which was presented to the delegation, because it had been drafted that morning. Members of the delegation reached a consensus that the resolution needed to be approved by the EFC before being voted on by the full delegation. Also, several changes in wording were suggested by representatives. Since County Attorney Mark Hathaway was present, he was asked to review the resolution.

Rep. Rodeschin moved that the motion for a continuing resolution offered by Rep. Ferland be put on the table. The motion was seconded by Rep. Gottling. The motion passed.

While the county attorney reviewed the handwritten text of the continuing resolution drafted by Rep. Ferland, the delegation continued to discuss the current state of the county finances. Rep. Franklin asked several questions related to the cash flow document provided a few weeks earlier by the accountant, Jeff Graham. We learned that the figures for the anticipated revenues from Pro-Share had been not accurate—the county received \$475,000, not \$740,000. It had been necessary to borrow an additional \$500,000 because the Pro-Share payment did arrive on 6/28, but not in time to cover the last payroll for the fiscal year. Rep. Franklin expressed his concern that the county had borrowed \$2,500,000 with no way to repay the loan. Rep. Donovan agreed that the delegation needs to have a better understanding of what happened in fiscal 2007 in order to avoid going deeper into debt in fiscal 2008.

At this point, the county attorney had finished reviewing the text of the proposed continuing resolution, and Rep. Houde asked him to give the delegation his findings. Mr. Hathaway stated that if the convention did not approve the commissioner's budget or pass a continuing resolution, the county would not be able to pay bills or do other financial business. Also, he stated that the resolution required some changes in wording.

Rep. Donovan moved that the convention be recessed for a short time to allow the EFC to meet for the purpose of amending the proposed continuing resolution. Rep. Ferland seconded the motion. Rep. Franklin suggested that the delegation, as a committee of the whole, rather than the EFC, should draft a different continuing resolution. Rep. Rodeschin suggested that the ex-officio members of the EFC meet with the EFC during the recess. Several representatives requested a vote on Rep. Donovan's motion for a recess so that the EFC could meet. The motion passed, 12-1.

The convention recessed at approximately 10:15 am. During the recess, the voting members of the EFC (Reps. Ferland, Cloutier, Converse, Donovan and Gottling), joined

by the ex-officio members of the EFC (Reps. Franklin; Gagnon and Nielsen) and assisted by County Attorney Hathaway, met to draft an amended version of the proposed continuing resolution.

The convention was again called to order at 11:15 am. Rep. Donovan moved that the motion by Rep. Ferland for a continuing resolution be taken off the table, and Rep. Cloutier seconded this motion. The motion passed unanimously. Rep. Ferland moved to amend her original resolution by replacing the whole with the following words:

A resolution making temporary appropriations for the expenses and encumbrances of the County of Sullivan:

Whereas, a budget has not been enacted for the fiscal year 2008 and
Whereas, action at this time is necessary to carry out the functions of county government after fiscal year 2007 and prior to enacting said budget acts, now therefore be it resolved by the Sullivan County Delegation convened:

- A. That the County Commissioners and elected officials expend funds to continue the necessary operations of the County.
- B. The authorization provided in this resolution shall be deemed to be the County Convention's 2007 sums necessary to discharge obligations.
- C. This resolution shall take effect July 1, 2007 and continue in effect until an operating budget is enacted, but no later than September 1 of 2007.
- D. The Delegation appropriates two million dollars to be expended for the necessary operations of the County.

The motion by Rep. Ferland was seconded by Rep. Rodeschin. Discussion followed. Rep. Franklin and Rep. Phinizy said that the continuing resolution should include an authorization for the commissioners to borrow money, since any revenues coming in during the period will be used to pay for fiscal 2007 expenditures. Rep. Ferland then offered a "friendly amendment" to her proposed amended resolution to allow borrowing. The motion to amend was seconded by Rep. Rodeschin and was passed by a voice vote. Rep. Franklin moved that the words "and encumbrances" be removed from the amended resolution. The motion was seconded by Rep. Converse. Discussion followed. Rep. Gagnon said that the real issue is to come up with a budget for fiscal 2008. Rep. Rodeschin said that she wanted to move that the convention adopt the commissioners' 2008 budget. Rep. Franklin pointed out that there was a motion on the floor (the motion to strike "and encumbrances"). Rep. Phinizy moved the question and Rep. Houde seconded this motion. The motion to strike "and encumbrances" passed 8-5.

Rep. Rodeschin again said that she wanted to move that the convention accept the commissioner's 2008 budget and was again told by the chair that there still was a motion on the floor. Rep. Franklin asked if there was further discussion of the motion for a continuing resolution, as amended, which now reads as follows:

A resolution making temporary appropriations for the expenses of the County of Sullivan:

Whereas, a budget has not been enacted for the fiscal year 2008 and
Whereas, action at this time is necessary to carry out the functions of county government after fiscal year 2007 and prior to enacting said budget acts, now therefore be it resolved by the Sullivan County Delegation convened:

- A. That the County Commissioners and elected officials expend funds to continue the necessary operations of the County.
- B. The authorization provided in this resolution shall be deemed to be the County Convention's 2007 sums necessary to discharge obligations.
- C. This resolution shall take effect July 1, 2007 and continue in effect until an operating budget is enacted, but no later than September 1 of 2007.
- D. The Delegation appropriates and allows borrowing of up to two million dollars to be expended for the necessary operations of the County.

Hearing no further discussion of the proposed continuing resolution, Rep. Franklin called for a vote. Rep. Cloutier requested a roll call vote. The motion passed, with the representatives voting as follows:

- YES: Cloutier, Converse, Donovan, Ferland, Franklin, Jillette, Phinizy, Gagnon, Gottling, Houde; Nielsen
- NO: Rodeschin; Skinder

Consideration of the Proposed County Budget:

Rep. Rodeschin moved that the convention approve the commissioners' proposed budget of \$27,629,657.00 for fiscal year 2008. Rep. Skinder seconded the motion.

There was extended discussion of this motion:

Rep. Ferland said that she understood the frustration but said that she had already cancelled her vacation and scheduled four EFC meetings during the coming week. During the previous two weeks, many members of the delegation were required to be in Concord, but now they are free to work on the county finances.

Rep. Donovan echoed Rep. Ferland's remarks and invited Rep. Rodeschin to participate in the work of the EFC during the coming week.

Rep. Phinizy said that he supports Rep Rodeschin's motion.

Rep. Converse said that the whole delegation should meet to work on the budget.

Rep. Houde asked if at this time the commissioners would recommend any changes in the budget.

Comm. Barrette said despite some last minute policy changes he is comfortable with the budget—the money which was to be appropriated for contracted services [from Genesis] will be used for nursing services.

Comm. Jarvis stated that she has one concern—after further study she believes the commissioners may have overestimated the average daily census of residents at the nursing home, and therefore may have overestimated the revenue from the nursing home.

Comm. Nelson said that he is comfortable that the money which was expected to be spent for contracted services will cover the cost of a transition plan, and that he believes we can work to increase the census.

Rep Houde asked if it would be possible to amend the budget and vote on it at this convention.

Rep. Franklin asked for more details about the nursing home census. Comm. Jarvis responded that the projected census had been 151, but there usually were not this many residents at the nursing home. Mr. Gil de Rubio said this goal was reached in two or three months out of twelve.

Rep. Phinizy asked if the commissioners wanted to amend the census projection and thereby amend the budget.

The commissioners first asked for a short recess and then suggested that the convention break for lunch. After a few more minutes of discussion Rep. Franklin asked for and obtained a consensus about breaking for lunch. Mr. Gil de Rubio reminded the convention that the county office was hosting a lunch barbecue for a cost of \$4.00. The convention was recessed for lunch at 12:20 and participants were asked to re-convene at 1:15.

The convention was called to order at approximately 1:20 pm. During the recess, the commissioners had prepared some figures, based on a change in the projected census at the nursing home. Assuming that the projected average daily census is reduced from 151 to 147 (3 Medicaid patients and 1 Medicare patient) the projected revenues would be reduced by \$313,995.00. It is unlikely that a reduction in the patient census would result in any reduction of expenses. Several people pointed out that this reduction in revenue is not significant in relation to the total budget. However, it may be necessary to make other adjustments. Commissioner Barrette noted that the cost of the employee's health and dental insurance went up by \$600,000 this year. Discussion of Rep. Rodeschin's motion to accept the commissioners' proposed budget continued. Some representatives felt it was important to come out of the convention with a budget, in order to support the commissioners and restore public confidence in the county government, while others felt that since the convention had passed a continuing resolution, there would be time for the EFC to complete its work of reviewing the commissioner's budget, and perhaps to identify ways in which it could be cut. It was pointed out that the EFC had already put in a lot of time and work, and that it is the duty of the EFC and the delegation to scrutinize the county budget.

Rep. Phinzy asked to move the question—to vote on the motion to accept the commissioner's budget of \$27,629,657.00 for fiscal year 2008. Rep. Franklin asked if more people wanted to comment before voting. Rep. Rodeschin asked if it would be necessary to state in the motion how much money would be raised by taxes. Rep. Ferland offered a "friendly amendment" to the motion, adding the amount to be raised by taxes—\$10,594,871.00. Rep. Phinzy seconded the motion to amend, and the motion passed. Rep. Skinder asked to move the question, and Rep. Phinzy seconded the motion and requested a roll call vote. The motion failed 4-9, with representatives voting as follows:

- YES: Phinzy, Rodeschin, Houde and Skinder
- NO: Cloutier, Converse, Donovan, Ferland, Franklin, Jillette, Gagnon, Gottling and Nielsen

Rep. Gagnon then moved that that the EFC should meet, along with other members of the delegation, to continue its work, and report back to the full delegation on July 13. Rep. Donovan seconded the motion. An extended discussion about how much participation by other delegation members in the work of the EFC is appropriate followed this motion. Some felt that participation by most of the representatives would streamline the work and reduce the number of meetings required for the delegation to act on the budget. Others thought that a larger working group would work more slowly, and pointed out that a committee of the whole would require seven members to have a quorum. Rep. Ferland asked Rep. Gagnon to consider withdrawing his motion. After further discussion, Rep. Gagnon withdrew his motion.

Other New Business:

Rep. Cloutier moved that the commissioners be allowed to accept and expend funds while the continuing resolution is in effect. Rep. Phinizy seconded the motion. Sheriff Prozzo explained that he was expecting some State and Federal law enforcement grants. The motion passed by a voice vote.

Rep. Converse moved that the commissioners be required to get written permission from the EFC for transfers of funds. Rep. Gottling seconded the motion. There was disagreement about whether such a requirement should apply to transfers from one line item to another or only to transfers from one fund to another. Rep. Donovan suggested that instead of passing this motion, the delegation and the commissioners should work together to create a memorandum of understanding regarding the transfer of funds.

Rep. Phinizy called the question and requested a roll call vote on the motion by Rep. Converse. The motion failed, 2-8, with representatives voting as follows:

- YES: Converse and Franklin
- NO: Cloutier, Donovan, Jillette, Phinizy, Gagnon, Gottling, Houde and Nielsen

Rep. Donovan moved that the chair appoint a committee to work with the commissioners to develop a letter of understanding regarding transfers of funds. Rep. Gottling seconded this motion. Rep. Franklin asked for discussion and hearing none, called for a vote. The motion passed by a voice vote.

Rep. Franklin appointed Reps. Donovan, Gottling and Houde to the committee. Rep. Cloutier then suggested that the meeting be recessed until Friday, July 13, at the commissioners' office. The convention was recessed at approximately 3:00 pm.

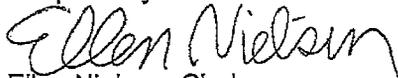
Next Steps:

Executive Finance Committee meetings at the Newport County Complex:

- Monday, July 2 at 1:00 pm
- Tuesday, July 3 at 10:00 am
- Thursday, July 5 at 10:00 am
- Friday, July 6 at 10:30 am

Full Delegation Meeting on Friday, July 13 at 10:00 am at the Newport County Complex

Respectfully submitted


Ellen Nielsen, Clerk

Sullivan County NH

Type of Meeting: Sullivan County Full Delegation
Date / Time: July 13, 2007 / 10:00 am
Place: Sullivan County Probate Court

Participants

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Brenda Ferland, Sue Gottling, Matthew Houde, Arthur Jillette, Jay Phinizy, Beverly Rodeschin and Carla Skinder

Commissioners: Ethel Jarvis and Ben Nelson

Other elected Officials and County Employees: Ed Gil de Rubio, Marc Hathaway, Sharon Johnson-Callum, John Milliken, Michael Prozzo, Cynthia Vezina and Seth Wilner
Two public observers

Media: Aaron Aldridge, *Eagle-Times*; David Corriveau, *Valley News*; Peter Martin, Community TV

The meeting was called to order by Rep. Franklin at 10:03 am. This meeting was a continuation of the recessed County Convention of June 29, 2007.

Agenda Review:

The main item on the agenda was to be a report and recommendation regarding the county budget for fiscal 2008 from the Executive Finance Committee of the delegation.

Minutes of the June 29, 2007 County Convention:

Rep. Converse moved that the minutes for June 29 be accepted and Rep. Gagnon seconded the motion. Rep. Skinder noted that she had suggested that county employees should be informed, by the Human Resources Department, that their health insurance and retirement benefits are part of their compensation package and also should be informed how much the county pays for these benefits, and that her suggestion had not been recorded in the minutes of the county convention. Rep. Rodeschin suggested that the clerk record this comment in the minutes of this meeting, rather than changing the minutes of 6/29, and Rep. Skinder accepted this suggestion.

After a correction of a typographical error noticed by Rep. Houde, the minutes were accepted by a voice vote.

Report of the Executive Finance Committee:

Rep. Ferland reported on the deliberations of the EFC since June 29. The committee held many meetings and was able to recommend a number of budget cuts. Rep. Ferland summarized the budget cuts, which included holding all pay increases for county employees at 3%, reducing the amount appropriated for county grants by about \$100,000, elimination of an appropriation for autopsies (which will now be picked up by the state), elimination of a proposed new position in the administrative office of the county home, reduction of the appropriation for recreational therapy at the county home, and eliminating items in the capital budget, including holds on funds for continued planning for a new correctional center and an assisted living facility. Rep. Ferland provided members of the delegation with a five-page chart showing changes made to the proposed 2008 budget between 4/4/07 and 7/12/07 in chronological order. On page 3, the chart shows that on 5/30/07, the commissioners approved a budget for \$27,629,657.00, with \$10,594,871.00 to be raised in taxes (the budget which was presented in a public hearing on 6/12/07.) On page 5, the chart shows the final budget proposed by the EFC, which is for \$27,330,610.00, with \$10,369,380.00 to be raised in taxes.

The presentation by Rep. Ferland was followed by extensive discussion among the representatives and between representatives and the County Manager: Rep. Donovan asked Mr. Gil de Rubio if there was any plan to pay back the \$2,500,000.00 which the county had borrowed in fiscal 2007. Mr. Gil de Rubio responded "We will do our best." Rep. Donovan asked a follow-up question about newspaper reports that the county home is losing \$4000.00 per day. This resulted in a discussion about a drop in the nursing home census to 130 patients. Mr. Gil de Rubio said that hospitals are not referring Medicare patients to the county home and attributed this drop in referrals to uncertainty about the quality of care available during the transitional period after Genesis leaves. Rep. Franklin noted that part of the drop in the census was due to deaths of patients.

Rep Rodeschin asked what would happen if the union contract which is currently in negotiation resulted in a pay increase of more than 3%—how could we honor the contract? Rep. Ferland responded that the contract could be honored only by not filling positions. Rep. Gottling stated that the EFC had not changed the commissioners' assumptions about the contract negotiations. Rep. Rodeschin asked if it would be fair if union employees were to receive a larger pay increase than non-union employees. Rep. Gottling responded that union members pay a larger percentage of the cost of their health insurance than non-union employees (18% as opposed to 10%).

There was extensive discussion of the cut in the line item for recreational therapy. Mr. Gil de Rubio expressed concern that if recreational activities were not available on holidays and at night the nursing home would be in violation of state regulations. At the request of Rep Phinzy Rep. Donovan pointed out that the appropriation represented the actual salaries and benefits plus 15% to cover shift differential and holiday pay. Rep. Phinzy asked the commissioners what they thought. The commissioners were split—Comm. Nelson said the department heads request should have been honored but Comm. Jarvis said that the amount recommended by the EFC which left the amount of the salaries plus 15% would be enough. Rep. Ferland said that she did not support the EFC budget because she felt it was a mistake to cut any salaries. Rep. Donovan said that we owe it to the public to take note of discrepancies and correct them.

Rep. Houde asked if there had been any areas of consensus among the members of the EFC. Rep Ferland said there had not been any consensus and that there is no fluff in the budget. "We never can return any money to the taxpayers—all we can do is hold the line." Rep. Skinder agreed with Rep. Ferland that the delegation budget should not cut personnel or cut their salaries—we should retain the personnel that we have and pay them competitively. Rep. Franklin pointed out that although Genesis had promised to eliminate spending for agency nursing but that between December of 2006 and June of 2007 the nursing home had spent \$213,000.00 on agency nursing, an amount that was not appropriated in the budget. Rep. Gottling said she thought that the EFC had reached consensus on many items as they worked with the budget.

Rep. Cloutier moved that the delegation accept the EFC recommendation and vote for a budget for fiscal 2008 of \$27,330,610.00 with \$10,369,380.00 to be raised in taxes. Rep. Gagnon seconded the motion.

Discussion of the motion followed: Rep. Cloutier spoke to his motion, saying that although the budget was not perfect the EFC had worked hard to find cuts. With regard to holding pay increases at 3%, the delegation should remember that teachers in Claremont will receive no pay increases because the Claremont school budget was voted down. "We need to get a budget in place." Rep. Gagnon also spoke to the motion, saying that we must pass a budget and begin working together. Rep. Phinzy asked a question about one area where the EFC had increased a line item—the

Claremont Soup Kitchen had requested a county grant of \$15,000.00 and had received \$20,000.00. Rep. Cloutier said that the \$5000 increase was a one-time-only event and was added because the soup kitchen serves the entire county and may need to re-locate soon.

Rep. Rodeschin asked if the public participants could be allowed to add their comments to the discussion. Rep. Franklin said that this meeting was not a public hearing and that members of the public could not make comments unless asked a specific question by members of the delegation.

Rep. Rodeschin said that if members of the public were not allowed to speak then she would make a motion to move the question (on Rep. Cloutier's motion to pass the EFC budget). Rep. Skinder seconded this motion. Rep. Franklin said that he would not accept Rep. Rodeschin's motion to move the question because there were people who wished to speak. Rep. Rodeschin moved to challenge the chair. Rep Skinder seconded this motion.

Rep. Phinzy made a parliamentary inquiry—if he wanted to amend Rep. Cloutier's motion would he vote against the challenge to the chair? Rep. Franklin answered that he would. Rep. Ferland offered a further parliamentary inquiry—asking the chair to explain why county employees in the audience should not be allowed to participate in the discussion of the budget. Rep. Franklin repeated his statement that this meeting was not a public hearing and that county employees would not be allowed to speak unless asked a question by a member of the delegation. Rep. Nielsen said that she wanted to ask a question of the person who had had his hand raised for some time, and was cut off because a motion to challenge the chair, a non-debatable motion, was on the floor.

Rep. Franklin asked for a show of hands vote on the motion to challenge the chair. The motion failed by a vote of 3 to 10.

Rep. Phinzy observed that if the delegation had been allowed to vote on Rep. Rodeschin's original motion to move the question that motion would have failed.

Rep. Donovan said that before voting on Rep. Cloutier's motion to pass the EFC budget he wanted to ask the commissioners if they would be able to address the concerns of the delegation more fully than they had during the previous year by providing the delegation with financial information in a timely manner. Comm. Jarvis said that she could only speak for herself but that she would provide requested financial information to any member of the delegation.

Rep. Franklin then spoke against the motion to pass the EFC budget: He said that in its urgency to present a budget at this meeting the EFC had created an arbitrary deadline and that the budget did not need to be presented until the end of August. There still are problems with the budget which must be fixed. The commissioners' budget and the EFC budget differ by only \$300,000.00. Both budgets ignore the problem of the \$2,500,000.00, which was borrowed in fiscal 2007 and must be paid back. The county has no money and must immediately begin borrowing again. The county has spent more than was appropriated during fiscal 2007 and this is contrary to statute.

Rep. Donovan said that we have to pass the budget today and move on and work as a team. The delegation needs a commitment [to candor] from the commissioners and the delegation needs to be more patient and become more familiar with county government.

Rep. Ferland stated that she had asked the EFC to consider how to repay the debt by adding money for loan repayment to the budget, and said that the EFC would be meeting early in August.

Rep. Phinzy offered a motion to amend the motion to pass the EFC budget by reducing the county grant to the Claremont Soup Kitchen by \$5000. The motion was seconded by Rep. Gottling.

Discussion followed. Rep. Skinder said we should not make cuts that will impact on the well-being of our community. Rep. Ferland said that it sets a bad precedent to give any agency a larger grant than they have requested. Rep. Converse pointed out that the Federal funding for the soup kitchen had been cut after the grant request had been made. Rep. Donovan said that he would abstain from voting on this amendment because he is on the board of the soup kitchen.

Rep. Franklin called for a vote on the amendment to cut the grant for the soup kitchen by \$5000.00 and Rep. Ferland requested a roll call vote. The motion failed, with representatives voting as follows:

YES: Ferland, Houde and Phinzy

ABSTAINING: Donovan

NO: Cloutier, Converse, Franklin, Gagnon, Gottling, Jillette, Nielsen, Rodeschin and Skinder

Rep. Ferland then moved the question on Rep. Cloutier's motion to pass the EFC budget. Representatives voted unanimously to move the question.

Rep. Franklin then asked for a roll call vote on the motion to pass the EFC budget for a sum of \$27,330,610.00 with \$10,369,380.00 to be raised in taxes.

The motion passed, with representatives voting as follows:

YES: Cloutier, Converse, Donovan, Gagnon, Gottling, Jillette, and Nielsen

NO: Ferland, Franklin, Houde, Phinzy Rodeschin and Skinder

Rep. Franklin announced that he would be calling for a delegation meeting at the end of August and at that time he would be resigning as chair of the delegation because he could not sign the MS-42 for the fiscal 2008 budget. Between now and that meeting, delegates should consider whom they wanted to elect as chair for the rest of the biennium.

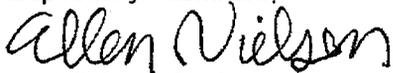
Rep. Ferland made a motion to adjourn the meeting at 12:20 pm. The motion passed unanimously.

Next Steps:

Meeting of the Executive Finance Committee in early August at the call of the chair.

Full delegation meeting at the end of August at the call of the chair.

Respectfully submitted,



Ellen Nielsen, Clerk