

Sullivan County NH

Type of meeting: Board of Commissioners Public Meeting
Minutes
Date/Time: Tuesday, September 16, 2008; 3:00 PM
Place: Unity Complex – Sullivan County Health Care Facility – Activities Room.

Attendees: Commissioners Jeffrey Barrette – *Chair*, Bennie Nelson – *Vice Chair*, and Ethel Jarvis – *Clerk*; Greg Chanis – County Administrator; High County Sheriff Michael Prozzo; Terry Callum – *Crescent Lake Snowmobile Riders Club President*; Peter Farrand – *Human Resources Director*; Ross Cunningham – *DOC Superintendent*; John Gramuglia, MBA, LICSW, LADC, LCS – *DOC Inmate Programs Director*; and Sharon Johnson-Callum (minute taker).

Special Guests: Daniel Gokey – *DOC Sergeant*, Joe Brookens – *DOC Corporal/Day to Day THU Supervisor*, Jason Lemere – *DOC Sergeant Supervisor Third Shift*, Lisa Kelly – *Smith College Intern*, Hilary Garrison-Botsford – *Smith College Intern*, and Maureen Barnes – *NH Technical Center*.

Other attendees: State-County Delegate Larry Converse; Ben Bulkeley – *Eagle Times Staff Reporter* and Gail Moeller – *Claremont Resident*.

3:15 The Chair, Jeffrey Barrette, brought the meeting to order. Mr. Chanis led all in the *Pledge of Allegiance*.

Agenda Item No. 1 Crescent Lake Snowmobile Riders Club Trail Proposal Update, Terry Callum

A copy of The Mills Place Sullivan County Farm Woodlands map [Appendix A] was distributed with marking of proposed trail route. Mr. Callum discussed the map and route. He discussed his work with two abutters: Randy Adams and Rod Gray, who both approved the trail construction, which began on those two properties. Since then, one of the properties was sold to Triple T Logging. He noted Triple T will be performing a major cut this winter and has requested no trail work during that period, but requested the club to attain permission next year. Mr. Callum pointed out with the two logging operations: one on Triple T and the other by County near the Marshall Pond, they could make changes to the trail - using areas where the logging projects occur; they would only be able to perform ½ the trail upgrades this year due to logging; part of their trail would go down the Marshall Pond access road, which runs parallel to the pond. The group discussed this more and then decided to tour the area with Mr. Callum @ 1:30 PM October 14th. They will meet at the Marshall Pond gateway.

Non Agenda Item Marshall Pond Logging Operation

Mr. Chanis noted the timber bid deadline is 9/18/08, with bids going to the foresters office.

Agenda Item No. 2. Superintendent's Report

Agenda Item No. 2.c. Promotions

Superintendent Cunningham distributed Certificates signed by the Board and Superintendent, for the following promotions:

- ◇ Joe Brookens promoted to Correction Corporal/Day to Day THU Supervisor
- ◇ Jason Lamere promoted to Sergeant Supervisor Third Shift
- ◇ Daniel Gokey promoted to Sergeant

Non Agenda Item DOC Interns

Supt. Cunningham introduced interns Lisa Kelly, Hillary Garrison-Botsford, and Maureen Barnes (from Tech System), who are working with John Gramuglia.

Agenda Item No. 2.a. Census

Supt. Cunningham distributed copies and reviewed the DOC Census Report [Appendix B]

Agenda Item No. 2.b. Staffing

Supt. Cunningham noted DOC recently recruited a Marine Core member.

Non Agenda Item DOC Policy Manual

Supt. Cunningham presented the Board with a copy of the recently ratified DOC Policy Manual.

Agenda Item No. 3 Sullivan County Health Care Administrator's Report

Non Agenda Item NH Survey Team

Mr. Purdy noted the NH State surveyors arrived yesterday, are presently in place, and anticipate they will depart tomorrow.

Agenda Item No. 3.a. Census

Mr. Purdy noted census reports were distributed [Appendix C.1-7]

Non Agenda Item August Financials

Ms. Johnson-Callum confirmed Ms. Violette placed hard copies on the desks [and e-mailed] of the Board members this past week.

3:30 Mr. Gokey, Lamere and Brookens left the room.

Agenda Item No. 3.b. Staffing

Mr. Purdy noted Lisa Goodrich [Facilities Central Supply] will take on the External Care Coordinator position in a couple weeks. He noted she has the personality, drive and motivation that will benefit the County nursing home.

Non Agenda Item Premium Per Diem Proposal for Nursing Staff

Mr. Purdy distributed a "Premium Per Diem Proposal for Nursing Staff" document [Appendix D.], and discussed current and proposed rate. The issue: per diem staff has the ability to say "yes" or "no" to a schedule, this makes it difficult to locate per diem staff to fill in. The proposal would offer a \$2 per hour premium, an incentive, if the per diem staff person commits to a 12-week period schedule. Mr. Purdy

confirmed their per diem rates are currently competitive, but to add the premium to the rate would enhance the attractiveness. He noted, budget wise compared to agency, it would be a savings. Mr. Purdy confirmed 2-3 staff accepted the weekend shift program offered. He noted, though numbers in the programs are low, these two programs are a benefit to the whole program package. Mr. Farrand left the room to attain Per Diem staff numbers, and returned to indicate 25 are in the system, with approximately 18-20 working. Mr. Farrand noted if a per diem refuses a shift three times, they no longer are on the list. The Board expressed concern about guarantees the per diem receiving the premium rate would remain in the 12-week period and briefly debated the issue.

3:47 Ms. Kelly and Ms. Garrison-Botsford left the room.

3:52 Motion: to authorize the nursing home Administrator to implement the policy premium per diem proposal for nursing staff dated Sep 15, 2008.

Made by: Nelson. Seconded by: Jarvis.

Amendment to motion: add the words, "with tracking". Made by: Jarvis. Seconded by: Nelson.

No discussion. Voice vote taken: All in favor. The motion with amendment carried.

3:54 Mr. Purdy was called out of the room at this point.

Agenda Item No. 4 County Administrators

Agenda 4.a. Draft Transfer of Benefit (ET) Policy

Mr. Chanis noted he distributed a draft "Voluntary Shared Leave" document [Appendix E.1-2], per a previous request of the Board. He confirmed he did not have a copy of the State's policy, but noted it differs as it does not distinguish between family members and co-workers and allows both to offer transfer of benefits. He confirmed there has never been a policy for this. Commissioner Jarvis pointed out there was a case that reached them previously. He noted the draft does not include instructions to have all requests come before the Board, as, once it's a policy, that is not the way the other policies are handled. Mr. Farrand noted this new policy would need to be negotiated with the Union. Mr. Farrand noted if the policy were to be approved, there would be cost consequences – currently when an employee leaves and does not use sick leave there is no cost vs. if the new policy was approved with the switching back and forth of benefits the Board attaches a financial side, which may not have been budgeted; also, with the new policy, if someone leaves who has sick time accumulation they would have an option to transfer those to someone still at the County.

4:05 Mr. Purdy returned to the room.

A debate commenced on the prudence of putting this into policy vs. taking it on a case-by-case basis. The Chair requested the County help the employee as best as they can, but would not recommend creating a policy. Commissioner Jarvis concurred, noting her opinion is based on the County Attorney and Human Resource Director's previous recommendation. Mr. Chanis confirmed the employee would be notified of the Board's decision. Commissioner Jarvis requested a history of the previous case approved, then left the room with Mr. Farrand.

Agenda Item No. 3.c. Proposed Advisory Panel Update

Mr. Chanis noted he distributed a copy of a draft "SCHC Advisory Committee" document [Appendix F], which reflected a draft of the goal and items to determine. He noted NH Primex is excited about the idea and has agreed to facilitate the process once the make up and goals of the committee have been determined. The Commissioners noted they had not brought their lists of possible candidates. Commissioner Nelson would like to see a representative on the panel from each hospital in the area. Commissioner Barrette would like to see terms of the members be no longer than one year. The Chair requested Mr. Purdy draft a short list of facility challenges, for e.g.: census, economic viability - staff recruitment, and public relations. The Board will return to the next meeting with their own lists of ideas and invitees.

Non Agenda Item Accelerated Care Plus Contract

Mr. Purdy distributed a copy of the Accelerated Care Plus therapy equipment lease contract [Appendix G.1-12]. He noted \$1,000 a month was included in the FY09 budget general supplies line and pointed out the new contract would be \$950.

4:30 Motion: to authorize the Sullivan County Health Care Administrator to sign the [Accelerated Care Plus] contract.

Made by: Nelson. Seconded by: Jarvis. Voice vote: all in favor.

Agenda 4.d. Request for Transfer of Funds (RTF) [Appendix H.1-2]

Mr. Purdy noted, during the FY09 budget process they struggled, as group, to create a model for agency nursing and on call, which the Board adopted in their budget vs. using a fully staffed model the Delegation preferred and approved. In doing so, they are already seeing more agency nursing costs and the RTF forms distributed, reflect an amount they feel should get them through January 2009. Mr. Chanis wanted it clearly understood, he and Mr. Purdy knew once the Delegation passed their budget this type of transfer would be required early on in FY09 and had advised of this. The Chair suggested they approve the RTF, scratch off the signature of the EFC representative and make it happen. The Chair noted it is "statutorily ambiguous whether we do or do not have to do transfers". He also pointed out the Delegation took the Boards budget and shifted it to the model of fully staffed, not considering current actual. Both Commissioner Nelson and Jarvis disagreed with scratching the EFC representative signature from the form. Mr. Purdy confirmed the \$200,000 budgeted in contract nursing was the premium over an above being fully staffed.

4:39 Motion: to approve both transfer forms.

Made by: Nelson. Seconded by: Jarvis. Discussion-Commissioner Jarvis requested they "shuffle it" to the EFC. Nelson noted he agrees this is something that needs to be ironed out, but wants to also see it [the form] sent on. Voice vote: Jarvis and Nelson in favor. Barrette against. The motion carried with the majority.

Agenda Item No. 4.b. Registry Connor & Connor L-CHIP software development and installation invoice, Request to Use Equipment Fund / Surcharge Account Monies

Mr. Chanis noted NH State pooled \$50,000, which was distributed evenly among the ten counties for the L-Chip program. Sullivan County Registry of Deeds deposited their \$5,000 check to the Equipment Fund and is requesting to use funds from this account to pay for the Connor & Connor invoice [Appendix I.1-2] of \$3,750 for L-CHIP software development and installation. This request would require 2/3rd's vote from both the Board and the Delegation.

**4:44 Motion: to expend the \$3,750 [Connor & Connor] invoice from the Equipment Fund.
Made by: Nelson. Seconded by: Jarvis. Voice vote: All in favor.**

Agenda Item 4.c. Bond Counsel Engagement Letter

Mr. Chanis distributed a copy of the Devine Millimet Engagement Letter for proposed issuance of general obligation bonds by Sullivan County [Appendix J.1-3]. He reviewed costs reflected on page two, which totaled \$6,500 and noted this amount would be deducted from the bond proceeds.

**4:46 Motion: to grant the County Administrator authorization to execute the engagement letter.
Made by: Jarvis. Seconded by: Nelson. Voice vote: all in favor.**

Non agenda item County FY08 Audit

Mr. Chanis noted, as of Friday, the draft audit was on Frank Biron's desk for final review. Mr. Chanis received summary draft numbers from Sheryl, which he distributed [Appendix K.1-2]. He indicated this data was shared with the Delegation at yesterday's meeting. It was pointed out, even with actual "right on" budget the County would still have a negative, around \$433,000, due to audit adjustments. Mr. Chanis confirmed he would be scheduling an "exit interview date". He also contacted the Local Government Center (LGC) to have them rerun health insurance numbers with two months of real numbers for the IBNR. LGC has indicated there is one claim, in the \$50,000 range, pending. Melanson Heath is willing to change health insurance numbers if LGC provides an actuarial trail. Mr. Chanis confirmed the term "depreciation expense" relates to the aging of assets. For e.g., they expense a portion of the building cost each year. He pointed out this data is useful to future planning where these funds would be placing aside as capital reserve to replace the item(s).

Agenda Item No. 5 Commissioners Report

The Board reviewed the draft Commissioner Report to be included in full 2008 Annual Report for the County, along with a draft of the dedication. The members discussed and decided no changes were needed.

Non Agenda Item July 29, 2008 4:43PM Motion

Commissioner Jarvis questioned if the Board would be redoing the previous health care motion. Mr. Chanis reminded the Board he has no authorization to change the

healthcare until the Board makes a new motion. He confirmed Union staff is on Primex 10 and non-union on Primex 5. No further discussion at this point.

Non Agenda Item

Financial Position-Update

Mr. Chanis distributed copies of the draft Account Manager position document [Appendix L.1-3] and the ad document [Appendix M] Human Resources placed for the position. Mr. Chanis confirmed he'd provide an update to the Board at a later meeting.

Agenda Item No. 6 Public participation

Gail Moeller, Claremont Resident - Worked in VT in social services that impacted nursing homes. She knows of a VT resident on Medicaid waiting to enter a VT nursing home, but was admitted immediately to Sullivan County. Her point, this should not compete with private, so the thought to raise the nursing home census is a losing battle. Commissioner Barrette pointed out Sullivan County Health Care included all private, Medicaid, and Medicare.

Gail Moeller, Claremont Resident - Recommended the Board post for the Advisory Panel members.

Gail Moeller, Claremont Resident - Noted her 3rd concern was the jail and community corrections center. She requested to see where the statistics regarding numbers incarcerated and the 75% recidivism rate, discussed in previous meetings and at the public hearing, came from. She feels the building is unnecessary, the presentations a "slick sales pitch", referred to County employees with their feet up on the desks, receiving large pensions and wages, and the project will attract trailer people and vagrants. Superintendent Cunningham noted he left voice mails with Ms. Moeller several times to share the statistics, but received no return calls. At this point, he handed Ms. Moeller the *2007 April Ricci Greene Associates Jail Facility Needs Assessment*. Commissioner Barrette commended Supt. Cunningham for the public presentations and feels the County did the right thing. Ms. Moeller continued to express her disfavor for the project, then left.

State-County Delegate Larry Converse - expressed concern about the employee health insurance, asking "if we wait six months, how much more do we save? When are we going to offer Group 10?" Commissioner Nelson feels all employees should be treated as fairly as possible and was upset non-union received 2%, while union received 3%. He noted, with the wording of the motion, it was his intent for non-union to pay less for health insurance, if they did not receive a comparable raise. He feels the Delegation does not have the authority to micromanage.

Commissioner Jarvis - recommended the Board listen fully to those wanting to speak in public when they have public participation.

Sheriff Michael Prozzo - was unclear about an item on the agenda so attended today's meeting in case they made a formal decision about the health insurance issue. He urged the Board to reconsider the issue and move on. Commissioner Nelson surmised what he felt he heard from employees at the special non-union employee meetings: if they did not receive a 3% raise, then they would appreciate the Board not messing with their health insurance. Sheriff and Supt. Cunningham

concurrent. Commissioner Barrette pointed out he was agreeable to holding a motion pertaining to just the rebate issue. The Board made no decision regarding this issue.

Commissioner Barrette – requested the “Shooting Range” issue be added to the 9/30 meeting agenda. The group discussed the planning process. They discussed the idea of the County approving the concept with a few specifics and letting the sportsman club finalize the plan.

Supt. Cunningham - confirmed Ms. Moeller requested decades of data, which the County does not have on software. He noted he gave her the assessment tool [Ricci Greene Associates report], the data is constructed from best practice models, and expressed dissatisfaction in words she spoke, which questioned the integrity of his staff.

Agenda Item No. 7 Meeting Minutes Review

Agenda Item No. 7.a. Sep 2, 2008 Public Meeting

**5:51 Motion: to accept the Sep 2 2008 Public Meeting as printed.
Made by: Nelson. Seconded by: Jarvis. Voice vote: all in favor.**

Agenda Item No. 7.b. Sep 2, 2008 Executive Session 4:41PM

**5:53 Motion: to approve and leave sealed, not permanently, the 9/2/08 4:41 PM Executive Session minutes.
Made by: Jarvis. Seconded by: Nelson. Voice vote: all in favor.**

Agenda Item No. 7.c. Sep 2, 2008 Executive Session 5:01PM

**5:54 Motion: to approve and release the 9/2/08 5:01PM.
Made by: Nelson. Seconded by: Jarvis. Voice vote: all in favor.**

Agenda Item No. 7.d. Sep 2, 2008 Executive Session 5:46PM

**5:56 Motion: to approve and release the 9/2/08 5:46 PM Executive Session minutes.
Made by: Nelson. Seconded by: Jarvis. Voice vote: all in favor.**

**5:56 Motion: to adjourn the meeting.
Made by: Jarvis. Seconded by: Nelson. Voice vote: all in favor.**

Respectfully submitted,


Ethel Jarvis, Clerk
Board of Commissioners

EJ/s.j-c.

Date signed: 10-8-08



Sullivan County NH, Board of Commissioners
Business Meeting

AGENDA - 2nd Revision

Tue. Sep. 16, 2008
3 PM Business Meeting

Place: Unity County Complex – Sullivan County Health Care Facility
5 Nursing Home Drive, Unity 03743

- | | | |
|--------------------------|-----------|---|
| 3:00 PM – 3:10 PM | 1. | Crescent Lake Snowmobile Riders Club Trail Proposal Update, Terry Callum |
| 3:10 PM - 3:25 PM | 2. | D.O.C. Superintendent's Report
a. Census
b. Staffing
c. Promotions |
| 3:25 PM – 3:45 PM | 3. | Sullivan County Health Care Administrator Report
a. Census
b. Staffing
c. Proposed Advisory Panel Update |
| 3:45 PM – 4:05 PM | 4. | County Administrator's Report
a. Draft Transfer of Benefit (ET) Policy
b. Registry Connor & Connor L-CHIP software development and installation invoice, Request to use Equipment Fund / Surcharge Account monies
c. Bond Counsel Engagement Letter
d. Request For Transfer of Funds |
| 4:05 PM – 4:20 PM | 5. | Commissioners' Report |
| 4:20 PM – 4:30 PM | 6. | Public Participation |
| 4:30 PM – 4:35 PM | 7. | Meeting Minutes Review
a. Sep 2, 2008 Public
b. Sep 2, 2008 Executive Session 4:41 PM
c. Sep 2, 2008 Executive Session 5:01 PM
d. Sep 2, 2008 Executive Session 5:46 PM |
| 4:35 PM – 5:05 PM | 8. | Probable Executive Session Per RSA 91-A:3.II. a & c – Personnel Issue |
| 5:05 PM | 9. | Adjourn meeting |

The times reflected on this agenda, other than the start time, are estimates. Actual time will depend on level of interest and participation.



Upcoming Events/Meetings:

- **Sep 19th Thu. GSCAHR Meeting and Facility Tour.**
 - **Time: 9 AM.**
 - Place: 5 Nursing Home Drive, Ahern Building

- **Sep 22nd Mon. National Family Day**
 - *A day to eat dinner with your family.*

- **Sep 25 Thu. Unifund Summit**

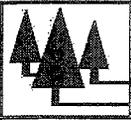
- **Sep 26th Fri. Community Mobility Project**
 - **Time: 9 AM.**
 - Place: Claremont Savings Bank, Claremont

- **Sep 30th Tue. Next Board of Commissioners Meeting**
 - **Time: 3 PM.**
 - Place: Remington Woodhull County/State Complex, 14 Main Street, Newport NH - Commissioners' Conference Room.

- **Sep 30th Tue. FY08 County Annual Report Due Out**

- **Oct 3rd Fri. NHAC Executive Committee Meeting**
 - **Time: 10 AM.**

- **Oct 14th, Tue. Board of Commissioners Meeting**
 - **Time: 3 PM.**
 - Place: Remington Woodhull County/State Complex, 14 Main Street, Newport NH - Commissioners' Conference Room.

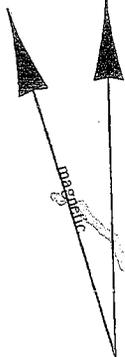


New England
Forestry Consultants, Inc.

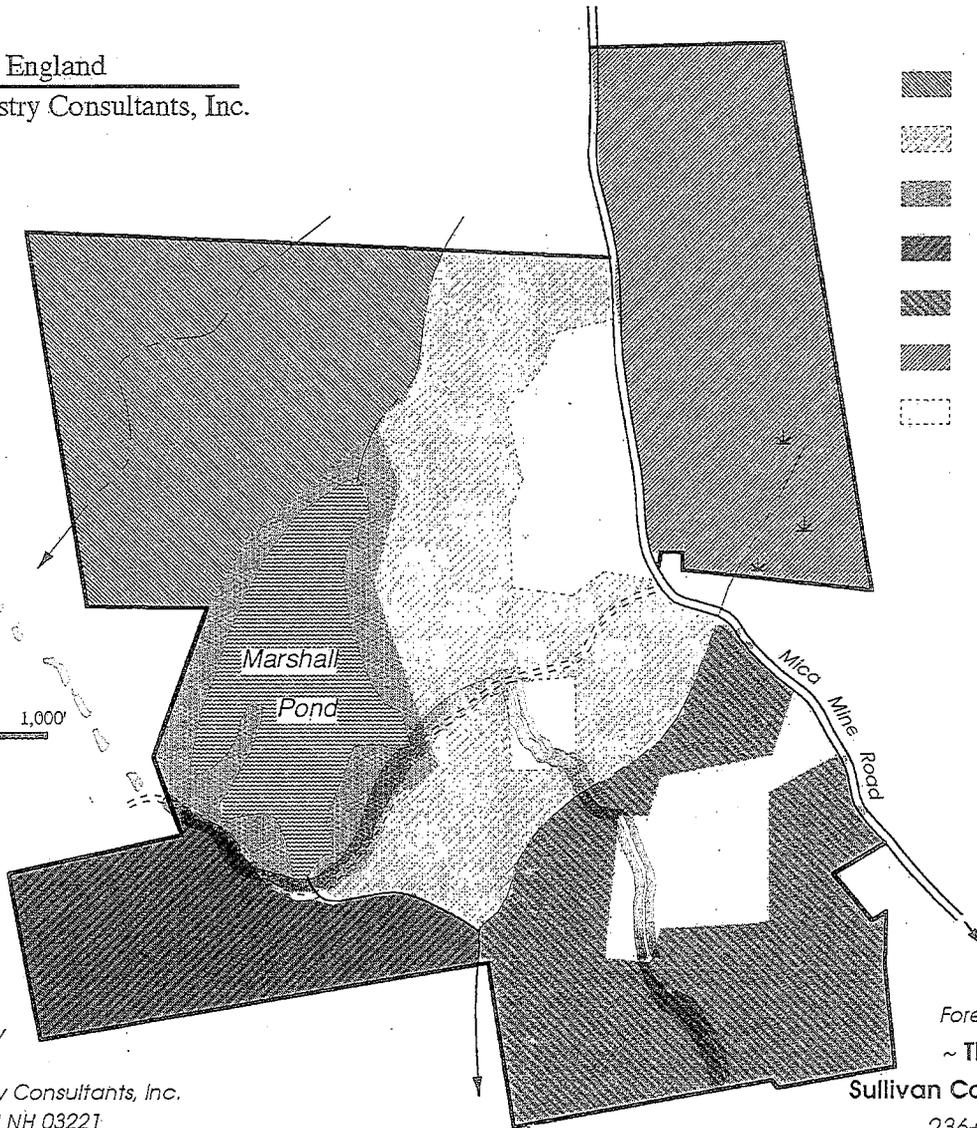
LEGEND

-  A - Spruce/Hardwood
-  B - Hardwood/Pine
-  C - White Pine
-  D - Hardwood/Pine
-  E - Mixed Softwd/Hardwd.
-  F - Spruce/Hardwood
-  O - Open Hayfields

N



0 500' 1,000'
SCALE



prepared 3/31/03 by
Brooks McCandlish
New England Forestry Consultants, Inc.
PO Box 112, Bradford NH 03221

Forest Area Base Map
~ The Mills Place ~
Sullivan County Farm Woodlands
236± acres, Unity, NH

To: Supt. Cunningham
 From: Lt. Roberts
 Ref: population Breakdown

Thursday September 16, 2008

POPULATION DATA:

House of Corrections	Pre-Trial Inmates	Protective Custody
Male - 46	Male - 39	Male - 0
Female - 8	Female - 4	Female - 0

THU- Included in the total of HOC male inmates above

Male- 14
 Female- 0

Total Population (In House) - 97

Home Confinement/EM	Weekender	Merr County
Male - 5	Male - 3	Male- 2
Female - 4	Female - 1	Female- 0
NHSP	Grafton County	Cheshire County
	Admin Transfer	Admin Transfer
Male - 7	Male - 1	Male - 5
Female - 2	Female - 1	Female - 2
Hillsborough County	Phoenix House/Angie's Shelt	Strafford Cnty
Admin Transfer		
Male - 2	Male - 0	Male- 0
Female - 0	Female - 0	Female- 0
Belknap County		
Male- 4		
Female- 0		

Total Census - 136

Temp Hold for other jurisdictions- **Included in the above in house Total population**

NHSP	Grafton County	Hillsborough County	Cheshire
Male- 1	Male- 0	Male- 0	Male- 2
Female- 0	Female- 0	Female- 1	Female- 0

Pre-Trial Services- 28

Male- 15
 Female- 13

AUGUST 2008

MEDICARE							
	AUGUST 2007 COMPARE	AUGUST 07 AVG. CENSUS	ACTUAL	AVG DAILY CENSUS	BUDGETED	BUDGETED AVG CENSUS	VARIANCE
CENSUS:	235	8	286	9	403	13	-117
REVENUE	\$77,309.56		\$127,754.34		\$173,290.00		-\$45,535.66
AVERAGE RATE PER DAY	\$328.98		\$446.69		\$430.00		\$16.69

PRIVATE							
	AUGUST 2007 COMPARE	AUGUST 07 AVG. CENSUS	ACTUAL	AVG DAILY CENSUS	BUDGETED	BUDGETED AVG CENSUS	VARIANCE
CENSUS:	467	15	712	23	589	19	123
REVENUE	\$91,995.00		\$146,890.00		\$120,745.00		\$26,145.00
AVERAGE RATE PER DAY	\$196.99		\$206.31		\$205.00		\$1.31

MEDICAID							
	AUGUST 2007 COMPARE	AUGUST 07 AVG. CENSUS	ACTUAL	AVG DAILY CENSUS	BUDGETED	BUDGETED AVG CENSUS	VARIANCE
CENSUS:	3,299	106	3,034	98	3,255	105	-221
REVENUE	\$513,507.49		\$468,965.38		\$491,212.05		-\$22,246.67
AVERAGE RATE PER DAY	\$155.66		\$154.57		\$150.91		\$3.66

HCBC (RESPITE)							
	AUGUST 2007 COMPARE	AUGUST 07 AVG. CENSUS	ACTUAL	AVG DAILY CENSUS	BUDGETED	BUDGETED AVG CENSUS	VARIANCE
CENSUS:	3	0	12	0		0	12
REVENUE	\$452.16		\$1,923.84		\$424.66		\$1,499.18
AVERAGE RATE PER DAY	\$150.72		\$160.32		\$0.00		\$160.32

	AUGUST 07	AUGUST 08
TOTAL CENSUS	4,004	4,052
AVERAGE CENSUS	129.2	130.5
		137.0

MEDICARE B NET REVENUE	AUGUST 2007 COMPARE	ACTUAL	BUDGETED	VARIANCE
	\$5,379.51	\$8,031.85	\$8,142.00	-\$110.15

TOTAL MONTHLY REVENUE VARIANCE	(\$40,248)
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TOTAL REVENUE YTD SURPLUS/SHORTFALL	(\$62,221.00)
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Medicare Length of Stay Analysis
Sullivan County Health Care (SC)

	Aug 2008	Jul 2008	Jun 2008	May 2008	Apr 2008	Mar 2008	Feb 2008	Jan 2008	Dec 2007	Nov 2007	Oct 2007	Sep 2007	12 Mos.	Calendar YTD
Total Admits & Readmits (All payer types)	14	15	11	12	11	13	10	15	11	16	17	10	155	101
MCR # Admits & Readmits	7	8	6	9	5	9	6	11	7	10	13	5	96	61
MCR # Discharges from facility	4	2	3	3	4	4	2	6	4	5	8	1	46	28
MCR Discharged LOS	10.0	9.0	45.3	35.7	36.8	24.3	37.5	21.5	31.8	11.4	24.1	18.0	24.9	26.8
MCR # End or A/R Change	5	7	2	4	5	3	4	8	5	4	3	3	53	38
MCR End or A/R Change LOS	65.0	55.4	41.0	52.0	77.2	39.7	55.5	76.5	64.2	45.0	100.0	63.3	62.9	61.6
Total Average MCR LOS	40.6	45.1	43.6	45.0	59.2	30.9	49.5	52.9	49.8	26.3	44.8	52.0	45.2	46.8
Total MCR Days	286	348	306	328	300	340	341	390	485	491	461	315	4391	2639
Rehab RUGs	244	268	254	316	265	324	276	277	402	425	384	243	3678	2224
% of Total MCR Days	85%	77%	83%	96%	88%	95%	81%	71%	83%	87%	83%	77%	84%	84%
Non-Rehab RUGs	42	80	52	12	35	16	65	113	83	66	77	72	713	415
% of Total MCR Days	15%	23%	17%	4%	12%	5%	19%	29%	17%	13%	17%	23%	16%	16%
Default Days														
% of Total MCR Days														
A ADL (low dependency)	78	53	43	78	101	92	64	74	101	77	152	112	1025	583
% of Total MCR Days	27%	15%	14%	24%	34%	27%	19%	19%	21%	16%	33%	36%	23%	22%
B ADL (medium dependency)	79	125	31	52	91	64	78	140	176	220	132	82	1270	660
% of Total MCR Days	28%	36%	10%	16%	30%	19%	23%	36%	36%	45%	29%	26%	29%	25%
C ADL (high dependency)	129	170	232	198	108	184	199	176	208	194	177	121	2096	1396
% of Total MCR Days	45%	49%	76%	60%	36%	54%	58%	45%	43%	40%	38%	38%	48%	53%
Medicare Net Revenue	\$127,754	\$158,726	\$142,666	\$155,864	\$140,232	\$175,900	\$170,219	\$170,843	\$218,025	\$227,597	\$215,021	\$132,426	\$2,035,273	\$1,242,204

Sullivan County Nursing Home
Quarterly Resident Census

	TOTAL DAYS	MEDICAID		PRIVATE		SKILLED		HCBC		MANAGED		LEAVE		TOTAL DAYS	
	AVAILABLE	DAYS		DAYS		DAYS		RESPITE		CARE		DAYS		FILLED	
Jul-08	4836	2876	71.67%	785	19.56%	348	8.67%	4	0.10%	0	0.00%	0	0.00%	4013	82.98%
Aug-08	4836	3034	74.88%	712	17.57%	286	7.06%	12	0.30%	8	0.20%	0	0.00%	4052	83.79%
Sep-08	4680		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
1ST QUARTER	14,352	5,910	#DIV/0!	1,497	#DIV/0!	634	#DIV/0!	16	#DIV/0!	8	#DIV/0!	0	#DIV/0!	8,065	55.59%
Oct-08	4836		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	0.00%
Nov-08	4680		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!		#DIV/0!	0	0.00%
Dec-08	4836		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
2ND QUARTER	14,352	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
Jan-09	4836		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
Feb-09	4368		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
Mar-09	4836		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
3RD QUARTER	14,040	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
Apr-09	4680		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
May-09	4836		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
Jun-09	4680		#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
4TH QUARTER	14,196	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!	0	0.00%
FY '09 TOTAL	56,940	5,910	10%	1,497	2.63%	634	1.11%	16	0.03%	8	0.01%	0	0.00%	8,065	14.16%
YTD AVG.		95		24		10									

RESIDENT CENSUS - FY 08

	TOTAL DAYS	MEDICAID		PRIVATE		SKILLED		HCBC		PRIVATE		LEAVE		TOTAL DAYS	
	AVAILABLE	DAYS		DAYS		DAYS		RESPITE		RESPITE		DAYS		FILLED	
1ST QUARTER	14,352	9,823	80.70%	1,489	14.27%	854	7.02%	6	0.05%	0	0.00%	0	0.00%	12,172	84.82%
2ND QUARTER	14,352	9,273	77.02%	1,560	12.83%	1,435	11.67%	9	0.07%	0	0.00%	3	0.02%	12,293	85.64%
3RD QUARTER	14,040	9,231	75.89%	1,821	11.46%	1,081	12.48%	0	0.17%	0	0.00%	0	0.05%	12,133	85.47%
4TH QUARTER	14,196	8,761	79.34%	2,054	13.21%	986	6.79%	20	0.42%	0	0.25%	0	0.00%	11,821	83.27%
FY '08 TOTAL	57,096	37,088	74.00%	6,924	12.28%	4356	8.58%	35	0.44%	0	0.06%	3	0.02%	48,419	84.80%
AVGERAGE		101.6		19.0		11.9								132.7	

Note: This report includes only the selection criteria listed below.
 Effective Date From 8/1/2008 Thru 8/31/2008

Summary Admission / Discharge List
 Sullivan County Health Care (SC)

Page 1 of 1
 09/12/2008 9:52 AM
 RI6300B

<i>A/R Type</i>	<i>From/To</i>	<i>Admissions</i>	<i>Discharges</i>
HCB	Home	1	1
	Private home/apartme	1	
	<i>HCB Subtotal</i>	<u>2</u>	<u>1</u>
INS	Acute care hospital	1	
	Hospital	1	1
	<i>INS Subtotal</i>	<u>2</u>	<u>1</u>
MCD	Expired		1
	Hospital	3	3
	<i>MCD Subtotal</i>	<u>3</u>	<u>4</u>
MRA	Acute care hospital	3	
	Home		1
	Hospital	4	3
<i>MRA Subtotal</i>	<u>7</u>	<u>4</u>	
PVT	Home		1
	<i>PVT Subtotal</i>	<u></u>	<u>1</u>
<i>Total</i>		<u>14</u>	<u>11</u>

Note: This report includes only the selection criteria listed below.
 Effective Date From 8/1/2008 Thru 8/31/2008

Summary Admission / Discharge List Totals

Sullivan County Health Care (SC)

Page 1 of 1
 09/12/2008 9:52 AM
 RI6300C

<i>Total From/To</i>	<i>Admissions</i>	<i>Discharges</i>
Acute care hospital	4	
Expired		1
Home	1	3
Hospital	8	7
Private home/apartme	1	
<i>Total</i>	<u>14</u>	<u>11</u>

Note: This report includes only the selection criteria listed below.
Effective Date From 7/1/2008 Thru 8/31/2008

Summary Admission / Discharge List Totals

Sullivan County Health Care (SC)

Page 1 of 1
09/12/2008 9:53 AM
RI6300C

<i>Total From/To</i>	<i>Admissions</i>	<i>Discharges</i>
Acute care hospital	4	
Expired		1
Home	5	9
Hospital	17	14
Private home/apartme	2	
Psychiatric hospital	1	
<i>Total</i>	<u>29</u>	<u>24</u>

Note: This report includes only the selection criteria listed below.
 Effective Date From 7/1/2008 Thru 8/31/2008

Summary Admission / Discharge List
 Sullivan County Health Care (SC)

Page 1 of 1
 09/12/2008 9:53 AM
 RI6300B

<i>A/R Type</i>	<i>From/To</i>	<i>Admissions</i>	<i>Discharges</i>
HCB	Home	2	2
	Private home/apartme	1	
	<i>HCB Subtotal</i>	<u>3</u>	<u>2</u>
INS	Acute care hospital	1	
	Hospital	1	1
	<i>INS Subtotal</i>	<u>2</u>	<u>1</u>
MCD	Expired		1
	Home		1
	Hospital	5	8
	Psychiatric hospital	1	
	<i>MCD Subtotal</i>	<u>6</u>	<u>10</u>
MRA	Acute care hospital	3	
	Home	1	2
	Hospital	11	4
	<i>MRA Subtotal</i>	<u>15</u>	<u>6</u>
PVT	Home	2	4
	Hospital		1
	Private home/apartme	1	
	<i>PVT Subtotal</i>	<u>3</u>	<u>5</u>
<i>Total</i>		<u>29</u>	<u>24</u>

PREMIUM PER DIEM Proposal for Nursing Staff

September 15, 2008

The intent of this proposal is to differentiate between regular Per Diem staff and this new "Premium Per Diem". Regular per diem are not required to work any specific schedule. This program would assist in having staff committed to a specific schedule for a determined period. This would provide more consistent staffing and replace agency.

	Current Per Diem	Premium Per Diem
RN	\$28/hr	\$30/hr
LPN	\$23/hr	\$25/hr
LNA	\$13/hr	\$15/hr

Premium Per Diem requirement:

- Commit to a 12 week term with a consistent schedule (24 to 40 hrs/wk)
- Must work every other weekend (16 hrs/2 shifts per weekend)
- Must be available to work either Thanksgiving or Christmas
- Attendance will be evaluated as per SCHC policy
- Shift and weekend differentials apply
- Can convert to regular staff
- Program continuation or termination at discretion of Administrator

Submitted:



Ted J. Purdy
Administrator

Voluntary Shared Leave

Purpose: To provide employees with a process that allows immediate family members who are both employed by the county to assist one another in the case of a prolonged or catastrophic medical condition that exhausted the employee's available sick leave and vacation pay and would result in loss of income at a critical time.

Definitions:

1. Immediate family – husband, wife, father, mother, son, daughter.
2. Catastrophic medical condition- a physical or mental illness or injury of an immediate family members, certified by a licensed physician, that will result in the inability of the employee to report to work for 12 weeks that has been granted F.M.L.A. by the County.
3. Donated leave- any earned time or accrued sick time or vacation time currently owed to employee not to exceed 30% of time allowed. (i.e. Employee has 10 day of vacation owed 3 days allowed to be donated to family member)

Employees may donate leave if the donating employee:

1. Voluntarily elects to donate leave and does so with the understanding that donations shall not be returned.
2. Donate a minimum of 8 hours and maintain at least 40 hours in their designated account.
3. Must be a non-probationary employee.

Employees may accept donated leave if the employee:

1. Is not entitled to any earned time, vacation pay or sick time.
2. Is not receiving benefits from any other source except for those privately purchased by employee.
3. Has not applied for any other funded benefit (e.g. workers compensation, any waiting period for benefit, retirement, social security etc)
4. Receive compensation only equivalent to employees regularly scheduled hours.
5. Employee expends time in one undivided absence. (intermittent absences are not permitted)

Employer's responsibility to ensure:

1. No employees are forced to donate leave
2. Direct solicitation of leave is prohibited
3. Donation of leave shall occur on a strictly voluntary basis
4. Employees' rights to privacy are respected.

Administration:

1. Requests for donation of time will be made through the Human Resources Dept. in writing.

2. The H.R. Dept. will calculate the amount of leave permitted to be transferred employees leave account.
3. The recipient of donated leave will be notified of the transferred time.
4. Transfers of leave will be made on a bi-monthly basis.
5. Employees that are dissatisfied with decisions of the H.R. Department may appeal in writing to the County Commissioners.

SCHC Advisory Committee

DRAFT

Goal: To assist Sullivan County with Strategic Planning for Sullivan County Health Care

Items to determine:

- Specific areas to address in strategic planning
- Make up of committee
- Frequency of meeting
- Term of committee (1 yr?)
- Desired outcome/report

As per discussions with the County Administrator, Primex has agreed to facilitate the process once the make up and goals of the committee have been determined.



MEDICAL INSTRUMENT OPERATING LEASE

This Lease Agreement is made by and between Accelerated Care Plus Corp. (ACP) a Delaware corporation (Lessor) and Sullivan County Health Care (Lessee, facility and Corporate name) (jointly, the Parties) for good and valuable consideration the receipt and sufficiency of which is hereby acknowledged as follows:

1. EQUIPMENT LEASE

Lessor leases to Lessee and Lessee leases from Lessor each and every item of moveable medical equipment (Equipment) described in the equipment schedule attached hereto (Equipment Schedule in Attachments 1, 2 and 3) under the terms and conditions herein. Lessee shall have no option to purchase Equipment hereunder.

2. SUPPLIES

Lessor shall provide Lessee with disposable medical and other supplies (Supplies) as necessary for use of Equipment, as described in the supply schedule attached hereto (ACP Supply Schedule Attachment 4). Such pricing schedule may be updated from time to time by Lessor with 30-day written notice to the Lessee. Lessee shall not substitute or supplement any Supplies with similar items without Lessor's written approval that the item proposed to be substituted has been validated by Lessor for use with its medical devices. This Agreement shall not restrict Lessor from entering into similar arrangements with other persons or entities, nor shall it create any relationship between the Parties other than that of independent contractors.

3. UPGRADES

Lessor shall notify Lessee of the availability of replacement and upgrade Equipment. With consent of Lessee, Lessor may periodically alter or replace items of Equipment, separately or collectively, with items of comparable or superior quality and function, including, without limitation, updated and/or superior models of Equipment.

4. DELIVERY

Lessor shall deliver Equipment to Lessee's facility on a mutually agreed-to date, dependent on facility and training staff availability. Lessee shall acknowledge receipt of Equipment by signature of an authorized agent as indicated on the Delivery and Acceptance Form (Attachment 5) or such other document as Lessor may designate. Date of the execution of the Delivery and Acceptance Form (or such other designated document) shall be deemed as the Lease Start Date for the purposes of this Agreement. Lessee shall pay all charges in connection with transportation, shipment, and delivery of Equipment at the assigned rate as defined in Attachment 2 within thirty (30) days of the delivery of the equipment. An initial start-up supply package is included with Package I, II, and III and shall be separately billed to Lessee in accordance with pricing reflected in Attachment 2.

5. INSPECTION

Lessee shall acknowledge receipt of Equipment, inspect it, and notify Lessor by completing the Delivery and Acceptance form within three (3) business days after receipt, detailing any defect or other objections, after which time Equipment shall be deemed accepted, in good condition, repair and in working order.

6. MAINTENANCE AND SERVICE

Lessor shall maintain Equipment in good repair and operating condition and shall perform routine maintenance, repair, calibration and safety checks of Equipment in a timely manner and in accordance with all applicable laws and regulations at no additional cost to Lessee. Lessor shall perform non-routine maintenance, repair and replacement within three (3) business days following telephone, facsimile, written or other notice from

Lessee for items of Equipment covered by Lessor's Extended Service Plan on the Equipment Schedule at no additional cost to Lessee. For the purposes of this paragraph, 1:00 PM Pacific time shall be considered the cut-off time for notification and delivery of equipment. Any notification after that time shall be counted for the next business day. If Lessor chooses to replace non-functioning Equipment under the terms of this clause, the Lessee shall, at Lessor's expense, return the non-functioning Equipment to the service center designated by the Lessor within five (5) days of receiving replacement Equipment. Any Equipment not returned within the five (5) days shall be considered as additional part of the lease and shall be invoiced as added Equipment per rates in Attachment 2. Lessor, its employees, agents and designees may, at reasonable times, enter Lessee's premises where the Equipment is kept to test, inspect and service Equipment.

7. LOSS

Lessee shall promptly notify Lessor of any loss, theft, damage or destruction of Equipment, except normal wear and tear from proper use. Lessor shall promptly repair and replace any such lost, stolen, damaged or destroyed Equipment and promptly inform Lessee as to any and all costs and charges related thereto. Lessee shall, within thirty (30) days following invoice date, pay Lessor the reasonable replacement value for any item of Equipment or portion thereof that may become lost, stolen, damaged or destroyed.

8. RETURNS

Upon termination of this Lease Agreement for any reason, Lessee shall return Equipment to Lessor in "as is" condition. Return will be at Lessee's cost and expense. Within ten (10) days of notice of termination, Lessee shall return all items originally installed (all items other than the consumable supplies), as listed on the Delivery and Acceptance form. Lessee shall be billed and shall pay for any non-returned items at Lessor's then prevailing retail price list. Upon termination of this Agreement for any reason, Lessor shall be under no obligation to accept return of Supplies or other items hereunder or to provide any credit, discount or other reduction in price for amounts otherwise due from Lessee to Lessor hereunder, except as otherwise expressly set forth.

9. OWNERSHIP AND USE

Equipment shall at all times be the sole and exclusive property of Lessor. Lessee shall have no right, title or interest in Equipment, except as leased. Equipment shall be and remain personal property, even if installed on, attached or affixed to real property. Lessee hereby grants to Lessor a security interest in Equipment and Lessor may, in Lessor's sole discretion, file to perfect a security interest under Article Nine of the Uniform Commercial Code, even though no filing may be necessary or required to protect Lessor's right, title and interest under applicable law. Lessee shall, promptly on request, provide Lessor with specific information regarding the location of any and all items of Equipment and will execute any financing statements requested by Lessor. Lessee shall not remove, transfer or reinstall Equipment to or at other locations or facilities without prior written consent of Lessor. Lessee shall obtain any and all licenses and permits required for the installation and operation of Equipment and Lessor shall provide Lessee with advice, on request, regarding such requirements.

10. PATIENT INFORMATION

The Parties shall comply with all federal and state laws and regulations regarding the confidentiality of information

concerning medical records of patients and neither Party shall disclose to any third party any medical record information regarding individually identifiable patients, except where permitted or required by law.

11. DOCUMENTATION

Lessee shall obtain written physician, physician assistant or nurse practitioner orders for use of Equipment, obtain all necessary authorization and consent from patients and any third parties that may be necessary or advisable on behalf of patients, maintain records related to all Equipment, Supplies and related medical care in accordance with applicable laws, rules, professional practice requirements, accounting standards, and third party payor policies, including without limitation, Medicare.

12. RENT AND CHARGES

Commencing on the Lease Start Date, Lessee shall pay Lessor rent for use of Equipment, in advance, during the term hereof in the amount per month, pro-rated for periods of less than one (1) month, commencing with the Lease Start Date and monthly thereafter.

Following the initial one-year term of this agreement, and yearly thereafter, the base Rental amount may be adjusted based on the Medicare SNF Market Basket Index update, and will become effective with the first month's billing following the 12-month Term.

13. BILLING AND PAYMENT

Within ten (10) days of the start of each month, Lessor shall submit an invoice to Lessee for the total amount of Rent due for the following month for all equipment listed on the Lease Equipment Schedule and for any additional equipment added to the Lease Equipment Schedule, prior to the billing cycle. Such equipment shall be pro-rated based on the number of days in service prior the current billing cycle. Lessor shall invoice Supplies furnished, as shipped to Lessee. Lessee shall pay Lessor the amounts invoiced for rent or supplies, within thirty (30) days of the invoice date, by check, credit card or inter-bank wire transfer to an account designated by Lessor without further invoice or demand for payment. Lessee shall pay interest on any amounts remaining due and outstanding at one and one half (1½%) percent per month, but in no event more than permitted by applicable law.

14. USE

Lessee shall cause Equipment to be used only as medically necessary and appropriate in the practice of medicine for diagnostic procedures and treatments performed on patients. Lessee shall use Equipment in the normal course of business for the sole purpose of providing therapy and other clinical services in accordance with the terms hereof. Lessee shall cause Equipment to be operated by competent and qualified personnel in accordance with all laws, regulations and applicable instructions and insurance policies.

15. INSURANCE

Lessor shall maintain or arrange for Equipment manufacturers to maintain insurance for product liability claims against or related to Equipment of not less than one million dollars per occurrence and three million dollars in the aggregate, which cost shall be included in the Rent. Lessee shall be responsible, at its sole cost, for maintaining comprehensive general liability and professional liability insurance or maintaining self-insurance funds for such coverage as it shall determine to be necessary or desirable to insure Lessee, its employees and agents against liability or damages related to the operation and use of Equipment and Supplies. Lessee shall be responsible, at its sole cost, for maintaining insurance against all risk of loss, theft, damage and destruction of Equipment or maintaining self-insurance funds for such coverage as it shall determine to be necessary or desirable to insure Lessee, its employees and agents against costs related to such loss, theft, damage and destruction of the Equipment.

16. INDEMNIFICATION

Each Party shall indemnify the other, its affiliates, its successors and assignees, its respective officers, directors, employees and agents against, and hold the same harmless from, all liability, losses, damages, obligations, judgments, claims,

causes of action and expenses associated therewith including, without limitation, settlements, awards, judgments, court costs and attorneys' fees, resulting from or arising out of, directly or indirectly, any negligent or intentional act or omission or any failure to perform any obligation undertaken in or any covenant under this Agreement. Upon notice, each Party shall resist and defend at its own expense, and by counsel reasonably satisfactory to the other, any such claim or action. The provisions of this paragraph shall survive termination of this Agreement for any reason for five (5) years thereafter or until final resolution of any claim arising under this paragraph following notice within such five (5) year period.

17. TAXES AND LIENS

Lessor shall remit all applicable fees, assessments, charges and taxes to the appropriate authorities, including without limitation, sales, use, excise and personal property taxes imposed by federal, state and local laws relating to ownership, leasing, renting, sale, use or possession of Equipment. Such costs will be added as additional amounts to the base Rent. Lessor shall be entitled to such deductions, credits and other benefits with respect to Equipment as may be provided to an owner of equipment by the Internal Revenue Code of 1986, as amended. Lessee shall not incur or suffer to exist any mortgage, lien, pledge, security interest or other encumbrance on Equipment by any third party, provided that Lessor may, in its sole discretion, sell or convey Equipment to one or more third parties without notice to or consent of Lessee.

18. TERM AND TERMINATION

This Agreement shall commence on the date hereof, for one (1) year following the Lease Start Date, and shall be automatically renewed thereafter for successive periods of one (1) year unless otherwise terminated as provided herein (Term). This Agreement may be terminated by Lessor (i) following ten (10) days notice to Lessee of its failure to make payment when due of any invoice for Rent or other amount due and owing to Lessor hereunder; or (ii) following notice of Lessee's material breach and failure to cure within thirty (30) days of any representation or duty to perform any obligation hereunder. This Agreement shall automatically terminate on the bankruptcy, or similar event, of either party. This Agreement may be terminated by Lessee following notice to Lessor of its material breach and failure to cure within thirty (30) days of any representation or duty to perform any obligation hereunder. This Lease Agreement may be terminated by either Party following thirty (30) days written notice for any reason. This Lease agreement may be terminated by either Party immediately upon notice, if the other Party suspends or terminates doing business as a going concern, or the other Party's owners, shareholders or directors vote to liquidate or dissolve the corporation or business entity; provided that any merger, consolidation, reorganization, transfer or sale of stock or ownership by either Party shall not constitute a default or breach in the absence of any failure to perform or other breach hereunder.

19. DISPUTE RESOLUTION

The Parties shall, in good faith, attempt to settle any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity hereof, by mediation under the Commercial Mediation Rules of the American Arbitration Association (AAA). Any such dispute, controversy or claim remaining unsettled after thirty (30) days of mediation under the foregoing subparagraph shall be submitted to arbitration before a single arbitrator under the Commercial Arbitration Rules of the AAA, including Optional Rules for Emergency Measures of Protection, as in effect on the date of submission thereto and a stenographic record shall be made of the proceeding. The arbitrator shall be an attorney licensed to practice in one or more jurisdictions in the United States who shall follow the Federal Rules of Evidence and allow the Parties to conduct discovery pursuant to the Federal Rules of Civil Procedure, as then in effect, and whose final award shall be a reasoned award. Except to the extent that the arbitrator determines it would be inappropriate, the arbitrator shall (i) award the prevailing Party interest on damages calculated from the date of injury; and (ii) apportion the administrative fees and expenses of the proceeding (including the

costs of the stenographic record but not including witness expenses for either Party), the arbitrator's compensation and attorneys' fees between the Parties based on the relative merits of their respective positions. The award of the arbitrator shall be final and binding, and judgment on the award may be entered in any court of competent jurisdiction. Except where clearly prevented by the issue in dispute, the Parties shall continue to perform under the terms of this Agreement during the dispute resolution process.

20. WRITTEN MATERIAL AND INTELLECTUAL PROPERTY

(a) Written Materials. Lessor may provide Lessee with written materials relating to use of the Equipment which may include, but not be limited to, clinical training materials, instruction and user manuals, reference materials, patient education materials and desk references (the "Written Materials"). The Written Materials are, and will remain the property of Lessor, and shall be returned to Lessor with the Equipment upon the expiration or earlier termination of this lease. Lessee acknowledges that the Written Materials are confidential information of Lessor. Lessee shall not use the Written Materials for any purpose other than for providing clinical services using the Equipment. Lessee shall not modify, improve upon, create derivative works based upon, duplicate, market, sell or exploit the Written Materials in whole or in part during this Lease Agreement, or subsequent to termination of the Lease. Lessee may only use the Written Materials in those facilities covered by an executed Lease Agreement with the Lessor.

(b) Intellectual Property. Lessee acknowledges that Lessor is the owner of certain trade secrets, patents, trademarks, copyrights and other intellectual property rights relating to the Equipment, Written Materials and their use (the "Intellectual Property"). Lessor grants to Lessee a personal, non-transferable, non-sublicensable, non-exclusive license to use the Intellectual Property only for providing clinical services using the Equipment as contemplated herein. The term of this license shall extend only so long as the lease granted hereunder is in force for an item of Equipment. The costs associated with this license shall be included in the Total Basic Rent paid by Lessee hereunder. Nothing in this Lease shall restrict Lessor from extending similar licenses to any other parties. During the term of any lease and thereafter, Lessee agrees not to use the Intellectual Property in association with equipment or written materials obtained from other parties and agrees not to use equipment or written materials obtained from other parties in a manner that would infringe the Intellectual Property.

(c) Lessor may make available to the Lessee, for an additional fee, Marketing Materials related to the use of the Equipment and its clinical applications. Lessee agrees to the following with respect to the use of the Marketing Materials:

i. Lessee shall not modify, duplicate, or copy any portion of the Marketing Materials including its content, images, design or Logos, Copyrights and Trademarks without express written authorization from the Lessor.

ii. Any copies of the Marketing Materials required by the Lessee shall be ordered and purchased from the Lessor.

iii. The Lessee may make the Marketing Materials available only in those facilities which are using ACP equipment under an executed Medical Instrument Operating Lease with ACP.

iv. The Lessee may not use the Marketing Materials in any way following the termination of the Medical Instrument Operating Lease and shall return the unused Marketing Materials to the Lessor within ten business days of termination.

v. The Lessee agrees not to use Marketing Materials in association with equipment or written materials obtained from other parties.

vi. The Lessee acknowledges that by ordering, purchasing and using the Marketing Materials, it has reviewed and accepted them for use by the Lessee and authorizes the distribution of the Marketing Materials within its corporate divisions and contracted facilities. All Marketing Materials are provided "as is" and without any representation or warranty, express or implied.

The terms of section 20. (c) of this agreement shall survive

the termination of this Lease agreement between the parties and shall continue for five years following such termination.

21. FORCE MAJEURE

Neither Party shall be deemed in breach hereof if it is, or reasonably determines that it is, prevented from performing any of its duties or obligations hereunder for any reason beyond such Party's control including, without limitation, flood, storm, labor strike, act of God or the public enemy, or statute, ordinance, regulation, rule or action of any applicable government entity.

22. AMENDMENTS

This Agreement may be amended, altered, waived or terminated only in writing signed by the Parties (and with the consent of one or more secured parties if this Agreement is assigned for security purposes), provided that, with the written consent of Lessee and Lessor additional equipment may be added, by adding an additional Lease Equipment Schedule to this agreement.

23. NOTICES

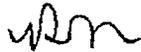
Except as otherwise provided herein, all notices, statements, consents, approvals, requests, demands or other communications required or permitted herein shall be in writing, duly executed by an authorized officer or agent and shall be deemed delivered immediately if by hand, telecopy or other electronic mail transmission, or on the next business day if by nationally recognized overnight courier service, or within three (3) calendar days if by United States mail, postage prepaid, return receipt requested, to the Parties' respective addresses below.

24. GENERAL PROVISIONS

This Agreement shall be governed by and construed in accordance with the laws of the State in which Lessor is located; represents the entire Agreement between the parties and supersedes all prior agreements, written and oral, with respect to the subject matter hereof; shall be binding on and inure to the benefit of the parties and their respective successors and permitted assigns, provided that, Lessee shall not assign its rights, duties or obligations hereunder, but Lessor may, in its sole discretion, assign its rights, duties and obligations hereunder, or grant a security interest in this Agreement to one or more third parties at any time upon written notice to Lessee (such notice to include the name and address of such assignee or secured party, and whether such secured party must consent to any amendments); includes provisions that are severable and to the extent any such provision may be unenforceable or impair the enforcement of any other provision, shall be modified or deleted here from; and may be executed in counterparts.

IN WITNESS WHEREOF, the Parties have executed this Lease as of this date: August 20, 2008

LESSOR: Accelerated Care Plus Corp.

By: 

Signature

Name: Richard Taylor

Title: CSO

Address: 4850 Joule Street Bldg A-1

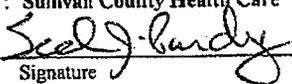
City, State: Reno, NV 89502

Phone: 775-685-4000

Fax: 775-685-4013

E-Mail: leasing@acplus.com

LESSEE: Sullivan County Health Care

By: 

Signature

Name: Ted Purdy

Title: Administrator

Address: 5 Nursing Home Drive

City, State: Unity, NH 03734

Phone: 603-542-9511

Fax: 603-542-9214



**LEASE EQUIPMENT SCHEDULE
LEASE ATTACHMENT 1**

LESSOR:

Accelerated Care Plus Corp.
4850 Joule Street, Suite A-1
Reno, NV 89502

LESSEE:

Equipment Location:

Sullivan County Health Care

FACILITY LOCATION

5 Nursing Home Drive

ADDRESS

Unity NH 03734
CITY STATE ZIP

* MONTHLY RENTAL PAYMENT: \$950.00

DESCRIPTION	QTY.	MODEL NO.	ASSET NO.
OMNISTIM® FX²	1	100FX2	
OMNISTIM® 500	1	100500A	
OMNISOUND® 3000	1	1203000C/E	
OMNISOUND TRANSDUCER 2.0 cm sq	1	2303020C/E	
OMNISOUND TRANSDUCER 5.0 cm sq	1	2303050C/E	
MEGAPULSE DIATHERMY	1	1903029	
MEGAPULSE APPLICATOR HEAD	1	2303028	
NEUROPROBE 500		140500A/B	
OMNICYCLE		06005-000	

* This is the base Rental amount only. It may not include any applicable sales taxes or other fees imposed by the Federal, State or Local governmental agencies. Following the initial one-year term of this agreement, and yearly thereafter, the base Rental amount may be adjusted based on the Medicare SNF Market Basket Index update, and will become effective with the first month's billing following the 12-month Term. All prices are in US dollars.



**CLINICAL SOLUTIONS PRICE LIST
LEASE ATTACHMENT 2**

PACKAGE I – FULL SUITE FOR ALL CLINICAL SOLUTIONS

ACP Package I program includes:

QTY	DESCRIPTION	PRICE
1	OMNSTIM 500	
1	OMNISTIM FX2	
1	MEGAPULSE II DIATHERMY WITH DELTA T	
1	OMNISOUND 3000	
1	SET EDUCATIONAL MATERIALS	
	INCLUDES ALL CLINICAL SOLUTIONS	

PACKAGE I pricing is tiered, based on number of facilities under Lease Agreement with ACP.

1 – 10 Facilities under Lease Agreement, price per facility:	\$1150/Mo
11 – 30 Facilities under Lease Agreement, price per facility:	\$1050/Mo
30 + Facilities under Lease Agreement, price per facility:	\$950/Mo

NOTE: Outgoing freight is charged at a flat rate of \$250 at installation. An initial ACP Clinical Starter Kit of disposables, marketing materials, and treatment cart is supplied for \$350. Additional local sales tax may apply and is the Lessee's responsibility. (Documentation of Tax Exemption should be provided to ACP when returning lease agreements.) Freight and Supply rates subject to change based on small parcel published rates and product mix.

PACKAGE II – FULL SUITE FOR ALL CLINICAL SOLUTIONS

ACP Package II program includes:

QTY	DESCRIPTION	PRICE
1	OMNSTIM 500	
1	OMNISTIM FX2	
1	MEGAPULSE II DIATHERMY WITH DELTA T	
1	OMNISOUND 3000	
1	NEUROPROBE 500	
	(Electrical Stimulation and Infrared Therapy)	
1	OMNICYCLE	
1	SET EDUCATIONAL MATERIALS	
	INCLUDES ALL CLINICAL SOLUTIONS	
		\$1475/Mo

NOTE: Outgoing freight is charged at a flat rate of \$375 at installation. An initial ACP Clinical Starter Kit of disposables, marketing materials, and treatment cart is supplied for \$350. Additional local sales tax may apply and is the Lessee's responsibility. (Documentation of Tax Exemption should be provided to ACP when returning lease agreements.) Freight and Supply rates subject to change based on small parcel published rates and product mix.



**CLINICAL SOLUTIONS PRICE LIST
LEASE ATTACHMENT 2 - CONTINUED**

PACKAGE III – FX2 FOR CONTINENCE IMPROVEMENT

ACP Package III program includes:

QTY	DESCRIPTION	PRICE
1	OMNISTIM FX2	
1	SET EDUCATIONAL MATERIALS FOR:	
	• CONTINENCE IMPROVEMENT	
	• FALL PREVENTION	
		\$550/Mo

NOTE: Outgoing freight is charged at a flat rate of \$100 at installation. An initial ACP UI Starter Kit of disposables and marketing materials is supplied for \$200. Additional local sales tax may apply and is the Lessee's responsibility. (Documentation of Tax Exemption should be provided to ACP when returning lease agreements.)

ADD ON COMPONENTS

QTY	DESCRIPTION	PRICE
1	OMNISTIM FX2	\$150/Mo
1	OMNITSTIM 500	\$150/Mo
1	MEGAPULSE DELTA T	\$300/Mo
1	OMNISOUND 3000	\$150/Mo
1	NEUROPROBE 500	\$225/Mo
	(Electrical Stimulation and Infrared Therapy)	
1	OMNICYCLE	\$300/Mo

NOTE: Outgoing freight is charged at published rates plus a handling fee. (All equipment will be sent Ground via Small Parcel Carriers unless otherwise requested.) Add on components requires existing Package I or II under lease. Additional local sales tax may apply and is the Lessee's responsibility. (Documentation of Tax Exemption should be provided to ACP when returning lease agreements.)



**ACP EQUIPMENT AND SERVICES SCHEDULE
LEASE ATTACHMENT 3**

MEDICAL INSTRUMENTATION AND STAFFING SUPPORT	
EQUIPMENT/SERVICE	DESCRIPTION (ITEM)
Omnistim 500 Electrical Stimulator	This electrotherapy system incorporates a comprehensive selection of electrical stimulation and treatment protocols in a compact, easy to use system. Protocols include: Frequency Difference and Full Field Interferential, Medium Frequency Alternating Current (MFAC), Russian Stimulation, Low Volt Pulsed Current (LVPC) and High Volt Pulsed Current (HVPC).
Omnistim FX ² Neuromuscular Electrical Stimulator	This electrotherapy system is exclusively patented by ACP. This system is also called Patterned Electrical Neuromuscular Stimulation (PENS), referring to the pattern of electrical firing in muscles identified by EMG studies and incorporated into the FX ² 's protocols. PENS protocols are used for neuromuscular re-education and the treatment of urinary incontinence.
Omnisound 3000	This therapeutic ultrasound system with our patented Delta T technology and comprehensive design includes parameters for treatment of a wide range of clinical conditions such as chronic inflammation, muscle spasm, pain and contractures management.
Megapulse Short-Wave Diathermy	The Megapulse unit provides the clinician with state of the art capability for thermal and non-thermal treatment of a wide variety of clinical diagnoses. Thermal application of Pulsed Short-Wave Diathermy is capable of producing mild to vigorous tissue temperature increases that are effective in treating sub acute and chronic inflammation, pain conditions, muscle spasm, increasing blood flow and stretching of collagenous tissue.
Neuroprobe 500	The Neuroprobe combines the latest advances in electrotherapy with Infrared Therapy to provide multiple treatment options for pain management and increased local circulation. By supporting electrotherapy and Infrared light treatments, the Neuroprobe supports patient care and therapist efficiency. The Infrared technology includes four specialized SLD pads for bilateral application, treatment of two patients or two alternate treatment sites simultaneously.
Omnicycle	The Omnicycle is a motorized exercise cycle offering the flexibility of active, active assist, and passive cycling to accommodate a broader range of patients with different functional capabilities. The cycle offers an interactive display that engages patients and improves exercise participation. It may be used to increase the strength, coordination and endurance for a variety of patients suffering from cardio/pulmonary conditions such as COPD and neurologic conditions including stroke recovery, Parkinsons, MS, post-nerve injury, joint replacement recovery and other orthopedic conditions, as well as general weakness and poor conditioning.
Biomedical Engineering Services & Extended Service Plan	Annual calibration and safety testing of equipment to meet Medicare requirements. 72-hour repair turn-around on equipment with loaners so clinical services may continue with minimal disruption.
Proprietary Supplies	Stimulation electrodes, infection control and ultrasound gels have been selected to optimize therapeutic effectiveness. Supply use is not included in the equipment cost. We will invoice for monthly usage.
On-site Clinical Support	ACP Licensed Clinician provides on-site clinical training on specific ACP Clinical Solutions and Accelerated Clinical Practices, as well as providing clinical support and implementation guidance. Four visits per year. More frequently/intensively in special situations. Clinical consultation by telephone/fax/e-mail/tele-video conferencing as needed.



**ACP EQUIPMENT AND SERVICES SCHEDULE
LEASE ATTACHMENT 3 - CONTINUED**

MEDICAL INSTRUMENTATION AND STAFFING SUPPORT	
Clinical Solutions	Clinical Solutions training offered on-site or in clusters. Our goal is to introduce effective treatment processes utilizing physical agent modalities in a wide range of clinical applications, providing in-depth education geared to your facility needs. Clinical Solutions include: Physical Agent Modality Basics, Wound Healing, Continence Improvement, Pain Management, Contracture Management, Fall Prevention and PENs Lab. New Clinical Solutions and materials released annually.
Treatment Guideline Manuals and Desk Reference Manuals	Program overview, standards, treatment protocols, infection control procedures for equipment are included in these program specific comprehensive treatment manuals for Skin Care, Physical Agent Modalities and Pelvic Muscle Dysfunction.
Patient Education Support Package	Information and educational resources available including patient information brochures, which may be purchased by the facility as needed.



**ACP SUPPLY PRICE LIST
LEASE ATTACHMENT 4**

Item	Description	Price (\$)
1803C	Barrier Film - 4" x 6" Clear (1200 sheets/roll)	22.95
1866C	Barrier Film - 6" x 9" Clear (800 sheets/roll)	33.57
1867C	Barrier Film - 12" x 14" Clear (514 sheets/roll)	44.83
1912B	Barrier Tubing 3" (1200' / roll)	25.95
20325	Ultrasound Probe Covers w/bands (25 ea/bx)	29.95
3601090	Pain Desk Reference	125.00
3603020	Muscle Stim Desk Reference	125.00
600-010-CTS	Carpal Tunnel Syndrome - Numb Tingling Hands (25/bundle)	2.95
600-010-CVA	Stroke Recovery - CVA Rehabilitation (25/bundle)	2.95
600-010-FP	Fall Prevention - Falling Down (25/bundle)	2.95
600-010-JNT	Knee & Hip Replacement - Joint Replacement (25/bundle)	2.95
600-010-PN	Peripheral Neuropathy - Painful Burning Feet (25/bundle)	2.95
600-010-RO	Rheumatoid & Osteoarthritis - Painful Arthritis (25/bundle)	2.95
600-010-UI	Urinary Incontinence - Bladder Control (25/bundle)	2.95
600-010-WH	Wound Healing - Slow Healing Wounds (25/bundle)	2.95
600-500-DSPL	Display Rack - Patient Brochures	29.95
EDC4X4	Electrode 4x4 Non-Foiled 25ea/bag	29.05
ERC2X2	Electrodes 2x2 carbon silver - reusable (4/pkg)	5.25
ERC2X2 BOX	Electrodes 2x2 carbon silver - reusable (1 BOX = 10 PKGS)	48.95
ERC2X4	Electrodes 2x4 carbon silver - reusable (4/pkg)	6.57
ERC2X4 BOX	Electrodes 2x4 carbon silver - reusable (1 BOX = 10 PKGS)	61.95
ERC3X5	Electrodes 3x5 carbon silver - reusable (2/pkg)	6.30
ERC3X5 BOX	Electrodes 3x5 carbon silver - reusable (1 BOX = 10 PKGS)	58.95
GDWP	Sani-Cloth Disposable Wipes - Single use packets (50/box)	29.95
GDWT	Super Sani-Cloth Germicidal Disp. Wipe (160/tub)	8.95
HE34	Utility Cart	100.00
PS-415-HG	Power Strip, 4 Receptacle, Hospital Grade, 15' Cord	55.00
SC100	Megapulse Applicator Head Cover (100ea/bx)	7.95
UG250	Ultraphonic Ultrasound Gel (250ml Bottle)	1.95
UG5L	Ultraphonic Ultrasound Gel (5 Liter)	11.97
W800	Doppler Imex Pocket-Dop-One	495.00



**DELIVERY AND ACCEPTANCE FORM
LEASE ATTACHMENT 5**

FAX TO: ACP (800) 350-1102

4850 Joule Street, Suite A-1
Reno, NV 89502
(775) 685-4000 Fax (775) 685-4013
(800) 350-1100 Fax (800) 350-1102

DELIVERY & ACCEPTANCE FORM

FACILITY NAME: _____ CORP NAME: _____

FACILITY ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

PHONE: (____) _____ - _____ FAX: (____) _____ - _____

LEASE START DATE: _____ TRAINING DATE: _____ N/A CUST ID: _____

EQUIPMENT	SERIAL NUMBER 1 ST UNIT / 2 ND UNIT	REFERENCE MATERIAL	QUANTITY
Omnisound 3000C/E	/	PAIN Desk Reference	
2cm Transducer	/	EMS Desk Reference	
5cm Transducer	/	IAPT Seminar Manual	
Omnistim 500	/	Treatment Guidelines	
Omnistim FX2	/	Diathermy Warning Sign	
Megapulse II Diathermy	/	SUPPLIES	QUANTITY
Megapulse II Head	/	Pro Barrier Protective Film	
Neuroprobe 500	/	Germicidal Disposable Wipe Tub	
Omnicycle	/	Ultrasound Gel	
Blood Pressure Cuff		2x2 Reusable Electrodes	
Utility Cart		2x4 Reusable Electrodes	
		4x4 Non Foiled Electrodes	
		Poly Tubing	
		Ultra Sound Probe Covers	
		MegaPulse Applicator Head Cover	

COMMENTS:

FACILITY REPRESENTATIVE:

By signing below, I acknowledge that the above equipment, materials and supplies have been received and that the lease start date as recorded above is correct.

NAME: _____ TITLE: _____

SIGNATURE: _____ DATE: _____

CONTACT PHONE NUMBER(S): _____

ACP REPRESENTATIVE: NAME: _____ SIGNATURE: _____

CON 0102-F2



**Amendment Number 1
to
Medical Instrument Operating Lease**

This Amendment is entered into and is effective August 20, 2008 between Accelerated Care Plus Corp. (ACP), a Delaware Corporation (Lessor) and Sullivan County Health Care (Lessee, list Facility and Corporate Name) (jointly, the Parties) and shall apply to equipment installations and services provided under the Medical Instrument Operating Lease (Lease) separately executed between the Parties.

This Amendment identifies specific details regarding the Lease between the Parties. All requirements not referenced within this Amendment shall remain in effect and unmodified as they are detailed in the Lease. If there is any conflict, the requirements of this Amendment supersede the requirements as defined in the Lease.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree to the following:

1. Add-On Equipment

Lessee may choose to lease additional Equipment during the Term of the Lease. Such additional Equipment shall be subject to the terms and conditions of the executed Lease.

Lessee shall acknowledge receipt of additional Equipment by signature of an authorized agent as indicated on the Delivery and Acceptance Form (Lease Attachment 5) or such other document as Lessor may designate. Date of the execution of the Delivery and Acceptance Form (or such other designated document) shall be deemed as the Lease Start Date for the purposes of the additional Equipment. Lessee shall pay all charges in connection with transportation, shipment, and delivery of additional Equipment, at the published rates plus a handling fee. Payment shall be made by the Lessee within thirty (30) days of the delivery of the Equipment.

The Lease Attachment 1 (Lease Equipment Schedule) shall be updated for any additional Equipment subject to the Lease. Lessee and Lessor authorized agents shall initial the updated Lease Equipment Schedule, approving the list of Equipment subject to the Lease.

2. Omnicycle

Lessee may choose to lease one or more Omnicycles during the Term of the Lease. The Omnicycle shall be treated as additional Equipment, and as such shall be subject to the same terms and conditions of the executed Lease, including Item 1. above and the following:

Non-routine maintenance, repair and replacement of the Omnicycle shall be handled thru ground-based shipments, and therefore up to six (6) business days may be required for repair and replacement of the Omnicycle, depending on the location of the facility.

The Omnicycle, when initially ordered, shall be shipped with the following list of standard supplies (at no additional cost):

- Cardio Monitoring Sensor and Receiver

Any additional orders of the standard supply items can be made and paid-for separately, through Lessor Customer Service.

This Amendment along with attachments hereto, together with the Lease, represent the entire agreement between the Parties and supersede all prior agreements, written or oral, with respect to the subject matter hereof.

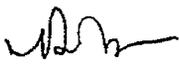
Capitalized terms used but not defined in this Amendment shall have the same meaning as in the Lease.

This Amendment shall be governed by and construed in accordance with the laws of the State of Nevada.

IN WITNESS WHEREOF, the undersigned have executed this Amendment on this date:

LESSOR: Accelerated Care Plus, Corp.

LESSEE: Sullivan County Health Care

By: 
Signature

By: 
Signature

Name: Richard Taylor

Name: Ted Purdy

Title: Chief Sales Officer

Title: Administrator

Date: 8/20/09

Date: 8/18/08

REQUEST FOR TRANSFER OF FUNDS

DEPARTMENT: SCHCDATE: Sept 2008

	Account description	Account Number	Transfer From (Debit)	Transfer To (Credit)	Purpose of Transfer
1	RN Salaries	40.540.10002	62,000		6 month funding of agency line (est 12 hrs/day RN Agency)
	Contract Serv - Nursing	40.541.12029		62,000	
2	LPN Salaries	40.540.10003	150,000		6 month funding of agency line (est 38 hrs/day LPN Agency)
	Contract Serv - Nursing	40.541.12029		150,000	
3	LNA Salaries	40.540.10004	265,000		6 month funding of agency line (est 100 hrs/day LNA agency)
	Contract Serv - Nursing	40.541.12029		265,000	
4	FICA (Nursing)	40.540.11010	36,000		FICA reduction from above transfers to fund agency line
	Contract Serv - Nursing	40.541.12029		36,000	
5	Retirement (Nursing)	40.540.11013	43,000		Retirement reduction from above transfers to fund agency line
	Contract Serv - Nursing	40.541.12029		43,000	
6	Group Health Ins (Nursing)	40.540.11012	150,000		Health Ins reduction from above transfers to fund agency line
	Contract Serv - Nursing	40.541.12029		150,000	

Seal J. Randy 9/12/08
 Dept. Head / Date

 County Administrator / Date (when applicable)

John R. B. 9/16/08
 Commissioner Chair / Date

 Executive Finance Committee Chair / Date

REQUEST FOR TRANSFER OF FUNDS

DEPARTMENT: SCHC

DATE: Sept 2008

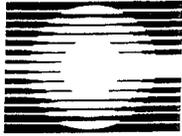
	Account description	Account Number	Transfer From (Debit)	Transfer To (Credit)	Purpose of Transfer
1	RN Salaries	40.540.10002	76,000		Funding for 6 mths estimate for RN on-call
	RN On-Call	40.541.10002		76,000	
2	LPN Salaries	40.540.10003	81,000		Funding for 6 mths estimate for LPN on-call
	LPN On-Call	40.541.10003		81,000	
3	LNA Salaries	40.540.10004	22,000		Funding for 6 mths estimate for LNA on-call
	LNA On-Call	40.541.10004		22,000	
4	FICA (Nursing)	40.540.11010	13,700		FICA funding for above transfers
	FICA (On-Call)	40.541.11010		13,700	
5					
6					

See Ruch 9/12/08
 Dept. Head / Date

 County Administrator / Date (when applicable)

 Commissioner Chair / Date

 Executive Finance Committee Chair / Date



**CONNOR &
CONNOR INC.**

Document Imaging & Retrieval System Development

September 4, 2008

Ms. Sharron A. King, Register
Sullivan County Registry of Deeds
P.O. Box 448
Newport, NH 03773

Dear Sharron,

Enclosed please find our invoice for the L-CHIP software development and installation. This software development comprised over 200 hours of programming time by Shelley and over 20 hours of testing, installation, instruction by Wendy. At this time we believe that all major software and reporting components have been implemented and are working properly.

In an effort to simplify the billing for this service, we have combined all associated software costs together, and allocated them equally among all of our customers. As always, our price does include any future incidental software modification and installation that is necessary.

We appreciate the opportunity to provide your ever-changing Registry software needs.

Sincerely,

Jennifer V. Young

INVOICE

CONNOR & CONNOR, INC.
 16 KINGSTON ROAD, UNIT 5
 EXETER, NH 03833

1-800-286-2478
 Fax (603) 772-5707

DATE: 9/4/2008
 INVOICE #: 7154

BILL TO:

Sullivan County Registry of Deeds
 P.O. Box 448
 Newport, NH 03773

P.O. NUMBER	TERMS	PROJECT
	Net 45	

QUANTITY	DESCRIPTION	RATE	AMOUNT
	<p>L-CHIP Software Module: Connor & Connor software enhancement to accommodate NH L-CHIP Surcharge Legislation: Recording Fee entry, Electronic L-CHIP stamp generation, and recording capability.</p> <p>Electronically generates NH DRA-approved L-CHIP stamp images, produces the image on a Dymo label integrated with the existing recording information (date/time, docket number, book/page, county) label, and permits L-CHIP stamp VOID capability.</p> <p>Cashiering/Recording screen upgraded to include fields for L-CHIP fees, paid or not paid selection, and not paid reason notation. Daily Accounting Journal Sheets updated to include L-CHIP fees.</p> <p>L-CHIP Report capability including: Detailed Report, Summary Report, Exception Report, Void Report, and Monthly DRA Summary Report.</p> <p>Includes software development, installation, setup to existing software system, and incidental software mainenance.</p>	3,750.00	3,750.00

Please remit to above address.

TOTAL \$3,750.00

**DEVINE
MILLIMET**

ATTORNEYS AT LAW

August 25, 2008

DAVID H. BARNES
603.695.8500
DBARNES@DEVINEMILLIMET.COM**ENGAGEMENT LETTER**Sullivan County
County Government Offices
14 Main Street
Newport, New Hampshire 03773**Re: Proposed Issuance of General Obligation Bonds by Sullivan County, New
Hampshire ("Issuer") - Bond Counsel Services**

Ladies and Gentlemen:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to Sullivan County, New Hampshire (the "Issuer") in connection with the issuance of the above-referenced bonds (the "Bonds"). We understand that the Bonds are being issued for the purpose of financing a new correctional facilities as well as renovations to existing facilities and will be general obligations of Issuer. We also understand that your bonds may be sold through the New Hampshire Municipal Bond Bank in its Fall 2009 Sale; and that you may issue a bond anticipation note which will then be paid off with proceeds of a bond issued in the New Hampshire Municipal Bond Bank Spring 2009 Sale. Furthermore, we understand the bond issue under consideration will be in the amount of approximately \$7,100,000.

In this engagement, we expect to perform the following duties:

- (1) Subject to the completion of proceedings to our satisfaction, render our legal opinion (the "Bond Opinion") regarding the validity and binding effect of the Bonds, the source of payment and security for the Bonds, and the excludability of interest on the Bonds from gross income for federal and State of New Hampshire income tax purposes.
- (2) Review and consult with Issuer regarding the proceedings and other actions taken by Issuer to authorize the issuance of the Bonds.
- (3) Prepare and review documents necessary or appropriate to the authorization, issuance and delivery of the Bonds; and coordinate the authorization and execution of such documents.
- (4) Review legal issues relating to the structure of the Bond issue.

DEVINE, MILLIMET
& BRANCH
PROFESSIONAL
ASSOCIATION111 AMHERST STREET
MANCHESTER
NEW HAMPSHIRE
03101T 603.669.1000
F 603.669.8547
DEVINEMILLIMET.COMMANCHESTER, NH
ANDOVER, MA
CONCORD, NH
NORTH HAMPTON, NH

August 25, 2008
Page 2

- (5) Draft the continuing disclosure undertaking of the Issuer to the extent required by Securities and Exchange Commission Rule 15c2-12, as amended.

Our Bond Opinion will be addressed to the Issuer and any purchaser(s) of the Bonds and will be delivered by us on the date the Bonds are exchanged for their purchase price (the "Closing").

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the Issuer with applicable laws relating to the Bonds. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security.

Our duties in this engagement are limited to those expressly set forth above.

Upon execution of this engagement letter, the Issuer will be our client and an attorney-client relationship will exist between us. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. Our representation of the Issuer and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds. Nevertheless, subsequent to Closing, we will mail the appropriate Internal Revenue Service form 8038-G and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bonds.

As you are aware, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the Issuer, one or more of our present or future clients will have transactions with or involving the Issuer. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Bonds. We do not believe such representation, if it occurs, will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Bonds so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bonds. Execution of this letter will signify the Issuer's consent to our representation of others consistent with the circumstances described in this paragraph.

Based upon (i) the size of the bond issue; (ii) the complexity of the involved financing structure; (iii) the manner in which the bonds will be sold; (iv) the duties and responsibilities we are undertaking pursuant to this letter; and (v) the time that we anticipate devoting to this financing, we anticipate that our fees, including expenses, will not exceed (i) \$5,000 for a bond issued in the Fall 2009 New Hampshire Municipal Bond Bank Sale; and (ii) \$1,500 for a bond note issued in anticipation of such bonds. Our fee may vary: (a) if the principal amount of the bonds actually

August 25, 2008
Page 3

issued differs significantly from the amount stated above; (b) if material changes in the structure or schedule of the financing occur; or (c) if unusual or unforeseen circumstances arises which require a significant increase in our time or responsibility. If, at any time, we believe the circumstances require an adjustment of our original fee estimate, we will advise you and will prepare and provide to you an amendment to this letter. Our fee is typically paid at the closing of the bonds and we customarily do not submit any statement until the closing. In the event that the financing is not consummated, we understand and agree that we will not be paid.

We understand and agree that our fees will be paid within a reasonable amount of time subsequent to closing. If the financing is not consummated, we understand and agree that we will not be paid.

If the foregoing terms are acceptable to you, please so indicate by returning the enclosed copy of this engagement letter dated and signed by an authorized officer, retaining the original for your files.

We look forward to working with you.

DEVINE, MILLIMET & BRANCH,
PROFESSIONAL ASSOCIATION

By: David H. Barnes
David H. Barnes

Agreed to and accepted in accordance with the foregoing.

SULLIVAN COUNTY

By: _____
Name: _____
Title: _____
Date: _____

**Summary Data From Draft Audit
(Not Received in Office)**

Per Monthly Financials		Notes
Revenues	26,255,731	
Expense	(25,883,800)	
Sub Total	371,931	
Adjustments		
Fund 43	1,500	
Misc small Adj.	13,707	
Accrued Payroll Expense	(212,477)	
Sub Total	174,661	Budget vs. Actual Surplus/(Deficit)
Audit Adj. for GAAP Basis		
IBNR for Health Claims (Est.)	(444,114)	
Reclassify N.H. Capital Expenditures	240,309	
Allowance for A/R Uncollectable (Est.)	(153,939)	
depreciation Expense for N.H.	(436,203)	
Sub Total	(619,286)	GAAP Basis Net Income/(Loss)
Adj. For Budgetary Basis		
Reverse Prior year encumbrance	151,206	
Convert Fund 40 from accrual to budget basis	166,243	
Sub Total	(301,837)	Budgetary Basis net Income/(Loss)

Sullivan County, New Hampshire
 Reconciliation of "Monthly Revenue and Expense" Reports to Financial Statement Net Income (Loss)
 2008

Per "Monthly Revenue" and "Monthly Expense" reports:

Revenues	26,255,731
Expenditures	<u>(25,883,800)</u>
Subtotal	371,931

Fund 43 activity (The Meadows - not included in financial statements) 1,500

Audit adjustments:

Various small adjustments	13,707	
Record accrued payroll	(212,477)	M-030
Record IBNR (health claims for services through 6/30/2008 for which invoices not received by 6/30/2008)	(444,114)	M-065
Reclassify Nursing Home capital expenditures to fixed assets	240,309	FA-010
Adjust allowance for doubtful accounts at Nursing Home	(153,939)	EF-010
Record depreciation expense for Nursing Home	<u>(436,203)</u>	FA-010

Some of these accounts have already been recorded to the budget at year end.

	Per client	AJEs	RJEs	Audited
GF	1,416,460	(567,115)		849,345
MF	(294,401)	376,590		82,189
NMF	(241,709)	220,768		(20,941)
EF	(516,451)	(1,013,425)		(1,529,876)
Meadows	(1,500)		1,500	-
Total	362,399	(983,182)	1,500 (2)	(619,283)

Subtotal	(592,717)
Total GAAP Basis Net Income (Loss)	<u>(619,286) (2)</u>

Budget Adjustments:

Use of fund balance	-
Record current year encumbrances	-
Reverse prior year encumbrances	151,026
Convert accrual basis Nursing Home to budget basis (remove depreciation, expense fixed assets, reverse comp. abs.)	<u>166,243 (1)</u>

436,203	Remove depreciation
(240,309)	Expense fixed assets
(29,651)	Adjustment for compensated absences (change in accrual)
<u>(1) 166,243</u>	

Subtotal	317,269
Total Budget Basis Net Income (Loss)	<u>(302,017)</u>

Since IBNR is not budgeted, we could make one further budget adjustment of \$47,413 to back out the increase in IBNR that is not budgeted.

Sullivan County, New Hampshire

DRAFT

Position Title: Accounting Manager

Statement of Duties:

This position reports to the County Manager and is responsible for providing administrative, supervisory, technical accounting and finance functions to elected officials, department heads, employees and reporting agencies in accordance with Generally Accepted Accounting Procedures. This position plans, organizes and implements programs within organizational policies as well as preparing the County Budget.

Position Functions:
(essential functions)

1. Review all general journal entries, analyze monthly ledger reports for accuracy and ensure timely reporting to all county departments. Provide information to the Commissioners and the Delegation as required.
2. Oversee payroll operations insuring timely and accurate processing of by weekly payroll.
3. Supervise accounts payable function and review accounts payable invoices. Authorize department orders and check requests. Responsible for final authorization for any manual check requests for county departments.
4. Provides training in technical accounting and internal systems control to accounting staff and other County personnel.
5. Oversee resident account billing for medicaid, medicare, private pay, secondary insurers and appropriate receivables to insure timely and accurate billing for Sullivan County Health Care.
6. Analyze, prepare and audit a variety of complex governmental financial statements and reports. Draws conclusions and makes appropriate recommendations in conformance with generally accepted accounting principles.
7. Run trial balances and balances for general ledger accounts to subsidiary accounts.
8. Prepare annual budget in conjunction with department heads and elected officials.
9. Direct all year-end closing activities and completion of annual audit by an independent firm..

10. Responsible for fixed asset programs, property control and inventory records as well as grant funding administration.

(other functions)

1. Maintain contact with banks and transfer funds as needed.
2. Assist in personnel actions to include hiring, promoting, discipline and training.
3. Maintain good working relations with all County Depts. the delegation and the public.

Minimum Qualifications

Candidate for this position requires a bachelors degree in accounting, finance or related field. Certified Public Accounting designation is preferred. The incumbent should have a minimum of five years experience in supervision, management and budgeting; or combination of training and responsible work experience that would demonstrate possession of the required knowledge skills and abilities to perform the work.

A candidate should have a thorough knowledge of governmental accounting practices and administration and governmental rules and regulations. A through knowledge of computer accounting technology is essential. A candidate should have the ability to communicate effectively with the public, to plan organize and direct the work of others and maintain a high level of confidentiality.

Physical & Mental Requirements

The incumbent works in a moderately noisy office setting with exposure to outdoor conditions up to 1/3 of the time. There is little risk of personal injury. Physical demands generally involve standing, climbing or balancing, stooping, kneeling, crouching and reaching with hands and arms up to 1/3/ of the time; walking up to 2/3 of the time; and sitting, talking or listening/hearing, and using of hands more than 2/3 of the time. Frequently weight is lifted or force exerted of up to 10 lbs. Occasionally weight is lifted or force exerted of up to 30 lbs. Seldom is weight lifted or force exerted up to 60 lbs. There are no special vision requirements for this position. Equipment used includes hand tools, office machines and personal computers.

Job Environment

Duties at this level are complex and require the application of a variety of administrative procedures and financial management. Incumbent must be aware of the rules and regulations governing county operations, and be able to provide assistance to professional and non-professional staff. Guidelines for performing work consist of policies, state and local laws and regulations. Many of the guides lack utility for resolving specific situations. Hence ingenuity and

creativity are essential to the position. Incumbent plans and carries out daily work with a high degree of independence, in accordance with county laws, rules and regulations, and previous training.

Errors made could result in delays or loss of service, monetary loss, damage to buildings or equipment, or legal liability.

The incumbent has frequent contact with the public through representation of the county. Other contacts are typically with other county state and municipal agencies and local business. Contacts occur in person, through the use of the telephone and in writing.

Incumbent is a department manager who works under the administrative direction of the County Manager and must carry out full scale managerial responsibilities including the assignment of work, evaluation of subordinate performance, administering discipline, making certain that reports are completed with accuracy and on time, and ensuring that the work program of the department are completed. Subordinates are on the same shift but not in the same location.

The incumbent has full access to confidential employee records, collective bargaining matters, law suits and criminal investigations and records.

The incumbent supervises four full time employees.

Earned & Sick Time Accrual. 10 Paid Holidays. Health, Dental & Life Insurance & New Hampshire Retirement What a benefit package.

Sullivan County

"All day, every day, we make life better."

Accounting Manager

The primary function of this position is to supervise, audit, and perform accounting and administrative work relating to governmental fund accounting, payroll, accounts payable, accounts receivable, fixed asset programs, grant administration.

Knowledge & Minimum Qualifications:

Governmental accounting principles and practices, public finance, payroll systems, internal controls, and computerized financial systems and skill in their application; as well as reporting principles and practices; Supervisory practices and processes.

Bachelors in Accounting or related field, CPA preferred

Job description available at www.sullivancountynh.gov

Forward resumes by October 3rd to:
County Administrator
14 Main Street
Newport, NH 03773
or email to
commissioners@sullivancountynh.gov