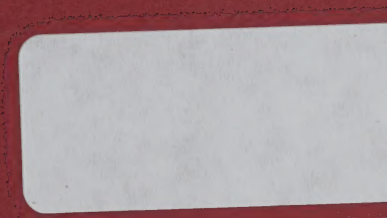
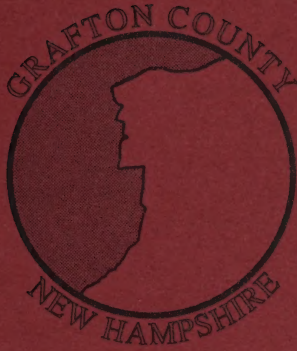


Office  
F  
42  
47  
2000/2001



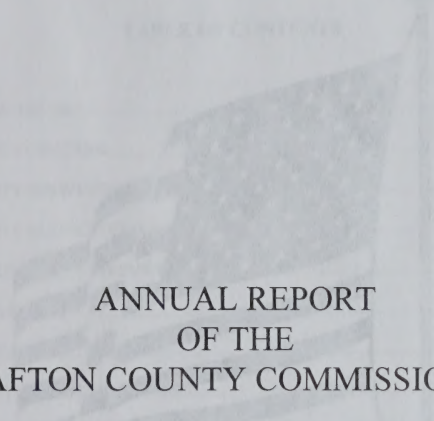
# **GRAFTON COUNTY REPORT**

**FISCAL YEAR 2001**

July 1, 2000 - June 30, 2001



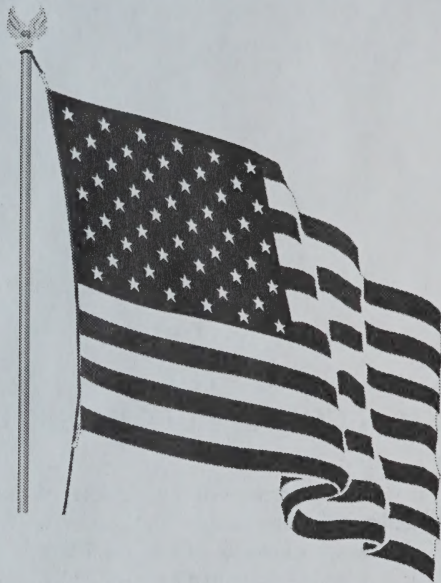
N Hamp  
F  
42  
.67  
2000/2001



# ANNUAL REPORT OF THE GRAFTON COUNTY COMMISSIONERS

Together with the Reports of the Treasurer, Auditors,  
Administrator, Superintendent, Attorney, Sheriff,  
Register of Deeds, Physicians, Farm,  
and Cooperative Extension

For the Year July 1, 2000 - June 30, 2001



The Grafton County Commissioners are dedicating this year's County Report to all volunteers - Countywide, Statewide, and nationwide - who make a difference in the lives of our citizens every single day. We count on their unflinching goodness, and the giving of their time and energy in so many areas of life. Often, they are taken for granted. With our personal thanks, we want them all to know today that they are appreciated, respected, and that none of us could do without them.

It takes special people to give up their personal time and often their family life in order to serve others in so many volunteer capacities.

We would like to extend special thanks to all emergency management technicians - police, fire, ambulance, and so many others - who risk their lives on a daily basis in order to help, protect, and save others. Theirs is often a thankless job, but they do it for love of their fellow citizens. Their unflinching devotion to mankind is without equal, and we are proud to live in a county, state, and country with so many people who truly care about each other and are willing to give of themselves to benefit all of us and to make us feel more secure. We hope that all who read this Dedication will extend their own thanks to any volunteers they might happen to meet, in any capacity, and tell them that they are appreciated.

## TABLE OF CONTENTS

COMMISSIONERS' REPORT.....	01
GRAFTON COUNTY OFFICERS.....	05
GRAFTON COUNTY DELEGATION.....	06
GRAFTON COUNTY BUDGET (EXPENDITURES).....	08
GRAFTON COUNTY BUDGET (REVENUE).....	09
DELEGATION EXPENSES.....	10
TREASURER'S REPORT.....	11
GRAFTON COUNTY ATTORNEY'S OFFICE.....	12
GRAFTON COUNTY SHERIFF'S DEPARTMENT.....	14
SHERIFF'S DEPARTMENT ACTIVITY STATISTICS FOR FISCAL YEAR 2000.....	16
REGISTER OF DEEDS' REPORT.....	17
REPORT OF THE GRAFTON COUNTY NURSING HOME.....	18
GRAFTON COUNTY NURSING HOME ASSOCIATION.....	20
CHAPLAIN'S REPORT.....	21
MEDICAL DIRECTOR'S REPORT.....	21
REPORT OF THE GRAFTON COUNTY FARM.....	22
REPORT OF THE GRAFTON COUNTY DEPARTMENT OF CORRECTIONS.....	23
ALCOHOL COUNSELOR'S REPORT.....	24
SUBSTANCE ABUSE REPORT.....	25
UNH/GRAFTON COUNTY COOPERATIVE EXTENSION.....	26
GRAFTON COUNTY CONSERVATION DISTRICT.....	28
DELEGATION PROCEEDINGS.....	30
AUDITORS' REPORT.....	94



COMMISSIONERS' REPORT  
FISCAL YEAR 2001

The Grafton County Board of Commissioners present the following reports and financial statements. We hope that they will increase your understanding of Grafton County's finances and operations and assure citizens that their tax dollars are being spent wisely.

Financially, Fiscal Year 2001 was a challenging one for Grafton County, we saw a drastic reduction in our major revenue source, the Nursing Home, due to a large reduction in our Medicaid Reimbursement rate and having to close a wing of the Nursing Home. Revenue received for Fiscal Year 2001 was \$18,932,219.18 and the total amount expended during the Fiscal Year was \$17,873,324.77. Grafton County was fortunate to continue to receive a Medicaid Proportionate Share Payment this year, this year's payment was a net receipt of \$380,575.00. The budget process which we went through in the Spring of 2001, was undoubtedly one of the most difficult anyone can remember. The Commissioners would like to thank their Department Heads for the countless hours that we expended putting this budget together.

In August of 2000, we welcomed our new neighbors the Horsemeadow Senior Center. This much-needed Center was constructed with the consolidated efforts of the Town of Haverhill and Grafton County, who jointly applied for a Community Development Block Grant.

The County continues to be active assisting organizations with Community Development Block Grants. Notably during the year Grafton County played a major role in the acquisition of the old Littleton Stamp and Coin building to construct the new Littleton Learning Center, which is a huge asset to the North County.

In December, 2000 the County and the United Electrical Workers, Local 278 signed the first Collective Bargaining Agreement for the employees represented by this organization.

The Nursing Home has faced many challenges over the past Fiscal Year. The primary issue for us has been working through the nationwide nursing shortage. Due to this Grafton County has had to close a wing at the Nursing Home in order to maximize the staff that we do have. Grafton County has formed an alliance with Glencliff Home for the Elderly and Cottage Hospital to work on this problem. Another big issue for the Nursing Home during the past year was the large reduction in our Medicaid Reimbursement Rate. The rate went from \$131.06 in October, 2000 to \$123.95 in February, 2001 costing the County a large portion of Nursing Home revenue.

A very positive event for the not only the Nursing Home but the entire County is the hiring of Construction Manger H.P Cummings and Architech Sumner Davis. These two firms are putting together the plans for construction of a new wing for the Nursing Home along with major renovations for office space in the wing that will be replaced as well as renovations at the Courthouse to address the spacing needs that exist there. This is an exciting project for all of us.

The Grafton County Economic Development Council is now fully staffed and functions out of their office in Plymouth, NH.

The Treasurer continues to do an excellent job investing the County's money. Fiscal Year 2001 interest exceeded the budgeted amount by \$61,967.34 for a total interest income of \$231,967.34.

The Registry of Deeds continues to be very busy and have again exceeded budgeted revenues. The Registry budgeted \$744,400 for revenue in FY 2001 and actual revenue received was \$902,774.04. The Commissioners commend Register, Carol Elliott and her staff on a job well done.

The Barbara B. Hill Memorial Fun(d) continues to help Grafton County's children in need, with fun activities. Donations are always welcome.

In April, 2001 the Grafton County Farm saw an unprecedented event when the barns were closed to the public for the first time ever, due to national scare of foot and mouth disease; our Biosecurity Policy is now in force. We look forward to lifting this ban at some point in the future. Prior to the closing the farm continued to be a great area attraction, with the County holding its annual "Pumpkin Day" for the Woodsville Elementary School in October, 2000. This day brings all the children from the elementary to school to the farm for a tour and they get to pick out their very own pumpkin to take home. The Farm continues to donate potatoes and veggies to local food organizations. Grafton County cooperated with the NH Fish and Game and the Audubon Society and with the assistance of NH Public Service installed two osprey-nesting platforms on County property.

We were all saddened by the loss of long-time County Farm employee Douglas "Bum" Bigelow who passed away in January, 2001. He is missed by all of his friends here at the Grafton County Complex as well as the Community.

The Grafton County Commissioners hold regular monthly meetings at the County Administration Building on Route 10 just north of the Grafton County Superior Courthouse in North Haverhill, with periodic tours of the Nursing Home, Department of Corrections, County Farm and Courthouse. The Commissioners also attend monthly meetings of the Grafton County Executive Committee. All meetings are public, with interested citizens and members of the press encouraged to attend. Call the Commissioners' Office to confirm date, time and schedule.

In closing, we are proud of our employees – department heads and staff members – for their loyalty and dedication to the citizens of Grafton County and the hard work they do for all of us throughout the year.

Respectfully Submitted,

Steve Panagoulis, Chair (District 3)  
Michael J. Cryans, Vice-Chair (District 1)  
Raymond S. Burton, Clerk (District 2)



# GRAFTON COUNTY ELECTED OFFICIALS

## COUNTY COMMISSIONERS

- District 1: Michael J. Cryans (Hanover)
- District 2: Raymond S. Burton (Bath)
- District 3: Steve Panagoulis (Plymouth)

## SHERIFF

Charles E. Barry (Haverhill)

## COUNTY ATTORNEY

Kenneth P. Anderson (Plymouth)

## COUNTY TREASURER

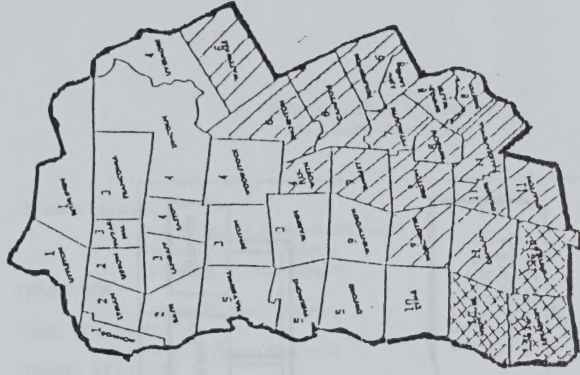
Kathleen W. Ward (Littleton)

## REGISTER OF DEEDS

Carol A. Elliott (Plymouth)

## LEGISLATIVE DELEGATION - EXECUTIVE COMMITTEE

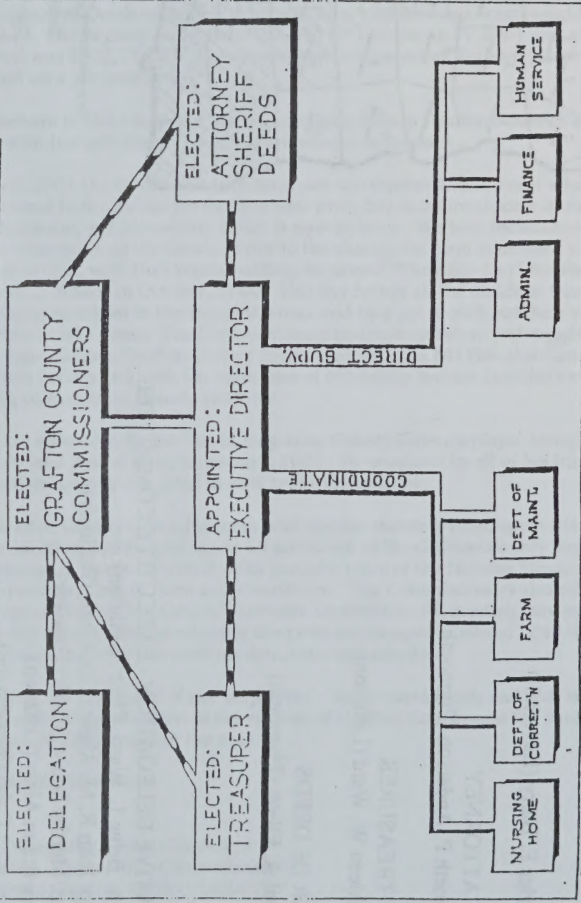
- Rep. Brien L. Ward, Chair (Littleton)
- Rep. John R. M. Alger, Vice-Chair (Rumney)
- Rep. Martha Solow, Clerk (Hanover)
- Rep. Susan Almy (Lebanon)
- Rep. John Cobb (Woodsville)
- Rep. Charles Sova (Canaan)
- Rep. Burton Williams (Bristol)
- Rep. Gene B. Marshall (Lisbon)
- Rep. Hilda W. Sokol (Hanover)



Representative Districts — (1-14)

- District # 1
- District # 2
- District # 3

# ORGANIZATION CHART OF GRAFTON COUNTY



JULY 1990

GRAFTON COUNTY OFFICERS  
July 1, 2000 - June 30, 2001

COMMISSIONERS

Steve Panagoulis, Plymouth, District #3  
Michael J. Cryans, District #1  
Raymond S. Burton, District #2

TREASURER

Kathleen W. Ward, Littleton

EXECUTIVE DIRECTOR

Ernest A. Towne, Woodsville

COUNTY ATTORNEY

Kenneth Anderson, Plymouth

SHERIFF

Charles E. Barry, No. Haverhill

CLERK OF COURT

Robert B. Muh, Littleton

JUDGE OF PROBATE

Gary W. Boyle, Littleton

REGISTER OF PROBATE

Rebecca Wyman, Woodsville

REGISTER OF DEEDS

Carol A. Elliott, Plymouth

ADMINISTRATOR, NURSING HOME

Eileen Bolander, Bradford, VT

SUPERINTENDENT, CORRECTIONS

Glenn Libby, Piermont

MANAGER, COUNTY FARM

Donald Kimball, No. Haverhill

CHAPLAINS

All Denominations

MEDICAL DIRECTOR

Frederick Kelsey

AUDITORS

Mason & Rich Professional Association, Concord

GRAFTON COUNTY DELEGATION

July 1, 1999 - June 30, 2000

District #1

\*Brien Ward, Littleton  
G. Michael Gilman, Littleton  
Stephanie Eaton, Littleton

District #2

Gene Marshall, Lisbon

District #3

Jessica Densmore, Franconia

District #4

Bonnie Ham, Woodstock

District #5

\*Paul I. LaMott, Haverhill  
\*John S. Cobb, Woodsville

District #6

Richard S. Brothers, Campton  
Gary L. Johnson, Holderness

District #7

\*Allen K. MacNeil, Plymouth  
Harry T. Hinman, Plymouth

District #8

William R. Phinney, Bristol  
Hobart M. Harmon, Bristol

District #9

\*John R. M. Alger, Rumney

District #10

\*Marion L. Copenhaver, Etna  
Robert H. Guest, Hanover  
Sharon L. Nordgren, Hanover  
\*Martha Solow, Hanover

District #11

David M. Scanlan, Canaan  
\* "Phil" Weber, Grafton

District #12

Paul M. Mirski, Enfield

District #13

David A. Hall, Canaan

District #14

\*Susan Almy, Lebanon  
Ralph Akins, Lebanon  
Terri C. Dudley, West Lebanon  
Al Picconi, Lebanon

\*Executive Committee members

GRAFTON COUNTY DELEGATION  
January 1, 2001 - June 30, 2001

District #1

\*Brien Ward, Littleton  
Stephanie Eaton, Littleton  
G. Michael Gilman, Littleton

District #2

\*Gene B. Marshall, Lisbon

District #3

Robert Giuda, Warren

District #4

**Bonnie D. Ham, Woodstock**

District #5

\*John S. Cobb, Woodsville  
Douglass Teschner, Haverhill

District #6

"Sid" Lovett, Holderness  
Robert Barker, Campton

District #7

**Debra Naro, Plymouth**  
Mary Cooney, Plymouth

District #8

\*Burton Williams, Bristol  
Bill Gabler, Hebron

District #9

\*John R. M. Alger, Rumney

District #10

\***Martha Solow, Hanover**  
\*Hilda Sokol, Hanover  
Sharon Nordgren, Hanover  
Bernard Benn, Hanover

District #11

\*Charles Sova, Canaan  
David M. Scanlan, Canaan

District #12

Paul M. Mirski, Enfield

District #13

Nancy Scovner, Enfield

District #14

\*Susan Almy, Lebanon  
Terri C. Dudley, West Lebanon  
Ralph L. Akins, Lebanon  
Marion Pawlek, West Lebanon

\*Executive Committee

**GRAFTON COUNTY BUDGET**

07/01/00 - 06/30/01

**EXPENDITURES:**

Administration & Treasurer	\$	259,109.00
County Attorney	\$	358,580.00
Victim/Witness Advocate	\$	101,970.00
Medical Referee	\$	40,000.00
Delegation Expenses	\$	5,000.00
Register of Deeds	\$	412,130.00
Sheriff's Department	\$	805,759.00
Dispatch	\$	437,000.00
Courthouse Maintenance (Allocated to Depts)	\$	-
Court System Maintenance Allocation	\$	133,544.00
Human Services	\$	5,497,949.00
GCEDC	\$	30,000.00
Extension	\$	220,603.00
Social Svc	\$	486,800.00
Interest	\$	28,183.00
Payment on Bonds & Notes	\$	70,000.00
Capital Outlay	\$	169,004.00
Wage/Benefit Adjustment	\$	115,660.00
Juvenile Detention	\$	100.00
Contingency	\$	55,000.00
Unemployment	\$	5,000.00
Nursing Home	\$	7,853,474.00
Jail	\$	1,970,874.00
Farm	\$	347,117.00
Conservation Dist	\$	35,845.00
North Country	\$	500.00
<b>TOTAL EXPENSES</b>	<b>\$</b>	<b>19,439,201.00</b>
<b>LESS REVENUE</b>	<b>\$</b>	<b>8,828,056.00</b>
<b>LESS SURPLUS TO REDUCE TAXES</b>	<b>\$</b>	<b>1,200,000.00</b>
<b>AMOUNT TO BE RAISED BY TAXES</b>	<b>\$</b>	<b>9,411,145.00</b>

GRAFTON COUNTY BUDGET  
07/01/00 - 06/30/01

REVENUE:

County Nursing Home	\$ 6,498,206.00
County Jail	\$ 55,185.00
County Farm	\$ 346,263.00
Building Rental	\$ 263,399.00
Register of Deeds	\$ 744,400.00
5% Alternative Program	\$ 183,267.00
Sheriff's Dept Fees	\$ 115,000.00
Sheriff's Dispatch & Misc	\$ 379,835.00
Extension Svc	\$ 8,000.00
Misc Revenue	\$ 3,001.00
Interest Earned	\$ 170,500.00
Federal in Lieu of Taxes	\$ 30,000.00
Victim/Witness Advocate	\$ 30,000.00
Attorney's Fees	\$ 1,000.00
Capital Reserve - Farm/Dispatch/Nursing	\$ -

**TOTAL REVENUE: \$ 8,828,056.00**

DELEGATION EXPENSES  
07/01/00 - 06/30/01

Stephanie Eaton	\$	83.50
G. Michael Gilman	\$	78.14
Brien L. Ward	\$	422.94
Gene B. Marshall	\$	308.34
Jessica Densmore	\$	-
Bonnie Ham	\$	45.70
Paul I. LaMott	\$	123.40
John S. Cobb	\$	300.00
Richard S. Brothers	\$	-
Gary L. Johnson	\$	-
Allen MacNeil	\$	192.00
Harry Hinman	\$	-
William Phinney	\$	-
Hobart M. Harmon	\$	-
John R.M. Alger	\$	557.34
Marion Copenhagen	\$	184.20
Robert Guest	\$	-
Sharon Nordgren	\$	88.86
Martha Solow	\$	480.78
David Scanlan	\$	49.15
Phil Weber	\$	-
Paul Mirski	\$	110.30
David A. Hall	\$	-
Susan Almy	\$	619.17
Ralph Akins	\$	49.38
Terri C. Dudley	\$	-
Al Picconi	\$	-
Robert Guida	\$	38.65
Doug Teschner	\$	58.72
Robert Barker	\$	135.26
Sidney Lovett	\$	118.34
Debra Naro	\$	110.34
Mary Cooney	\$	139.97
Burton Williams	\$	495.92
Bill Gabler	\$	56.20
Charles Sova	\$	572.42
Marion Pawlek	\$	47.10
Bernard Benn	\$	108.87
Hilda Sokol	\$	405.09
Nancy Scovner	\$	35.19
Supplies	\$	465.99
		-----
	\$	6,481.26



TREASURER'S REPORT  
FISCAL YEAR 2001

It is with great pride and pleasure that I can once again report to the citizens of Grafton County that we exceeded the amount of interest that was actually budgeted for the past fiscal year. The amount budgeted was \$170,500. The actual amount of interest received was \$241,781. The amount of interest budgeted for the past six years equaled \$707,000. The actual amount received for the past six years equaled \$1,036,846. So, as you can see, the County Treasurer has certainly been working the County's money in the best possible way to earn as much interest as possible for the taxpayers of Grafton County, thereby helping to reduce the amount that has to be raised for taxes in each budget year.

I am also glad to advise the citizens of the County that Grafton County has three Capital Reserve Accounts and that the audited balance for Fiscal Year 2001 for those Accounts is as follows:

Nursing Home Capital Reserve Account	\$1,338,591
Farm Capital Reserve Account	\$ 127,747
Dispatch Capital Reserve Account	\$ 56,924

Also, once again, Grafton County received Medicaid Proportionate Share Payment for Fiscal Year 2001 in the net amount of \$380,575 which assists the County with the difference between what it costs the County to house a Nursing Home patient per day vs. what the County actually receives as reimbursement to house a Nursing Home patient per day. The federal government reimburses this Proportionate Share Payment to assist in offsetting those costs that the taxpayers subsidize.

Respectfully submitted,



Kathleen W. Ward  
Grafton County Treasurer

ANNUAL REPORT  
GRAFTON COUNTY ATTORNEY  
FISCAL YEAR 2001

As in each of the years since I was first elected to this office, I am pleased to report that this office ended the fiscal year having expended less money than was budgeted. When asked by the Executive Committee of the Grafton County Delegation to cut my budget request for the new fiscal year I did so, and am happy to do whatever I can to reduce the impact on the taxpayer, so long as we do not sacrifice the accomplishment of the mission of this office, which is to prosecute criminals in furtherance of the overall goal of doing what we can to provide for the safety of our citizens.

I have continued to encourage the pursuit of continuing education in this office, and we have been successful in obtaining Grants for a number of programs. My Assistants, 2 of the prosecutors who serve the District Courts, and I have all attended several programs sponsored by the National District Attorneys Association at the prestigious National Advocacy Center in Columbia, South Carolina. This training is fully funded by the U.S. Department of Justice. I have also served on the faculty of the National Advocacy Center twice during the past year.

I also attended training at the National White Collar Crime Center in Fairmont, West Virginia this past February. That training was a one-week intensive course in "Basic Data Recovery and Analysis" involving the forensic examination of computers in connection with computer-related crimes.

The caseload continues to be substantial, but manageable thanks to the continuing efforts of the entire staff, as well as the aggressive pre-indictment screening of cases and willingness to take difficult cases to trial.

We all work hard to reach appropriate negotiated plea agreements in a timely manner, thereby resolving those matters quickly and effectively, allowing us to spend the time and resources necessary to prepare the "hard cases" for trial.

This office opened 467 new cases, involving the filing of over 800 criminal cases with the Superior Court in 2000, and have opened 229 cases, involving 495 charges, thus far in 2001. Crime is increasing, it is being dealt with effectively and appropriately. We continue to work closely with the Clerk's office to move cases along and seek justice in an efficient and professional manner.

The rate of convictions in Grafton County rivals that of any other in the State of New Hampshire, and I am pleased to report that the majority of cases that actually proceed to trial are those that can best be described as "difficult". The cases that go to trial are generally either sexual assault, those involving defendants who are unwilling to accept responsibility for their actions, or will not agree to the sentence recommendation being made by the prosecution. We continue to make use of the entire spectrum of available sentencing alternatives in order to punish offenders and attempt to rehabilitate them.

I am pleased to say that we have been successful in fashioning and utilizing a number of "alternative sentences" which have resulted in youthful and other "first time" offenders getting on the right track and engaging in meaningful rehabilitative programs in order to be productive, law-abiding members of society. One such program, "North Country Academy" is doing well and has gained in popularity as an alternative to long-term incarceration, which is helping to reserve "prison space" for those most-deserving of that level of sanction.

We all appreciate the support we get from the Grafton County Commissioners, the Department of Corrections and the Sheriff's Department as we look for new, more efficient ways in which to carry out the duties and responsibilities incumbent on me as your County Attorney.

Thank you!

August 20, 2001



Ken Anderson  
Grafton County Attorney

## REPORT OF THE GRAFTON COUNTY HIGH SHERIFF

To the Honorable Executive Director, Board of County Commissioners, members of the County Delegation and citizens of Grafton County.

It is with pleasure that I submit the Report of the Grafton County Sheriff for Fiscal Year 2001.

The fiscal year just past, saw the beginning of a general upgrade in the use of modern technology by the Grafton County Sheriff's Department Communications Division. The installation of the statewide LAWNET radio system, which for the most part, is being federally funded began with completion scheduled in 2002. The new radio equipment consists of state of the art mobile and hand-held radios and the communications infrastructure necessary to allow the department to provide high quality dispatch service to the Department and other law enforcement users throughout the County.

In addition, a grant application was submitted to the United States Department of Justice in Washington, D.C., to obtain nearly \$100,000 to acquire an up to date computer system. This equipment, if obtained, will be compatible with the radio system and will allow the processing of information and data within the Department to be done more efficiently.

Overseeing the planning and development of these two projects is the recently appointed Director of Communications, a position approved during the last fiscal year,

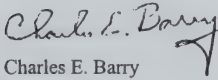
Requests for assistance from other law enforcement agencies, especially in the smaller communities in the County saw a dramatic increase during the past year. The type of assistance varies from emergency incidents to planned public events. This is a tangible indication of County Government helping the towns. The Department is pleased to provide this service to the extent available resources permit it.

Space, or lack of it, at the Sheriff's Department Headquarters is a problem. Since the Department moved into its present quarters in the early 1970's the number of employees has grown and additional duties have been assumed. More space is badly needed and it is my request that serious planning to correct this problem begun.

Court security demands increased during this past year with the Department being called upon to provide security in the Grafton County Superior Court, Probate Court, Haverhill Family Court and staffing the metal detector at the entrance to the courthouse. In addition, the Department has assumed the responsibility of guarding prisoners at the four District Courts in the County. It is anticipated that the Department will be faced with an increased need for security services in those courts.

In conclusion, I want to thank the supervisors and employees of the Sheriff's Department, the Executive Director, Board of County Commissioners and the members of the County Delegation for their individual and collective support. As the High Sheriff, it is my continuing goal, as it is of all the members of the Department to recognize and be responsive to, the needs of the people in a way that is efficient and reflects favorably on the Department and Government of Grafton County.

Respectfully submitted,

A handwritten signature in cursive script that reads "Charles E. Barry". The signature is written in dark ink and is positioned to the left of the typed name.

Charles E. Barry  
High Sheriff  
Grafton County

GRAFTON COUNTY SHERIFF'S DEPARTMENT ACTIVITIES REPORT  
July 1, 2000 through June 30, 2001

	FY 2000	FY 2001
<u>Civil Department</u>		
• Civil Writs Served	3,045	3,176
• Civil Service Fee Revenue	\$103,282	\$111,305
<u>Extraditions</u>		
• Defendants returned to Grafton County from other states	26	17
<u>Communications Center</u>		
• Total incoming telephone calls	77,143	95,364
• Total radio transmissions	472,012	517,391
<u>Prisoner &amp; Patient Transports</u>		
• Adults and juveniles transported to Courts and treatment facilities	2,001	2,259
<u>Criminal and Other Investigations Conducted</u>		
• Investigations conducted	283	230
• Criminal charges filed in Courts	199	181
<u>Persons Held in Temporary Detention at the Sheriff's Department</u>		
• Defendants held awaiting Court action	624	547
<u>Persons Entering the Courthouse</u>		
• Persons entering on business in all County and State offices	49,113	48,317
<u>Assistance Rendered to Other Police Departments</u>		
• Assistance rendered	95	282

REGISTER OF DEEDS REPORT

for the Fiscal Year ending June 30, 2001

To the Grafton County Commissioners, Delegation Members and Citizens:

During Fiscal Year 2001 a total of 25,924 real estate documents were received and recorded at the Grafton County Registry of Deeds. This activity along with other fees produced a total income of \$6,379,141.94, an increase of \$436,000.00 in total revenue over the prior fiscal year. These funds were distributed as follows:

To Grafton County-

Recording fees, copying fees and the county's share of the real estate transfer tax (4%):

\$836,133.40

Miscellaneous Income-sale of CD-ROMs and service charges for on-line service to enable outside access to Registry indexes:

\$3,333.00

Checking account interest earned:

\$17,734.42

Document recording surcharges collected for the express purpose of purchasing or leasing equipment at no cost to County taxpayers:

\$46,392.00

Total County Income: \$903,592.82

To State of New Hampshire-

State's share (96%) of all real estate transfer taxes collected:

\$5,475,549.12

Total State Income: \$5,475,549.12

Thanks to the healthy economy in Grafton County and the diligent work ethics of the Registry employees, another banner year of income production was realized for both the county and the state.

This year I thought it might be helpful, considering our very tight quarters, to provide some census figures for the walk-in users of our Registry vault of land records. I took a one month's census during July, 2001 and found that 624 users signed in during that time. And, I am sure there were many who did not. Allowing for fluctuations in the real estate market, I feel it is safe to assume that we service at least 7,000 walk-in customers alone each year.

Respectfully submitted,

*Carol A. Elliott*  
Carol A. Elliott

Register of Deeds

REPORT OF THE NURSING HOME ADMINISTRATOR  
FISCAL YEAR 2001

July 9, 2001

Grafton County Commissioners  
3801 Dartmouth College Highway  
No. Haverhill, NH 03774

Dear Commissioners:

This past year has been a building year. Many new processes and protocols were put in place to enhance our day to day operations and to assure our continued compliance with federal and state regulations. Continuous quality and performance improvement initiatives took on a greater focus as each department identified department and systems problems, compiled data and analyzed trends. Quarterly meetings to share problem resolutions and/or identification in a statistically meaningful way contributed to improved federal and state survey status. Our annual Quality of Life Survey in August was far improved from the previous year and we received a deficiency free Life Safety Survey for calendar year 2000.

Other major initiatives implemented this past year included facility-wide Compliance Training, computer software upgrades and training, and the acquisition of a satellite-based educational network to facilitate staff education and training in a variety of health care related areas to name a few. The Staff Development Coordinator provided more educational programs this past year. Employees attended and participated in educational or informational programs at a higher percentage than ever before. Several employees completed degree or certification programs with County assistance and are now actively working in their chosen field at the nursing home.

Each department in the nursing home establishes annual departmental goals. Together the departments establish facility goals. The Activities Department welcomed several new members including a new director, Ruth Dailey. This department implemented a Sensory Program to address the needs of many of our residents. The Business Office, with upgraded computer workstations, was able to optimize billing procedures to allow for greater efficiency and improved time management. The Business Office along with the Health Information Department investigated and implemented procedures that created a positive impact on our revenues.

The Dietary department welcomed a new Food Service Director, Dorothy Knott. The Dietary Department along with the Nursing Department has been instrumental in supporting a variety of facility programs with a focus on preventing weight loss, improving nutrition and hydration and increasing socialization amongst residents. The Nursing Department diligently and productively implemented many new nursing procedures that enhanced the quality of care of our residents.



The Social Service Department has implemented many new processes with a focus on maintaining compliance and improving efficiencies with legal and reimbursement documentation requirements. The Housekeeping Department established an inventory control system and the Purchasing Department reduced errors in delivery and time spent in correction to a minimum. Major purchases this past year included a new dryer in the laundry department and steam tables in the Dietary Department.

Our Volunteer Department has been very active. Our own Doreen Moody became the new Volunteer Coordinator. Due to all the volunteer's extraordinary efforts and generosity of time, we have been able to double our music programs and enhance other volunteer programs.

In May, Dr. Harry Rowe made the decision to step down from his position as an attending physician after many years of providing excellent care to our residents. Goodbyes were also said to long time employee, Jesse Kendall upon her retirement. Both Dr. Rowe and Ms. Kendall will be missed.

The national nursing shortage has had a major impact on all health care providers in the United States. Grafton County Nursing Home like other providers in this area are challenged to continue to provide quality care in an era of decreasing resources; staff and reimbursement. In order to maintain legal compliance with state and federal regulations, GCNH made a difficult but necessary decision to consolidate its nursing resources and temporarily closed a unit. This decision was met with community concern. Several meetings were held with various citizen groups to help clarify the issues.

All in all it was an eventful but productive year. It was a year of program development and implementation. Education of staff and keeping up with the regulations continued to be a focus of the facility. Recruitment of nursing personnel continued to be a high priority this past year. Current indicators remain clear that the national shortage of health care workers is at a critical point. Long term ramifications of this shortage are predicted to dramatically and negatively impact most health care providers in this country in the future.

Grafton County Nursing Home continues to pride itself in providing excellent care to members of our County. With all the new programs and processes implemented this past year the fruits of our efforts were demonstrated by the achievement of excellent survey results from previous years. Despite the many challenges of being a health care provider, we look forward to bigger and better things next year!

Best regards,



Eileen M. Bolander  
Administrator

GRAFTON COUNTY HOME ASSOCIATION  
ANNUAL REPORT -JUNE 2001

The Grafton County Home Association is a nonprofit organization. Thru fund-raisers and donations we purchase items and sponsor programs that will benefit all residents and will add to the quality of life.

FUND-RAISERS: Plant sales, Silent Auctions, Ice Cream Sales, Food Sales, Cook Books, Memory Tree, Vender Machine, Coca Cola Machine, Pie Sale, café, and country store, totaling \$4,424.81.

DONATIONS - Made in memory of loved ones, donations from organizations, and personal donations. Totaling \$12,624.47.

BINGO/POKENO - Two of the most enjoyed activities of the residents, totally sponsored by the Home Association, totaling \$3,626.00.

ENTERTAINMENT - The Home Association sponsors entertainment or other items for special events or Holidays for the residents such as: Music by Peter Ole, Jolly the Clown, Entertainment or other expenses for Family Day , Christmas, Flowers for Mothers Day, Pizza for Father's Day, Strawberry Social, Casino Night, Picture Frames for Resident of the Month, Tickets to the Big Apple Circus, magazines, MacDonald and Ice Cream Trips and many more totaling \$1,905.00.

PET THERAPY - A program proven to be beneficial to all residents. The Home association purchases cat food, cat litter, veterinary bills , fish food, bird seed , bird feeders, and supplies for the aquariums totaling \$564.81.

The goal for the Home Association is to continue to improve the quality of life for the residents living in the Nursing Home. We meet on the second Tuesday of each month at the Nursing Home. New members are always welcome.

Doreen Moody  
Treasurer

## CHAPLAIN'S REPORT - SEPT. 2001

Under the direction of the Grafton County Nursing Home Chaplain, Jewell Brown, Sunday Church Services are held each week with the help of volunteer Church Groups: Haverhill Congregational Church, Lisbon Bible Church, Trinity Nazarene Church, Woodsville Methodist Church, and the Westmans.. Jewell does a special Chapel Service on each floor of the building every Monday morning. Catholic Mass is held on the 3<sup>rd</sup> Thursday of every month. Jewell makes 1-1 visits with residents daily and hospital visits as needed. A Bible Study has been started in conjunction with a Ladies Meal Group. Memorial Services are held for each resident that has died giving residents and staff a way to remember their friends .

County Report 2000-2001

## MEDICAL DIRECTOR'S REPORT

This past year is best illustrated by the retirement of Harry Rowe, MD. He embodied the level of professionalism and a tradition of caring for his patients for which Grafton County Nursing Home is well known. His leaving symbolizes that in spite of change, our nursing home will maintain those fundamental traditions.

I am pleased to report that our nursing home has accomplished much in the face of staffing, budget and regulatory challenges. It has met or exceeded many benchmarks of quality of care such as appropriate use of medications, infection controls, injury prevention and comfort care. This was recognized by the successful state survey completed this year.

As the medical director, I am privileged to work with a very dedicated staff. As a practicing physician in Grafton County, I feel very fortunate to have such a facility available to our county population.

Respectfully,

Frederick S. Kelsey, MD, FACP

REPORT OF THE GRAFTON COUNTY FARM  
FISCAL YEAR 2001

Fiscal Year 2001 was a challenging year for the Farm. As in the past, farmers continue to deal with low milk prices vs. high prices for feed and for raising our own feed - i.e., gasoline, oil, etc. For the first time in many years, the Farm ended the year with a small deficit.

Grafton County has a unique problem due to the fact that we have not replaced much of our equipment for many years, and as Farm Manager, I have been slowly working on replacing the old equipment one piece a year. We are now working to complete this task within the next two to three years.

During the past three years, the Farm has had trouble maintaining a quality Herdsman. We are currently advertising to fill that position once again.

It is with great pleasure that I can inform the public that we are currently rebuilding our herd into what I am prepared to say will be one of the best Holstein herds in the State.

We continue to raise many bushels of potatoes which we utilize here at the Nursing Home as well as donating to food pantries throughout the County, and any additional potatoes we sell for Revenue goes to help the Farm. During the past year, we also sold extra feed that was not needed, to other local farmers.

We continue to assist the Nursing Home and other County departments with rubbish and snow removal.

Pumpkin Day, Family Day, and 4-H Day are very popular occasions with the local children and their families here at the County Farm.

In submitting this Report, I would like to thank my staff for their support and dedication as well as all other County departments that continue to assist and support the Farm. I would especially like to thank Superintendent Glenn Libby and his staff for their continued support and assistance with inmate labor. I would also like to thank the Board of Commissioners for their support.

Respectfully submitted,

Donald Kimball  
Farm Manager

**Grafton County Department of Corrections  
Annual Report for FY01**

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

I present the following report for fiscal year 2001 on behalf of the Grafton County Department of Corrections.


The facility averaged 66 inmates per day for a total of 24,090 inmate days. Twenty (20) inmates participated in the Electronic Monitoring Program totaling 1,797 days resulting in an estimated savings to the County of \$132,852. Electronic Monitoring Director Chris Larson and his EM Team did a very nice job.

Operationally, the department has seen a sharp increase in the severity of criminal offenses we are holding pre-trial inmates for. This has a major impact on normal facility operations, inmate management and the budget. We have experienced increases with housing inmates who have complex mental health issues and/or major medical problems, women offenders and young offenders. (ages 17 – 21)

The correctional staff dealt with several active suicide attempts, several aggressive and assaultive inmates and inmates who presented major safety and security concerns. The staff performed exceptionally well. I cannot express my sincere appreciation and respect for the jobs that they perform shift by shift and day by day. It takes a very special person to work in a correctional setting and it is often a profession that is misunderstood. So to my staff, who understands their mission and responsibilities in ensuring our County residents safety and security and that of the inmates we care for, I say, *Thank you, job well done.*

Grafton County is extremely fortunate to have the leadership of the County Commissioners who promote teamwork and cooperation. To this extent I would like to thank all local and state law enforcement agencies who have utilized our facility. Your assistance and cooperation is appreciated. I would also like to thank Sheriff Barry and his department for the many functions they perform in providing assistance and support. To our outstanding volunteers, support staff, counselors, visitors and other County employees we say Thank you.

Respectfully submitted,

  
Glenn P. Libby, Superintendent

21 August, 2001  
N. Haverhill, N.H.

#### Alcohol Counselors report

This August will mark the 22nd anniversary of the Insiders group of A.A. at Grafton County House of Corrections. The event will be celebrated by an anniversary meeting with guest speakers and refreshments. The group continues to be sponsored by the Woodsville area A.A. meeting who provide a secretary and support personnel.

In addition to the regular Monday night meeting, an A.A. 12-step meeting is held every Wednesday evening. This meeting is run by the inmates themselves. Considering the intensity of these meetings, inmate participation is good. Attendance continues excellent at both meetings. The Monday meeting has averaged 15 inmates and 12 outsiders. It has a reputation of being one of the best meetings in the area. Attendance has risen almost 15 percent over last year.

Wednesday afternoons are used for group discussions and Video presentations. These are alternated between the Maximum, Medium, and W.H.O.C. Emphasis is on relapse prevention and the A.A./N.A. programs.

As an incentive, the facility allows a small group of minimum inmates the privilege of attending the local Woodsville A.A. Meeting on Friday evening. The inmates granted this privilege are determined jointly by the Superintendent and the Alcohol Counselor.

Educational books and literature dealing with all aspects of alcohol and drug abuse continue to be distributed to the inmate population. The library facility provides an additional outlet.

The alcohol Program receives additional support from the local A.A. group who provide transportation, individual help, and sponsorship for the inmates.



**Alcohol and Other Drug Abuse Services  
Grafton County House of Corrections  
Fiscal Year 2000-2001**

Over the past year, there were a total of forty-one (41) weeks wherein seventy-eight (78) inmates participated in education and groups, individual counseling and evaluation. A total of fifty-nine (59) intake screenings were conducted, and fifty-nine (59) hours of one-on-one counseling was provided. Cumulative count for the Education Group was four hundred twenty-four (424) inmates.

**Friendship House Outpatient Department at Woodsville** continues to provide services on Thursdays within the House of Corrections in the following areas:

**Assessment** of inmates who are seeking alcohol or other drug services, who are court-ordered to participate in counseling services, or who have been referred from within the GCHOC system.

**Individual Counseling** for inmates who are motivated to participate in individual counseling or who may not be appropriate for group counseling.

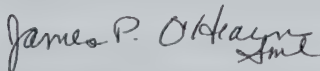
**Group Counseling** in the form of education on alcohol and other drug abuse with an emphasis on helping inmates identify alcohol or other drug-related problems in their lives and exploring options for treatment and self-help resources in the community. Groups are ongoing and didactic in nature. A more recovery-oriented group structure is provided for inmates who are appropriate for this type of service, based on the needs of the population and a minimum number of inmates available to support this type of treatment.

**Referral** for inmates who are interested in seeking services on their own upon release, for inmates who are court-ordered to seek additional counseling services and for inmates who are participating in the Electronic Monitoring Program or Work Release Program.

**Case Management** for inmates who require on-going monitoring and support.

**Consultation** with other treatment professionals and staff in order to enhance communication and to provide for a continuum of care.

Respectfully Submitted,



James P. O'Hearn, LADC  
Outpatient Substance Abuse Counselor  
Friendship House at Woodsville

Dated: August 23, 2001

## 2001 Report of UNH Cooperative Extension Grafton County Office

UNH Cooperative Extension provides New Hampshire citizens with research-based education and information, enhancing their ability to make informed decisions that strengthen youth, families and communities, sustain natural resources, and improve the economy.

Funded through the federal, state and county governments, UNH Cooperative Extension provides education and research for local residents. Educational programs are designed to respond to the local needs of citizens through direction and support of an elected volunteer advisory council.

### Education Programs focus on:

Dairy and Pasture Management	Forestry & Wildlife Resources
Agricultural Resources	Family Development
4-H Youth Development	Water Quality
Nutrition & Food Safety	Community Development

Education programs and assistance are objective, informal and practical in nature. Clients' needs are met through phone calls, letters and educational materials, hands-on workshops, on-site visits, educational series and conferences. Media outlets help us reach one of every three residents. Our staff is able to provide information for clients, respond quickly with needed information via electronic mail, keep up-to-date on the latest research and information and keep in touch with many agency personnel.

A professional staff of Educators, Program Associates and a UNH Specialist work out of the Extension Office located in the Grafton County Courthouse in North Haverhill. An additional staff member works out of the Whole Village Family Resource Center in Plymouth providing nutrition education to limited resource families and local schools. Additional support is provided through trained volunteers who assist with our programs and increase our outreach capabilities.

### New or enhanced efforts during FY01 included:

- Continued an after-school program in Haverhill that reached over twenty students during the 2000-2001 school year.
- The town of Canaan began organizing for a Community Profile in November.
- Water Quality research focused on phosphorus in the soil with several research plots sited in the county.
- Local Farm stands were targeted with Good Agricultural Practices that focus on a safe food supply for farm workers and consumers.
- Sawmills received assistance from Extensions Forest Industry Specialist to maintain competitive in the marketplace.
- An Americorps Promise Fellow provided 1700 volunteer hours teaching nutrition in area schools and assisted with other programming.
- Educational efforts at Hannah House and the Wreath School focused on the needs of young parents and child nutrition.
- New colorized aerial photos allow foresters and landowners to assess the impact of damage from the 1998 Ice Storm.
- Continuing grant monies allowed us to keep the Water Quality Laboratory at Woodsville High School open and train volunteers to monitor their waterways.
- The 4H Program continued to show a strong presence in clubs throughout the county and at the North Haverhill Fair. The Grafton 4H Leaders Association ran the Fifth Annual "Playing for Clover" Golf Tournament to raise money to support youth activities. Teen club members traveled to Tennessee in a week-long exchange program. 4H Members participated in state, regional and national events.



- A timber sale on the Grafton County Farm Tree Farm produced revenue for the farm. This forest is used as a demonstration site for professional logger and forester training programs.
- Forest Stewardship plans continue to be implemented on thousands of acres damaged by the 1998 ice storm, to restore habitat, recreation utility and timber productivity.
- Volunteers trained 19 youth in entrepreneurship and ran a six-week Mini-Society.
- The students at Lin-Wood Junior/Senior High School participated in the Teen Assessment Project, a 160 question survey. Presentations to school personnel and community leaders have started the process of working with the community to analyze the data and implement changes to reduce risky behavior. In the Plymouth Regional High School community 900 parents received a series of six newsletters dealing with their TAP data.
- Money Management classes were started at the Friendship House in Bethlehem and with the Academy Diversion adult program out of Woodsville. In addition, all County Head Start programs received training in nutrition and parenting.
- Eleven adults attended LEAP classes to help make the welfare-to-work transition. Four are going on to college, others have either gotten jobs or received more training to help them in the work marketplace.

Extension Staff: Tom Buob, Agricultural Resources; Ginny DiFrancesco, Water Quality; Kathleen Jablonski, 4H Youth Development; Michal Lunak, Dairy; Deborah Maes, Family Development; Northam Parr, Forestry Resources; Robin Peters, Nutrition Connections; and Jacqueline Poulton works with the LEAP program. During the past year Carol Ronci provided leadership for the 4H Youth Development program. These staff are supported by Hazel Ames, Donna Mitton and Sharon Youngman.

Extension Advisory Council: Chair, Lora Goss of Pike; Vice Chair, Marty Riels of Holderness; Secretary, Ilse Scheller of Wentworth. Members also include: Doreen Morris of Haverhill; Dave Thompson of Lincoln; Cindy Putnam of Piermont; Heidi Suscella of Rumney, Mike Dannehey of Woodsville, and Jim Kinder of Haverhill. State Representative John Cobb of Woodsville represents the County Delegation, and Ernie Towne of Haverhill represents the Grafton County Commissioners. After six years, Jil Shangraw of Lebanon has completed her service to our council. The Advisory Council meets every other month and deals with programming issues, personnel issues and budget matters.

Extension Office Hours are Monday through Friday from 8 AM to 4 PM.

Phone: 603-787-6944 Fax: 603-787-2009

email: [ce.grafton@unh.edu](mailto:ce.grafton@unh.edu)

Mailing Address: 3785 DCH, Box 10, North Haverhill, NH 03774-4936

*Extension programs and policies are nondiscriminatory with regard to age, color, handicap, national origin, race, religion, sex, sexual orientating and veterans's status.*

Respectfully submitted,  
Deborah B. Maes, County Office Administrator.

## GRAFTON COUNTY CONSERVATION DISTRICT PROGRAM HIGHLIGHTS 2000

**COMMUNITY CONSERVATION:** The Grafton County Conservation District (GCCD) continued to promote conservation practices in our community. The Annual Meeting was held in Littleton in April. Jean Conklin, UNH Cooperative Extension Dairy Specialist spoke about *Preserving Rural Character through Agriculture*, and the NRCS Players presented the skit *Is Your Town Farm Friendly?* Joe Homer, NRCS Soil Scientist, unveiled the completed Soil Survey of Grafton County Area, New Hampshire. Honored as Cooperator of the Year was the Briar Stone Farm in North Haverhill, owned by Dave Keith. Joe Boutin accepted the Forest Steward of the Year Award, and Pauline Corzilius was recognized as Teacher of the Year. The area fifth grades participated in the Soil and Water Stewardship poster contest, sponsored by the GCCD. This contest provided an opportunity for the District to go into schools with learning materials and encouraged resource stewardship. The Grafton County winner, Sam Kendall of Holderness, also won the NH contest and will go on to represent NH in the national contest. The District also participated in the 16<sup>th</sup> Annual Conservation Field Day sponsored by UNH Cooperative Extension. The Envirothon was at Timberland in Exeter this year and the theme was Wetlands Management. Several Grafton County high school teams competed. The District and NRCS provided input at a Pond Clinic held in August and led by UNH Cooperative Extension Water Quality Specialists, Ginny DiFrancesco and J.J. Newman. Over 35 people learned about pond construction, maintenance and water quality testing at Jamie Seidel's pond in Lyman. A FEMA workshop titled Flood Hazard Mitigation Planning Workshop was held in Hanover for municipal planners. This was a cooperative effort sponsored by the NH Office of Emergency Management, NH Association of Conservation Districts and GCCD. The District promoted ideas for practicing resource conservation through quarterly newsletters, the NH Farm and Forest Expo, and the North Haverhill Fair. Conservation easements held by GCCD were monitored and reports filed with the Society for the Protection of NH Forests as required. The District, in cooperation with NRCS, provided technical assistance to over 1,500 customers in fiscal year 2000. Customer assistance included planning and applying conservation practices.

**AGRICULTURE:** With NRCS technical assistance, many landowners installed Best Management Agricultural Practices. These practices included structures for stock watering, heavy use area protection, water diversions, milk house waste facilities, roof runoff and seeding practices on highly erodible land. In cooperation with NH-DES, work continued on the Clark Brook Unified Watershed project, and a manure pit was completed. The District and NRCS sponsored a Grazing Lands Initiative at Bonnie Brae in Plymouth. The Cooperator put in additional grass trial plots. The results of this study were excellent. The District made available the Grafton County Soil Survey and provided Soil Potential Index ratings for use in land planning.

**WATER QUALITY:** Water quality testing continued throughout the District, including Clark Brook and the Baker River. The Mid-Upper Connecticut (MUC) Water Quality Laboratory at Woodsville High School completed its first field season. Tests included E Coli, ammonia, nitrates, phosphorus, turbidity and others, specifically for surface water bodies such as lakes, ponds and rivers. This satellite lab was made possible by a partnership with UNH Cooperative Extension, Woodsville High School and the NH-DES. All partners share a commitment to keeping this lab operational. A Wentworth site was selected by the Baker River Watershed Association, and NRCS started designing the bio-engineering erosion control phase of the 319 grant the District received from NH-DES. Baker River watershed inventory methods employed by contractor James Kennedy, have been a model for developing uniform standards for river inventories by the Connecticut River Coalition, The Connecticut River Joint Commissions (CRJC) and FEMA. The EPA has digitized GCCD's inventory for use by other agencies. This method of mapping allows for periodic updates, tracking of site changes, and resource overlays for use in planning. Under the Emergency Watershed Program (EWP) streambank repair was completed along Buffalo Road in Rumney. This project was included in the Tour of Installed Conservation Practices.

**FORESTS:** The District worked with foresters and landowners, and provided soil information upon request. Grafton County Conservation Mix was sold to prevent erosion of banks, trails and logging roads. The annual Tree and Shrub Sale provided plants to landowners at reasonable cost. A variety of plants were offered for conservation use in wetlands, bank stabilization, and windbreaks. In conjunction with the sale, a Planting and Pruning Workshop was held. GCCD Supervisor, Dick Fabrizio and Grafton County Extension Forester, Nory Parr shared their expertise with interested landowners.

**WILDLIFE:** The Wildlife Habitat Incentive Program (WHIP), administered by NRCS, continued to be active in 2000. The Tour of Installed Conservation Practices included WHIP projects at HHP, Inc. in Rumney demonstrating release of wild apple trees from competition. The Tree and Shrub Sale also offered plants chosen for flowers and fruits attractive to wildlife. Eighty area landowners purchased plants at this annual fund raising program. The Wild Turkey Federation subsidized Wild Life Packages to landowners interested in providing turkey habitat.

**CATHY:** After over a decade providing conservation assistance, our fearless Manager, Cathy Dingman, retired. A banquet was held in her honor on January 12, 2001. Many friends and family enjoyed the opportunity to thank her. The District is pleased to welcome Pamela Gilbert as the new Administrative Assistant.

DELEGATION VOTE ON THE FY02 BUDGET  
GRAFTON COUNTY JAIL  
NORTH HAVERHILL, NH  
MONDAY, JUNE 25, 2001

PRESENT: Reps. Brien Ward, John Alger, Martha Solow, Hilda Sokol, Gene Marshall, John Cobb, Burt Williams, Susan Almy, Charles Sova, Stephanie Eaton, G. Michael Gilman, Bonnie Ham, Douglass Teschner, Robert Barker, "Sid" Lovett, Debra Naro, Mary Cooney, Sharon Nordgren, Bernard Benn, David Scanlan, Paul Mirski, and Ralph Akins.

ABSENT: Reps. Robert Giuda, Bill Gabler, Nancy Scovner, Terri Dudley, and Marion Pawlek.

The meeting was called to order at 10:20 AM by Chair Brien Ward, who introduced himself to everyone present.

Rep. Alger moved to appropriate the sum of \$19,554,066 for Fiscal Year 2002, of which \$10,606,508 is to be raised by taxes. He explained the work of the Executive Committee which reduced the Commissioners' proposed Budget. He referred all present to the pages showing the differences between the Commissioners' and Executive Committee's proposed Budgets. There is still an increase of 12.7% in the amount to be raised by taxes over last year's Budget, he said, and then he explained the Grafton County Nursing Home's problems including shutting a wing, which reduced Revenue to the County. Rep. Alger said he would recommend this Budget to the members of the Delegation.

Rep. Teschner said he noted that the surplus recommended by the Commissioners was \$400,000 and the Executive Committee had recommended \$1 million. He asked where the other \$600,000 came from, which Chair Ward explained. The Proportionate Share Payment (PSP) has historically been set aside each year for the proposed Nursing Home project but this year, the Executive Committee decided to use the \$380,000 in PSP money receives this year to be used as surplus, as well as going through the Budget item by item to find more to be placed into the surplus. The County tax base, i.e., valuation, from the State has gone up to about 9%, he said. But until the Department of Revenue Administration (DRA) sets the rates and the County audit is completed, no one really can say what the actual surplus will be, or what the County tax rate will end up being.

Rep. Eaton moved to amend Motion #1 to reduce the Executive Committee's proposed 12.7% to be raised by taxes, to 6%, or a reduction of \$626,060 in the bottom line. Rep. Mirski seconded the motion. Rep. Eaton said she realizes this will be tough on the County but it would send a general message to lower and middle income people who ask, "where is this all going and when will it stop?"

DELEGATION VOTE - FY2002 BUDGET  
JAIL BASEMENT - MONDAY, JUNE 25, 2001  
Page 2

She spoke about having a balance in your life to be able to spend more time with friends and family, seeing the beauty in life, and not doing certain jobs just for the money. Rep. Mirski spoke further on the theme of further decreasing the proposed FY02 Budget. Rep. Solow asked from where this \$636,060 should come. Rep. Sova spoke to the issue of perhaps cutting the Unclassified Employees' salaries which will be receiving an increase of about 6%. Rep. Eaton recommended across-the-board cuts. Rep. Solow spoke against this; she said that this Budget came in from the department heads to the Executive Director at a much higher level than where you see this now. These requests were based on the kinds of services that the department heads wanted to present to the citizens of this County. County Government is a service provider kind of government, she said. The Commissioners then reviewed the requests and presented their recommendations to the Executive Committee, which made further cuts in discussion with the Commissioners, in order to come up with the present figure being discussed today. Rep. Solow said the members of the Delegation should understand that the increases include salaries that must be given to people who otherwise would not come to work here at the County to provide the care necessary for the residents of our Nursing Home. It is extremely difficult, she said, to hire people at the Nursing Home, and we need a good Administrator who knows how to manage the funds. The County had to close a wing of the Nursing Home, since staffing numbers were down. There are also fuel costs to heat the buildings, traveling for the Sheriff's Department, etc., and these costs have gone up perhaps more than inflation. The Farm will not make a profit this year, which means less Revenue. Rep. Solow said that the Executive Committee supports this Budget fully in order to be able to provide the services that the residents and taxpayers want and need. Rep. Solow said, "I urge you to defeat this amendment."

Rep. Almy said that if there were a 6% cut across the board as suggested, then the Commissioners and Executive Director would have to create a new budget, then the Executive Committee would have to meet to review it, and then the full Delegation would have to come back to vote.

Rep. Alger said he sympathized with a lower budget. However, regarding across-the-board cuts, the County does have legal obligations and contracts and cannot make cuts in those areas. If we cut, he said, there is a tremendous risk and we will all be back here in January looking for money.

Executive Director Towne added that the County now has two union contracts with the second year of the contracts beginning as of July 1, 2001. The Commissioners also negotiated in good faith with the Employee council. If the proposed amendment passes, the County would not have the money in the Budget for these

DELEGATION VOTE - FY02 BUDGET  
JAIL BASEMENT - MONDAY, JUNE 25, 2001  
Page 3

items. The bottom line of the Budget is only up point fifty-nine percent (.59%) from last year's Budget.

Chair Ward said that the Nursing Home census is now based on 102; it had been based on 120 residents in the past but we cannot fill those beds now, due to a shortage of staffing. SB409 has also increased the County's responsibility to provide in-home services. The Executive Committee has gone over this Budget with a fine-tooth comb. Chair Ward said he shares the concerns of the Representatives who do not want this amendment to pass, and we have stretched this Budget as much as we can. Expenses are going up while Revenues are dropping.

A lengthy discussion followed, during which Rep. Teschner said that the Delegation looks to the Executive Committee to do the work on the Budget and he said he feels they have done their job cutting back this year, and he commends them for this. He said, "We focus a lot on the tax rate but not enough on the spending rate." Rep. Teschner also said that there were years when the tax rate was down, but the spending was high; we should concentrate on this over the long term rather than on the tax rate, he said. Rep. Teschner added that he felt the Executive Committee did a good job.

Rep. Eaton then changed her amendment to request a cut of \$300,000 from the Executive Committee's proposed Budget. Rep. Mirski seconded the amendment change.

Rep. Almy asked the Treasurer or Executive Director to speak on the impact to the County if \$300,000 were to be cut from the FY02 Budget. Executive Director Towne said that it would be up to the Commissioners to find where to cut \$300,000; that is their job. The Treasurer stated that the \$300,000 would represent one payroll that the County would be short. Also, she said, one of the motions for this morning is for her to ask for authority to borrow money for the payroll - this cut of another \$300,000 would require her to borrow even more money and cost the County more. She added that the County is not making as much money in interest rates as previously, either.

Rep. Alger moved the question; Rep. Mirski seconded the motion. All in favor to move the question. A roll call was taken on the amendment to cut the FY02 Budget by \$300,000; the results were 17 against and 5 in favor. The motion was defeated.

After another lengthy discussion, Rep. Mirski moved to add to the surplus by \$300,000. Rep. Gilman seconded the motion.

DELEGATION VOTE - FY02 BUDGET  
JAIL BASEMENT - MONDAY, JUNE 25, 2001  
Page 4

Chair Ward explained there is no line-item surplus, which he explained; there is no item you could point to in the Budget and say, "This is the surplus here." Rep. Teschner asked the Executive Director to speak to this, which he did. The Commissioners had recommended \$400,000 as the surplus figure to be used to reduce taxes. Then, based on Revenues and Expenditures - which are not known until the fiscal year is over and the auditors have closed the books, it was felt that \$500,000 could be used. The Executive Committee, he said, then increased the surplus number to \$1 million. However, he said, the rubber band is stretched to its limit. He said he did not feel there is another \$300,000 you could find to add as a surplus figure. He cautioned that if you added another \$300,000 to this surplus figure and then once the audited figures come in and there is not enough money, then we would be holding another meeting. Rep. Williams said he felt the Commissioners should be left to decide on this; they have the responsibility and they know what they are doing.

Executive Director Towne then explained the process of the Department of Revenue Administration (DRA) and the town and County tax rates. Grafton County's total valuation has increased 9% which will offset the 12.70% increase in the amount to be raised by taxes which has been projected in the FY02 Budget, and this will be based on each and every town's rate in the County. He also explained the Proportionate Share Payment (PSP) money process.

Rep. Almy moved the question; Rep. Alger seconded the motion. All in favor. The motion was to increase the surplus to be designated against taxes from the current projection of \$1 million (recommended by the Executive Committee) by \$300,000, totaling \$1,300,000. A roll call vote was taken and the result was 4 in favor, 18 against; the motion was defeated.

Rep. Akins then moved to approve the FY02 Budget as stated and recommended by the Executive Committee in the amount of \$19,554,066, of which \$10,606,508 is to be raised by taxes; Rep. Teschner seconded the motion. A roll call was taken and the result was 4 against and 18 in favor; the motion passed.

Executive Director Towne explained Motion #2, to move to expend \$40,520 from the existing Nursing Home Capital Reserve Fund for a Construction Manager for the proposed expansion/renovation project. Rep. Cobb so moved; Rep. Solow seconded the motion. The motion passed unanimously.

Motion #3 - Rep. Williams explained the motion and then moved to authorize \$16,655 of Dispatch Fees for FY02 to be placed in the Dispatch Capital Reserve Fund. Rep. Sokol seconded the motion. The motion passed unanimously.

DELEGATION VOTE - FY02 BUDGET  
JAIL BASEMENT - MONDAY, JUNE 25, 2001  
Page 5

Motion #4 - Rep. Almy explained and then moved to expend \$50,000 from the Dispatch Capital Reserve Fund for the County's share of the State Lawnet System. Rep. Marshall seconded the motion. The motion passed unanimously.

Motion #5 - The County Treasurer explained the motion; Rep. Almy then moved to authorize borrowing up to \$1,500,000 in anticipation of taxes. Rep. Solow seconded the motion. The motion passed unanimously.

Motion #6 - The County Treasurer explained this motion; Rep. Cobb then moved to authorize the Treasurer to establish a line of credit against the Nursing Home Capital Reserve Account in place of Tax Anticipation Notes (TANs) if it is financially advantageous for the County. Rep. Sova seconded the motion. The motion passed unanimously.

Motion #7 - Rep. Solow explained and then moved to authorize \$40,644 from Fiscal Year 1999 Farm Profit to be placed in the Farm Capital Reserve Fund. Rep. Marshall seconded the motion. The motion passed unanimously.

Motion #8 - Rep. Williams explained and then moved to authorize \$13,856 from Fiscal Year 2000 Farm Profit to be placed in the Farm Capital Reserve Fund. Rep. Sokol seconded the motion. The motion passed unanimously.

Motion #9 - Rep. Cobb explained and then moved to expend \$65,000 from the Farm Capital Reserve Fund for the purchase of a Farm truck (\$50,000) and a mower (\$15,000). Rep. Almy seconded the motion. The motion passed unanimously.

Motion #10 - Rep. Alger explained and then moved to re-designate the \$115,000 Farm Capital Reserve Account which was originally designated for the purpose of constructing a heifer barn. The designation of these funds would be as follows: \$31,500 to be used to purchase a Farm tractor and \$50,000 to be used to construct the heifer barn. The balance of \$33,500 will be returned to the Farm Capital Reserve Account. Rep. Solow seconded the motion. The motion passed unanimously.

Motion #11 - Rep. Almy explained and moved to remove \$25,000 from the Unemployment Fund Account and place it into the General Fund. Rep. Alger seconded the motion. The motion passed unanimously.

Rep. Sova moved that the Minutes of today's Meeting and vote be distributed to all County Selectboards and the Mayor of Lebanon and that the recorded roll calls of the motions be included. Rep. Solow said, "This is yet another service that the



DELEGATION VOTE - FY02 BUDGET  
JAIL BASEMENT - MONDAY, JUNE 25, 2001  
Page 6

County will provide to the towns." Rep. Solow seconded the motion. All in favor.

Rep. Lovett moved to thank everyone for their work on the Budget. Rep. Eaton seconded the motion. All in favor. There was a round of applause.

The Meeting adjourned at 11:42 AM.

Respectfully submitted,

---

Martha Solow, Clerk

GRAFTON COUNTY DELEGATION  
EXECUTIVE COMMITTEE MEETING  
GRAFTON COUNTY COMMISSIONERS' OFFICE  
NORTH HAVERHILL, NH  
MONDAY, JUNE 25, 2001

PRESENT: Reps. Brien Ward, John Alger, Martha Solow, Hilda Sokol, Gene Marshall, John Cobb, Burt Williams, Susan Almy, and Charles Sova. Commissioners Michael Cryans and Raymond Burton. Executive Director Ernest Towne. Financial Supervisor Julie Clough. Treasurer Kathleen Ward. Secretary Sam Sorrentino.

Chair Ward called the Meeting to order at 9:00 AM.

Rep. Alger moved to approve the May 21, 2001 Minutes as circulated. Rep. Williams seconded the motion. A vote was taken; eight voted in favor and Rep. Sova abstained, as he had not received these Minutes. The motion passed.

Rep. Almy moved to approve the June 4, 2001 Budget Meeting Minutes as amended; Rep. Alger seconded the motion. A vote was taken; eight voted in favor and Rep. Sova abstained, as he had not received these Minutes. The motion passed.

Rep. Sova moved to approve the Minutes of June 11, 2001 as circulated; Rep. Marshall seconded the motion. All in favor.

A discussion was held on the nature of the Minutes and it was decided to leave them in the narrative form.

Executive Director Towne gave an overview of the annual Appropriation Transfers. This is needed to close out the fiscal year and is a legal requirement. This needs to be reflected for the auditors, as well. The Treasurer discussed the Budget being a line-item Budget. Rep. Almy noted the list of Transfers seemed to be a vast amount more than in the past. Executive Director Towne explained that some of the lines had been separated for clarification purposes, rather than lumped together as had been done in the past, such as LPN salaries, etc.

EXECUTIVE COMMITTEE MEETING

MONDAY, JUNE 25, 2001

Page 2

Chair Ward called for a motion to approve the Appropriation Transfers. Rep. Cobb so moved; Rep. Alger seconded the motion. The Transfers were then discussed by department, prior to a vote being taken.

Rep. Almy said that the Consultant line is always overexpended, so why not add to this line. Chair Ward suggested this should be so noted and discussed in the future.

Rep. Sova asked about the "payment in lieu of health insurance", which the Executive Director explained is a payment of \$1,200 a year to employees who do not take out the County's health insurance plans and who can prove that they have coverage through a spouse. This payment in lieu of health insurance saves the County quite a bit of money by being an option not to have to pay for all employees' health insurance.

Executive Director Towne explained that the new 3/5 Nightwatchman's position was as a result of a recent barn fire - if this had occurred during the night, when the Nursing Home shift is thin, it would have been a major problem evacuating the residents; therefore this new position will cover the time period of 10 PM to 4 AM to overlap the time frame when Farm personnel are not working.

Executive Director Towne also explained why the medical line at the Jail is overexpended mostly due to one inmate who was seriously ill with a lot of psychiatric problems. He was from New York but arrested in Plymouth, and therefore became a Grafton County liability until he was transferred to the State Medical Facility in Concord. Historically, he said, this line is overexpended due to inmates with major illnesses.

Executive Director Towne explained that the bulk of the Farm's overexpenditure is equipment repairs and maintenance. There are three extremely old tractors and there were problems with all of them this year. And of course, he said, you cannot operate any farm without a tractor.

EXECUTIVE COMMITTEE MEETING

MONDAY, JUNE 25, 2001

Page 3

Rep. Sova asked about the decreased amount for grain; Executive Director Towne explained this goes out to bid every six months, and the price went down. He further explained that in the Farm Budget, \$2,000 was earmarked for dike repairs and the County did not need to do any repairs; this money was then used for the recent logging operation that made Revenue for the County.

Executive Director Towne explained that the price of malpractice insurance has increased even after finding a new vendor, which in itself was very difficult.

Rep. Sova asked about a difference of \$17,000 in Dietary employees' health insurance. Executive Director Towne explained that there are always changes in plans during any fiscal year, from family to single, and vice-versa, as employee turnover occurs.

Rep. Solow expressed her appreciation for the Executive Director's very clear explanations of the Appropriation Transfers and said it is helpful to go through these for clarification. Rep. Cobb agreed.

Rep. Williams asked about the health insurance line; the Executive Director explained that in the past, the County had always paid 100% of the employees' health insurance plans but after negotiations with the Union and Employee Council, the employees will now pick up a portion of their health insurance plans.

A discussion followed on the Executive Committee's wanting to look at some of these Appropriation Transfers in March or April, rather than at the last minute, like today. Rep. Sova said it would be helpful to see some of these items as they occur. Chair Ward said that the Executive Committee gave the Commissioners wide authority and no one knows the full amount of these Transfers until the end of the fiscal year. The Executive Committee knew these Transfers were coming, but not the exact amount, he said. The final accounting came today, but we were aware when they actually occurred, said Chair Ward.

EXECUTIVE COMMITTEE MEETING

MONDAY, JUNE 25, 2001

Page 4

Chair Ward said that the Executive Committee cannot micro-manage the exact amount, and he repeated that the Commissioners were given this authority.

Rep. Cobb asked about the proposed heifer barn. Executive Director Towne said this is addressed in Motion #10 for the Delegation Meeting later this morning.

Chair Ward then called for a vote on the motion to approve the Appropriation Transfers, as stated. The vote was unanimous in favor.

Treasurer Ward asked about having the self-insurance line decreased to \$25,000. Executive Director Towne said this was an oversight and will be added as Motion #11 for the Delegation Meeting later this morning; he thanked the Treasurer for bringing this to his attention.

Chair Ward then reviewed the motions to be made later this morning at the Delegation Meeting.

Treasurer Ward explained her suggestions of using the Nursing Home Capital Reserve Account as a line of credit rather than using the Tax Anticipation Notes (TANs), if this is financially advantageous to the County. This would result in a lower interest rate for borrowing.

Financial Supervisor Clough explained the Farm profit Motions #7 & 8; this is Revenue over Expenditures. Rep. Sovia said he would like to see some Profit & Loss statements on all departments. Rep. Alger said the Executive Committee receives a chart every month, which addresses part of Rep. Sovia's request. J. Clough said that the sheet mentioned also shows you the balance for each department on a monthly basis. Rep. Sovia noted that the County puts money away when there is a profit and then the taxpayers pay when there is no profit. Chair Ward said that is correct, but this is a long-standing process so that profit is put away when there is one, in order to save the taxpayers some money. Rep. Sovia further discussed this and Rep. Almy said perhaps the Executive Committee could discuss this

EXECUTIVE COMMITTEE MEETING

MONDAY, JUNE 25, 2001

Page 5

issue over the next year.

Executive Director Towne explained Motion #10 regarding the proposed heifer barn, which has been delayed because of the proposed Nursing Home project; the County does not want a barn constructed and then find it must be moved. The Farm Manager has also said he does not require a heifer barn that costs \$115,000, and a more reasonable figure would be \$50,000. Permission will be requested later this morning at the Delegation Meeting to reallocate part of this Farm Capital Reserve Account to have only \$50,000 earmarked for the proposed heifer barn, \$31,500 to purchase a tractor, and the balance of \$33,500 to be returned to the Farm Capital Reserve Account.

Motion #11 was added to the list, to read as follows: To take \$25,000 out of the Unemployment Fund Account to be placed in the General Fund to be used to reduce taxes.

A discussion followed on the word "profit" and Rep. Solow felt perhaps it should be called "unexpended balance." Chair Ward said it has been interpreted by previous Executive Committees as profit if it is money where Revenue exceeds Expenditures. J. Clough explained that this year, the Farm did not make a profit, because its Expenditures exceeded its Revenue; the last time this happened was around ten years ago. J. Clough further explained that the County has had profits based on audits and this is the excess Revenue.

The Meeting adjourned at 10:05 AM.

Respectfully submitted,

---

Martha Solow, Clerk

GRAFTON COUNTY DELEGATION  
EXECUTIVE COMMITTEE MEETING  
BOARD OF COMMISSIONERS' OFFICE  
NORTH HAVERHILL, NH 03774  
MONDAY, APRIL 23, 2001

PRESENT: Reps. Brien Ward, John Alger, Hilda Sokol, Gene Marshall,  
John Cobb, Burton Williams, Susan Almy and Charles Sova  
Commissioner Steve Panagoulis, Executive Director Ernie  
Towne and Financial Supervisor Julie Clough.

EXCUSED: Rep. Martha Solow, Commissioners' Mike Cryans and Ray  
Burton. Treasurer Kathleen Ward

The Commissioners held a breakfast meeting at the Nursing Home for the  
Executive Committee. The meeting was called to order by Chair Ward at  
9:15 AM.

Treasurer Ward was unable to attend the meeting. Financial Supervisor  
Clough advised the Committee that cash flow wise the County is in good  
condition at this point and time. She then inquired if there were any  
questions. Rep. Sova asked about the \$1,000,000 in Berlin City, if it was a  
Treasury Note. Financial Supervisor Clough advised that the money was set  
up in a regular Certificate of Deposit at Berlin City. Rep Alger questioned  
where the \$250,000 for Nursing Home Capital Improvements was located.  
Financial Supervisor Clough explained that the money was in a Certificate  
of Deposit at the Bank of NH where it will stay until such time as it is  
expended. Rep Cobb moved, Rep Almy seconded to approve the  
Treasurer's Report. All voted in favor.

Chairman Panagoulis presented the Commissioners' report. He explained to  
the Committee that the County revenue is down a total of \$471,000 at 9  
months completed. The Nursing Home revenue is down \$540,000 alone, but  
due to other departments being over in their revenue lines the total is  
\$471,000. The Nursing Home revenue is down due to the staffing shortage  
which has caused the Nursing Home to close down a wing bringing the  
census down to 102 residents and as a result of the Medicaid reimbursement  
rate going down. Rep Ward asked if the projected deficit for year-end was  
around \$630,000. Financial Supervisor Clough and Executive Director

Towne explained that the deficit would probably be greater than that, due to the reduction of the revenue not really being felt until late fall and expected to continue to grow in the remaining three months. There was a discussion regarding Medicare A & B and the differences in these types of reimbursements.

Rep. Alger questioned what the Chair Dance Grant was. Nursing Home Administrator Bolander explained that this was funds provided for residents who are wheelchair bound. Rep. Alger asked this question in reference to account #02-5026. Financial Supervisor Clough explained that the revenue account was mislabeled and was actually CLIA Billing revenue. CLIA is special billing for Clinical Laboratory services that the Nursing Home has recently begun providing.

Commissioner Panagoulis explained that the appropriations side of the budget is down by approximately \$833,000, however at this point our expenditures exceed our revenue, which is dipping into our year-end surplus. This again is due to several problems at the Nursing Home. A discussion ensued regarding the nursing shortage and the ramifications it is having across the Country. Commissioner Panagoulis explained that because we are depleting our year-end surplus and there is such a large reduction in the Nursing Home revenue that there is going to be a significant increase in the amount to be raised by taxes in the Fiscal Year 2002 budget. The total County budget is only up between 2 - 2.50%; however the tax increase will probably fall in the mid-twenties range. He went on to explain that this is not unique to Grafton County, Sullivan saw a 54% increase; Rockingham a 39% increase and Strafford a 28 – 29% increase. All Counties are being impacted by the State trying to sure up their own budget. A discussion ensued regarding the State budget.

Rep. Ward requested that the Executive Committee receive a simplified explanation of projected year-end revenue and expenditures and what the surplus projection is. Rep. Almy requested that the breakdown not be simplified that it show specific departments and what they will look like at year-end. She would especially like the Human Service budget detailed and explain the impact that has on year-end. Rep Almy asked Nursing Home Bolander if she thought the Human Service side of the budget would be reduced due to lack of admissions into Nursing Homes. Nursing Home Admin. Bolander explained that 5 of the 11 Counties Nursing Home's have reduced their numbers due to the staffing shortage, but that the private



Nursing Home's although many of them are claiming bankruptcy they are not reducing their census. Commissioner Panagoulis stated that he did not see the Human Service side being reduced at all.

Commissioner Panagoulis reported that this is National County Government Week and that the County would be holding an open house on Saturday, April 28, 2001 from 9:00 AM until 3:00 PM and invited the Executive Committee to come and attend the activities. Commissioner Panagoulis told the Committee that WMUR out of Manchester would be spotlighting County Government on their Daybreak program on Tuesday morning. He also gave them an overview of the activities taking place on Saturday. He explained that the barns would not be opened to the public due to the Hoof and Mouth disease warnings.

Nursing Home Admin. Bolander gave her report. They have had a total of 11 deaths this year. Staffing continues to be one of the main focuses at the Nursing Home, although the numbers do look better than last month. She explained that the working plan for the staffing shortage is to continue recruitment, there are several non-nursing employees are attending Certified Nursing Asst. program and are expected to graduate in July. Needs bonuses have been reduced. There are no new hires in non-nursing departments unless absolutely essential, other expenses are being kept to essential status only. The Administrator's affiliate is investigating the decrease in Medicaid reimbursement for all County homes. The remaining focused activities are looking for a New Food Service Director, a new Activities Director has been hired and facility wide Compliance training continues.

Rep. Alger asked if the Affiliate felt that the reimbursement problem is on a State or Federal level. Admin. Bolander explained that it is a State problem. The formula that is being used has had a negative impacted on all the Counties. Grafton County received the largest reduction. Part of the problem is a software problem. Rep. Sokol asked the percentage of Medicaid residents to private pays at the Nursing Home. Admin. Bolander stated it's about an 80/20 split.

#### Legislative Report:

Commissioner Panagoulis reported that it is difficult for the Association to take one position of some pieces of legislation due to the fact that different legislation effects all the Counties differentially. The Dupont Group is doing its best to gain name recognition for the Counties and he encourages

the representatives to ask the Association position of any piece of legislation.

Rep. Alger asked if the Association had taken a position of HB 689, which was to study the Effectiveness of County Government. Commissioner Panagoulis explained that the Association chose to support the bill, because the Association feels that the Counties function very effectively. A brief discussion continued about the impact of the State taking over various operations in the past.

There was a brief discussion of the Human Service billing issues. Rep. Alger stated that he was part of an Applied Technical Council and if there was anything that group could do to facilitate getting the billing straightened out to get him the details. Commissioner Panagoulis stated that he would try to get Human Service President Diane Gill to be at that meeting on Monday. Rep. Cobb questioned the Human Service bill having to be manually reviewed each month. Executive Director Towne explained that each County has to manually review the charges monthly to ensure accuracy. Rep. Almy questioned if the problems were due to software or human error. Most of the problems are software related.

Rep. Ward asked if there was any other business to come before the Committee. Rep. Alger informed everyone that the NH Society of Professional Engineers and the Smith Bridge Historical Committee are holding a celebration of Plymouth's new Smith Covered Bridge on Wednesday, May 23, 2001.

Rep. Sova wanted to commend Representatives Ward and Almy for their excellent presentation on Thursday, April 19, 2001.

The next meeting of the Executive Committee will be Monday, May 21, 2001 at 9:00 AM followed by the Commissioners' Public Hearing on the budget at 10:30AM.

10:15 AM Rep Alger moved and Rep. Marshall seconded to adjourn the meeting. All voted in favor.

GRAFTON COUNTY DELEGATION  
EXECUTIVE COMMITTEE MEETING  
BOARD OF COMMISSIONERS' OFFICE  
NORTH HAVERHILL, NH  
MONDAY, MARCH 19, 2001

PRESENT: Reps. Brien Ward, John Alger, Martha Solow, Hilda Sokol,  
Gene Marshall, John Cobb, Susan Almy, and Charles Sova.  
Commissioner Michael Cryans. Executive Director Ernest Towne.  
Financial Supervisor Julie Clough. Secretary Sam Sorrentino.

EXCUSED: Rep. Burton Williams. Commissioners Steve Panagoulis and  
Raymond Burton. Treasurer Kathleen Ward.

Chair Ward called the Meeting to order at 9:00 AM.

Rep. Alger moved to approve the Minutes of February 26, 2001, as amended.  
Rep. Almy seconded the motion. All in favor.

Financial Supervisor Clough presented the Treasurer's Report, as the Treasurer is in California. The County is doing well on cash. Chair Ward mentioned that the Treasurer was able to obtain high interest rates before the rates went down. J. Clough said that the State bill is paid through October, 2000. Executive Director Towne said that this Friday, we will be paying the November bill. The December bill came in last Friday afternoon. Rep. Almy moved to approve the Treasurer's Report, as presented. Rep. Marshall seconded the motion. All in favor.

Commissioner Cryans presented the Commissioners' Report. He informed the Executive Committee that Commissioner Burton was appointed to a committee, along with Carol Holden, to co-chair County Government Week for the New Hampshire Association of Counties and to have some fresh ideas to spark people's interest in county government. He explained some of the activities that the County hosts during County Government Week each year.

Commissioner Cryans informed the Executive Committee about two osprey nesting platforms that were installed on County property near the Connecticut River recently. He explained that the ospreys are not seen in this area; they nest south of here and then the next "stop" is the Upper Connecticut. These platforms are two of a few dozen being installed along the River by New Hampshire Fish & Game working along with the Audubon Society and Public Service of New Hampshire.

Commissioner Cryans explained that the Commissioners are working on the FY02 Budget. It should be finalized in a couple of weeks with the Commissioners' recommendations.

EXECUTIVE COMMITTEE MEETING

MONDAY, MARCH 19, 2001

Page 2

Rep. Almy asked if County Government Week could be used to publicize the Nursing Home staffing crisis; Commissioner Cryans said this had not been considered but that it might be a good tool. Rep. Almy said the County always concentrates on the Farm, but perhaps on a State level, the counties could tie the nursing home problem into their County Government Week activities, utilizing a "Career Day". Commissioner Cryans said that the Nursing Home does hold a Family Day. He said that Rep. Almy's idea would help people to see what employment opportunities are available at the County.

Rep. Alger asked for an update on the Nursing Home expansion/renovation project. Chair Ward asked that the Commissioners make up something like a one-page timetable on issues such as when the architect comes on board, etc. and perhaps a one-page summary each month on where this project stands. Executive Director Towne said he would give the Executive Committee a brief summary later today during the Meeting.

Chair Ward asked if the County could bring some of its presentations on the road. For example, Littleton has Channel 2, which would give good coverage. Executive Director Towne explained the annual visits by the Commissioners to each District - to schools, senior centers, and other places, to get the word out on county government. Commissioner Cryans added that with the new Human Resources position now in place, that individual is spending time outside the County Complex on recruiting and bringing the word out on employment opportunities here at the County. Commissioner Burton is right now making visits to the towns in his District, speaking about county government. Commissioner Chair Panagoulis is working on what he will do in his District. Chair Ward repeated that he felt Channel 2 in Littleton would hit a wider audience; that more people watch Channel 2 than would attend meetings. Executive Director Towne said the Commissioners always send out letters informing the Delegation members, fire departments, police departments, selectboards in each town, etc. when the Commissioners will be meeting in a certain town, with time, date, etc. - but attendance is always poor.

Executive Director Towne gave an overview with background, of the Nursing Home expansion/renovation project. He said he will give the Executive Committee a monthly update sheet, as requested by Chair Ward. In 1994, he said, there was a study conducted for the Courthouse, which cost about \$25,000. This brought to the attention of the Commissioners and Executive Committee that there were space needs in that building. These requirements have not changed; storage space is sorely needed, as well. In 1997, a feasibility study was done on the Nursing Home, at a cost set aside of \$15,000. The study came in under that amount. Then two years ago, \$25,000 was appropriated to bring in an architect to assist the County in coming up with a Construction Manager and a guaranteed maximum price for this project. None of this money was spent two years ago. Since that time, only \$3,000 has been expended from this money on architectural

EXECUTIVE COMMITTEE MEETING

MONDAY, MARCH 19, 2001

Page 3

assistance from the architectural firm of Sumner/Davis on this project. The Request for Proposal (RFP) is out now and the deadline is this Friday for all proposals. H. P. Cummings was chosen as the Construction Manager at a price not to exceed \$40,520 during the next fiscal year. Executive Director Towne then explained what will be done over the next fiscal year. Once an architect is chosen, the CM helps with preliminary design estimates. If everything goes well, the County should be requesting a bond in June, 2002 for this project.

Rep. Sovo asked how the fee is detailed. Executive Director Towne explained it is 4.5% with the cost savings being the best from H. P. Cummings of all proposals submitted. A discussion followed on fees and percentages. Executive Director Towne explained that the Commissioners are the policy makers; this project is based on funding, so the Delegation holds the "keys to the vault." But the Commissioners are the ones who sign the contracts. He then discussed the standards of the industry that are followed as to square footage. These standards are followed closely depending on what type of project you are talking about, he said. There are also some standard costs as to what it costs to renovate a building, depending on type. Commissioner Cryans said there are checks and balances between the CM and architect; we must rely on the experts, as we are not experts in construction or architecture. Examples of Sumner/Davis's expertise were given, as to the nursing home building field. Rep. Solow asked if a percentage is the norm for a fee; Executive Director Towne said yes, it is. The firms who sent in proposals quoted percentages. Commissioner Cryans explained that we had nine CM firms apply for the job, and then the Commissioners narrowed it down to two firms that came in for an interview with the Commissioners.

Rep. Alger said he never heard of hiring the CM first. Executive Director Towne said this was done because Sumner/Davis architects were used to get us as far as we are now. We knew we would have to do RFPs for an architectural firm, etc. The Commissioners, he said, chose to go with a CM in order to obtain a guaranteed maximum price for when they have to go to the Delegation - they will only have to go to the Delegation once, since we will have that guaranteed maximum price; they do not have to keep going back to the Delegation for additional monies, he said. This guaranteed maximum price is to do all three phases of the scope of work.

Rep. Cobb said this started in 1997 and since that time, a lot of things have happened in the nursing field. We would be spending a lot of money for a new wing when you are closing wings, he said; a lot of people out there will ask about the rationale for this. Rep. Sokol mentioned a moratorium on nursing home building, now effective until June, 2003; she asked if the County could go forward anyway with this project. Executive Director Towne said yes, a number of counties and proprietaries have gone ahead; what the moratorium means is for new beds. Grafton County is doing renovations and

EXECUTIVE COMMITTEE MEETING  
MONDAY, MARCH 19, 2001  
Page 4

replacement beds, not adding new ones. Chair Ward added that the wing shut down at the County Nursing Home was not due to a lack of need, but due to a lack of staffing. This closure is only temporary til the staffing goes back up. As for the CM, he said, he was in the contracting business in the past. The old style was to hire an architect first and then the consumer was at the mercy of that person; then costs might have been added on that you did not need, and there were no checks and balances. Now, in recent years, there is a belief that you need a balancing act with the architect and CM with the consumer placed somewhere in between. Therefore, you get a locked-in contract such as the new Littleton Hospital had - H. P. Cummings was the CM there, and they came in eight months ahead of time, and under budget. He mentioned that Trumbull-Nelson, another CM firm, is currently putting an addition on at New England Wire. Other examples where a CM was hired first are the new Littleton Learning Center, and the Ammonoosuc Green Project. Chair Ward said it is the County Commissioners who decide which CM will be used. Choosing a CM first is what is standard procedure now. But this is the Commissioners' bailiwick, he said, not the Executive Committee's or Delegation's.

Executive Director Towne said the RFP was based on the standard AIA. Chair Ward asked to hold off further questions on this project until after Admin. Eileen Bolander had given her Report, as she had already been waiting ten minutes.

Admin. Bolander said the census today is 100. The good news is, two new CNAs will start work this week.

Admin. Bolander then gave a Working Plan; this has not changed from last month's Plan, she said. The Nursing Home is looking for an Activities Director and a Food Services Director, and is also conducting facility-wide compliance training. Rep. Sokol asked who is currently doing the Activities Director's and Food Services Director's jobs, while the Nursing Home searches. Admin. Bolander said the Food Services Director has not left yet; and as for the Activities Director, there is a temporary person who is the only one qualified for that position; but she does not want to apply for that job.

Rep. Almy asked if the County should possibly sacrifice some beds in the proposed expansion and also make sure there is an ability to put on a second floor in the future when the Baby Boomers come of age for nursing care. Executive Director Towne said that two years ago, the Nursing Home's census was at 128 and that was when the staffing problem began. If we had the staff, we could fill the beds. Right now, he said, the people are being sent to other nursing facilities instead, since we do not have enough staff to care for them. The Executive Director and Administrator Bolander cautioned that once you give up beds, it is very difficult to get them back. Admin. Bolander said she would recommend a building to optimize the staffing; for example, the 1930 Building is built

EXECUTIVE COMMITTEE MEETING

MONDAY, MARCH 19, 2001

Page 5

like a "C" with the nursing station in the middle of the "C" - the staff cannot see everyone. The new addition should be built differently, she said, adding that "we only have this one chance, so we have to build it 'smart'."

Rep. Sovo asked if the County had considered providing transportation for attracting staff. Admin. Bolander said that Dartmouth-Hitchcock has a bus for this purpose. Rep. Sovo said the County should have one, too. Commissioner Cryans said that with all due respect, he did not know if the County could compete, having people want to come up this way. Admin. Bolander said that Genesis, a health care group, has just recruited seven Filipino nurses, at tremendous expense. Executive Director Towne then explained the new educational program in-house at the Nursing Home, hiring bonuses, and increased salaries approved last year by the Delegation. Chair Ward pointed out that the nursing shortage is a statewide problem. He said that Grafton County has good financial management to keep the costs under control, and so we are much better off than some other counties.

Executive Director Towne explained the three phases of the Nursing Home/Courthouse project: Phase I, construction of a 52-bed addition at the Nursing Home to replace the 52 beds in the 1930 Building. Phase II, retrofit the 1930 Building - then move Register of Deeds and Cooperative Extension into the 1930 Building to alleviate the Courthouse's severe space problem. Phase III, Courthouse heating and ventilation work. There is also some talk about Haverhill District Court, as well.

For the benefit of the new members of the Executive Committee, Rep. Alger gave the background of the previous Executive Committee's building sub-committee to look at space problems at the Courthouse. Rep. Almy, who was also a member of that sub-committee, said they had looked at adding on a storage building at the Courthouse to get us through to the proposed Phase III - to give additional storage space now, when it is needed. And, the building sub-committee felt that Haverhill District Court would be dealt with in this three-phase project. Rep. Alger agreed and said that Haverhill District Court should not be overlooked in the project. Chair Ward, who was also on the building sub-committee at that time, said that they were in favor of Haverhill District Court staying in the Courthouse, but not in favor of paying for a new building for that Court, since they only meet five days a month or less. There is probably a need for space for judges' chambers, but there was never a plan for a new building. Several of the courts only meet a total of 30 days a year, certainly not warranting a new building.

Rep. Almy said hopefully there will be a circular area in the new Nursing Home addition for the Alzheimer's unit. Executive Director Towne said that Admin. Bolander and her team will be a very big part of the design.

EXECUTIVE COMMITTEE MEETING

MONDAY, MARCH 19, 2001

Page 6

10:02 AM - Admin. Bolander left.

The County's Unemployment line was discussed. Chair Ward said that the Treasurer recommended keeping that line at \$50,000; it has already been cut in the past from \$90,000. Right now, that line pays for the claims just by the interest on the \$50,000. Executive Director Towne said it works out to be a "wash item." If you reduce this line, then it will take tax money. Rep. Almy said it would also give back tax money.

Rep. Alger discussed the Bill he had helped to introduce. It is now in the House. Executive Director Towne said that the President of the Human Services Affiliate gave Rep. Alger a lot of credit for this Bill, and stated that Rep. Alger did a fine job in articulating this Bill.

Rep. Cobb moved to approve the Commissioners' Report as presented. Rep. Alger seconded the motion. Rep. Almy asked if there is a way to figure out how much it would cost the County if we had all the people at the Nursing Home for whom the County is responsible. Executive Director Towne said we could do a statistical analysis. We have the prices for each nursing facility, but we do not know where the people would be placed, but we could give you the daily rates, he said. Rep. Almy said this would be a help. Commissioner Cryans said of course, we cannot take them all here. We only have 135 beds, so we cannot take 300 people. Executive Director Towne said today's census is 100, and we have 135 beds; so if we use the balance of 35 beds, yes, we would be saving money - which he explained. We would recoup 75% of the costs, he said. A vote was taken on accepting the Commissioners' Report; all in favor.

The next Executive Committee Meeting will be held on the fourth Monday in April - April 23 - at 9:00 AM, instead of on the usual third Monday of the month, in order to have time to prepare the monthly financial statements for mailing. Rep. Cobb moved to approve April 23, 2001 as the next Meeting date for the Executive Committee; Rep. Alger seconded the motion. All in favor.

Commissioner Cryans again mentioned County Government Week which will be held this year from April 22 through April 28. County Government Day will be held Saturday, April 28. Notices will be sent out to the Delegation members with times and activities. Commissioner Cryans said that the Commissioners would ask that the Executive Committee members/Delegation members attend County Government Day, which would be greatly appreciated and would send a message to the general public. It was suggested that the Legislators' name tags be worn so that everyone will know who they are, and that conversations with the public are a great public relations tool for all.

Rep. Alger said that he did not feel the "Legislative Update" each month at the Executive



EXECUTIVE COMMITTEE MEETING

MONDAY, MARCH 19, 2001

Page 7

Committee Meetings was worth anything. He said we now have a lobbyist - the Dupont Group - which should be telling the Delegation members what bills are important to the County so they know what to look for. Executive Director Towne said he will speak to Jim Monahan of the Dupont Group about this. Commissioner Cryans said he will also look into this.

Rep. Marshall moved to adjourn; Rep. Cobb seconded the motion. All in favor.

The Meeting ended at 10:25 AM.

Respectfully submitted,

---

Martha Solow, Clerk

GRAFTON COUNTY DELEGATION  
EXECUTIVE COMMITTEE MEETING  
BOARD OF COMMISSIONERS' OFFICE  
NORTH HAVERHILL, NH  
MONDAY, FEBRUARY 26, 2001

PRESENT: Reps. John Alger, Martha Solow, Hilda Sokol, Gene Marshall,  
John Cobb, Burton Williams, Susan Almy, and Charles Sova.  
Commissioner Michael Cryans. Secretary Sam Sorrentino.

EXCUSED: Rep. Brien Ward. Commissioners Steve Panagoulis and Raymond  
Burton. Executive Director Ernest Towne. Financial Supervisor  
Julie Clough. Treasurer Kathleen Ward.

Vice-Chair Alger called the Meeting to order at 9:00 AM.

Human Services Assistant Nancy Bishop was asked to join the Meeting.

Rep. Cobb moved to approve the Minutes of January 22, 2001, as circulated.  
Rep. Williams seconded the motion. All in favor.

Commissioner Cryans briefly discussed the Treasurer's Report, in the absence of the Treasurer. He said that some transfers were done for payroll and for one major State bill last week, totaling \$383,105.00. The State bill continues to lag behind. N. Bishop said that the County just paid the October, 2000 State bill; the State still lags three to four months. The November bill was just received. She will have to encumber money for the remaining bills at the end of this fiscal year. Rep. Sova asked if we can pay the State at the same lag time as they send us the bills; how else, he said, can you place any leverage on the State to make them look at their billing process. Rep. Solow asked if it is to the County's advantage not to push the State, and to hold on to that money. N. Bishop said it is to the County's advantage, as we are then able to invest the money until it is due.

N. Bishop then discussed SB409. This gave the State the right to decrease the percentage the County pays for intermediate nursing care for Medicaid clients throughout the State. In exchange for this, the County has picked up the Medicaid piece of provider payments for nursing home clients and HCBC programs, as well as costs associated with mid-level care. In provider payments alone, there are about 9,000 claims a month - and this is a small county. Rep. Alger then further discussed SB409. Home health care would be added to Medicaid as a possibility, rather than just at the Nursing Home, so that people who are not critically ill could stay in their homes. He said that the Legislature voted on this Bill but perhaps not everyone completely understood what they were doing - it did seem to be the right vote at the time, however. Rep. Almy asked who, prior to SB409, paid for HCBC interim and provider care - N. Bishop said that the State did this. Rep. Sova asked if the State was so far behind in billing prior to January 1, 1999 (SB409); N. Bishop said no, they were not. Rep. Almy said this problem also occurred when the

EXECUTIVE COMMITTEE MEETING

MONDAY, FEBRUARY 26, 2001

Page 2

State went to a different computer system. N. Bishop said yes, this was part of the problem. N. Bishop explained that for each State bill, it takes her approximately four full working days to do her portion, and about two and one-half days for her Assistant to do the juvenile portion of the State bill. Commissioner Cryans said there you are, six and one-half full working days to do each State bill, and this is with all the other work N. Bishop and her Assistant have to do, which must wait. Rep. Sovo asked if the billing is accurate from the State; N. Bishop replied that based on the information she (County) has, it is as accurate as the County can get it. The County can determine liability for each person on the bill but no charges are provided to the County for these people. The County makes sure the State is charging under the correct programs, but as for the dollar figures, the County has no control over that and does not know what services have been ordered, or what the individual case plans are. Rep. Solow said it appeared that the County has more financial responsibility as well as more administrative work. N. Bishop said that the paperwork has probably increased by two additional days in total. Rep. Alger said that the theory behind SB409 was that costs would be lower but it looks as though this is not the case.

Rep. Solow asked what N. Bishop would suggest as a remedy for this situation. N. Bishop said, "We are trying to hold our own" and to do the billings they need to do in order to pay for this. When asked how often she finds mistakes that the State makes on their bills, N. Bishop replied that there are always mistakes every month. For example, on the bill just completed, for October, the State was charging \$414,000, but the accurate figure is \$383,105.00. She said they cannot determine some of the liability the State charged the County because there is no back-up to be able to determine this. Rep. Williams said it seems this creates additional paperwork when the County does not agree with the State's billings, you go back and forth with discrepancies. N. Bishop said yes, she must send the State back-up documents as to why the County disagrees with items on the billing. Then the State researches this and may come back to us with the paperwork we need to be able to determine the liabilities. When this new billing system occurred in January of 1999 (SB409), it took six months for the State to create a new billing system, so that already set the process back six months. Then the State went to a new computer system and there have been glitches with that, which slowed the financial side down. N. Bishop then explained that some individuals got lost in the system for 10 to 14 months. It is not that people are not doing their jobs, she said, but it is a number of things together that have caused these problems.

Commissioner Cryans told N. Bishop that they had not called her in today to put her on the hot seat, but to try to help explain this situation to the new Executive Committee members. He mentioned that SB409 sunsets in 2003, and then N. Bishop will have to grapple with this all over again. He said it is better that everyone here be able to understand this situation better. Rep. Cobb said that no one wants to put anyone on the

hot seat; what they want is information.

Rep. Almy said she understands that now the County is responsible for drugs for the first time; N. Bishop said yes, this is all part of the provider payments, such as doctor payments, pharmacy charges, wheelchair vans, ambulances, any type of ancillary services. Rep. Almy asked if this is costing us more money and is there a cap for the County. N. Bishop said this year the County will come the closest to, or reach, the cap set. There is a cap for the County's liability each year. It is based on payments made to the State in a given fiscal year. For FY02, the total cost will be \$63 million; of this, Grafton County is about 6-1/2% of that total for nursing home expenses, HCBC provider payments, and other services that the County picked up. After the September, 2000 State bill payment which was recently made, the County is at about 48% of that cap; so Grafton County is sitting pretty well. N. Bishop said that the cap is based on cash. Rep. Sova said then that is an incentive not to catch up.

Rep. Sova asked if the State has let the County know if they will ever catch up with the billing process before the sunset date; N. Bishop said no, they have not.

N. Bishop then explained the Defosses settlement. This was a class action suit against the State of NH which was placing liens on property for people in nursing homes. They placed them inappropriately so a settlement was reached. New Hampshire decided they would pay back the liens for these people, with interest. Since Grafton County pays for Nursing Home residents, when the recovery is received, the County will receive its portion of that. Now the State says that the County received part of the credit on the liens in the first place, so the County must pay the State back for that portion, plus the interest on those portions. The counties have met with the New Hampshire Association of Counties and it was agreed to pay the recovery portion back to the State when the counties are billed, but they are in dispute as to the interest, because the counties had no control over the original placement of the liens. In May of this year, the counties will probably be billed for their share of these cases - Grafton County probably will have 15 cases in an amount of approximately \$60,000, without interest. Commissioner Cryans further explained these meetings with the NHAC. This situation may ultimately have to be litigated. He explained that the NHAC stands as a group - all ten counties as a whole. The amount of interest would be considerable, taking all ten counties into account. We would not do this individually as a county, but would have to have all ten counties on board for any litigation, he said. N. Bishop said that the interest - just for Grafton County - would be almost \$19,000. Rep. Sova asked if this was a court order. N. Bishop said she had a copy of the lawsuit in her office if anyone wanted to see it. A discussion followed.

Rep. Alger distributed copies of HB555, which he then discussed. The State will not

EXECUTIVE COMMITTEE MEETING  
MONDAY, FEBRUARY 26, 2001  
Page 4

accept any billing from the County beyond one year. N. Bishop said that currently when the County receives a State bill, they have 30 days to pay that. Because of the paperwork involved due to SB409, they are asking for 15 additional days. (This is not 15 additional working days.)

9:30 AM - Administrator Eileen Bolander arrived.

Rep. Almy mentioned the nursing home reimbursement rates being so low. She and Rep. Giuda spoke with Commissioner Donald Shumway, who told them that he did his budget last August and at that time had to put down how much money he would have to spend on nursing homes in the next biennium. If he changes any reimbursements, then he must change some of them down in order to be able to bring others up. There is a three-year lag on the cost of what the nursing homes are: the only thing to make this better would be if we could force through in Concord that this is a three-year lag and they should do an estimate based on medical inflation, not the CPI. However, Rep. Almy said, she did not know how much success they would have on this since the State is looking at budget cuts, not increases.

Admin. Bolander said the Nursing Home is still working short-staffed - licensed staff and CNAs. They have had several resignations from the night shift, which is a difficult shift to replace. Also, they have several non-nursing staff members who will be taking a CNA course in Hartford, VT so hopefully by May, the Nursing Home will have four new CNAs.

The Nursing Home Affiliates and the NHAC still are investigating the decrease in Medicaid reimbursement for all county nursing homes.

Admin. Bolander distributed copies of an article regarding proposed legislation to conduct additional surveys to look at staffing in nursing homes. She said this is a bit unrealistic if you are short staffed and then you must put in place a plan of correction within 30 days, and the staff just is not there. She said she will keep the members of the Executive Committee up to date on this. She is not sure whether or not this legislation has been introduced yet.

Rep. Alger asked if the County Nursing Home is obligated to take anyone in who asks for admission, or do you have to find them a place somewhere in New Hampshire. Admin. Bolander said no, the County is not obligated to take anyone in who asks; the Nursing Home by law can only accept people for admission for whom the Nursing Home has an appropriate bed; this is complicated because it depends on the particular illness of the person, his/her medical needs, will the roommate accept him/her, etc. In response to a question about how much input a roommate has, Admin. Bolander said a roommate has

alot of input - that is a resident's right.

Today the census at the Nursing Home is 101, with 102 being the current maximum.

With further to Rep. Alger's question, Admin. Bolander said that the Nursing Home does not have to find an appropriate placement for any individual if there is no bed at the Nursing Home; that is the responsibility of the discharge planner or doctor at the hospital, to place people. It is not the County Home's responsibility. A discussion followed. Commissioner Cryans then said that the County is responsible for payment for our liabilities, but not for placement. Rep. Alger asked if the County has a legal responsibility to take people in, even if short-staffed. Admin. Bolander said no, it does not.

Rep. Cobb asked if, when employees leave, a memo or something else is received telling the Nursing Home why they have left. Admin. Bolander said they conduct exit interviews. It is usually a family situation, a different position elsewhere that is less stressful, or someone wanting to get out of this field altogether. People find it stressful to have to deal with all the current rules and regulations.

Admin. Bolander explained that the Nursing Home reduced its budgeted amount of full-time employees down to 27.27 when they closed down a wing; that figure is currently only at 18.60 full-time employees. Every facility, she said, is operating understaffed. Admin. Bolander said they are making up the lost hours with overtime, since the staff is not there. Rep. Almy said that then, the staff is being stressed out. Commissioner Cryans said yes they are, and that is why people are leaving and overtime often means nothing after awhile; they just cannot take it. Admin. Bolander said the Nursing Home has mandatory overtime for CNA staff, but not for licensed staff. Also, the Home can rotate the CNAs and they usually volunteer for overtime. Commissioner Cryans said another reason we lose personnel is pirating of employees by facilities such as the Dartmouth Hitchcock Medical Center. Rep. Alger asked if the County did not have this overtime, then would the Nursing Home have to further reduce its census; Admin. Bolander said this was correct.

Commissioner Cryans pointed out the article distributed to the members of the Executive Committee on Vermont's nursing shortage. He said it was an excellent article and written for the layperson. Copies will also be sent to the other Delegation members. Rep. Alger said this should go out to the media as well. Commissioner Cryans said there are plusses and minuses to this: it could frighten people and unless they have the entire picture, it might not be as helpful. Rep. Alger said he appreciated that point, but it is an extremely important subject. The Delegation would not want to be accused of not taking care of a problem. Commissioner Cryans said there may not be such interest in county

EXECUTIVE COMMITTEE MEETING

MONDAY, FEBRUARY 26, 2001

Page 6

government outside of this particular area. The "Valley News", for example, would probably not run a story on this. He offered to bring this up at tomorrow's Commissioners' Meeting.

Commissioner Cryans told the Executive Committee that the Nursing Home will be starting up a satellite educational program to be able to educate the staff in-house; this will be a tremendous help to upgrade the employees' education. Right now many employees cannot drive distances to attend classes and do not have the time. Single moms will find this very beneficial.

Rep. Almy asked if the tech schools and high schools are doing anything to help attract people to the nursing field. Admin. Bolander said she is not sure if the high schools are doing anything, but the tech schools are. However, there is not much interest because it is just not glamorous work. Kids today find that fun and money jobs are in computers. Commissioner Cryans said that the article passed out today gives ideas to help attract people into the nursing industry, such as forgiveness of student loans. But there just is not the drive to enter the health care field. Admin. Bolander said that kids today just do not want to work holidays, weekends, or nights.

Rep. Sova asked if the Commissioners do a newsletter to the Selectboards; this would get the word out so they would be prepared, come Town Meeting Day. Commissioner Cryans said the Commissioners have never done this. The historical problem has always been that counties are a speck on the wall; counties are not a big portion of the tax. Although, he said, Rep. Sova was correct - people are starting to see that counties are playing a role. It would be a good idea to contact the 39 towns and one city.

Rep. Alger said that it appears that health care is driving us. Commissioner Cryans added that staffing is, also.

Commissioner Cryans informed the Executive Committee that 17-year-old Robert Tulloch is at the Grafton County Jail. He is one of two alleged suspects in the Dartmouth professors' murders. He said that the Superintendent has done an excellent job preparing his staff for the onslaught of the media. We as a County should commend the work that the Superintendent has done. This case has caught the attention of the nation.

Commissioner Cryans said that a Construction Manager has been selected for the Nursing Home expansion project - H. P. Cummings of Woodsville. Two firms had been selected for a second interview - Cummings, and Trumbull-Nelson of Hanover. After a brief discussion, Rep. Alger called for an update on this project for next month's meeting. Commissioner Cryans said this project has postponed plans for the heifer barn until all building placements, etc. are determined.

EXECUTIVE COMMITTEE MEETING

MONDAY, FEBRUARY 26, 2001

Page 7

Rep. Almy said she was pleased to see how close to budget Admin. Bolander managed to keep the Nursing Home. Admin. Bolander thanked her.

10:15 AM - Admin. Bolander left.

Rep. Alger said he had received copy of a letter that Rep. Doug Teschner had written to Commissioner Chair Panagoulis regarding Rep. Teschner's concerns about the Haverhill District Court. After a brief discussion, it was decided that the Executive Committee agenda should be sent to the entire Delegation so that they may come to Meetings, if they so desire. It was mentioned that the entire Delegation does receive the Minutes of each Meeting, which also mention when the next Meeting will be held. Rep. Cobb asked why not put their Meetings on the House Calendar. After a brief discussion about Delegation members attending Executive Committee Meetings, Rep. Alger said that the nine members of the Executive Committee were elected to represent the 27 members of the Delegation. Commissioner Cryans said that historically, the relationship between the Commissioners and the Delegation/Executive Committee has always been harmonious in Grafton County. In some other counties, these two groups refuse to even meet together.

The next Executive Committee Meeting will be held on Monday, March 19, 2001, at 9:00 AM.

Rep. Cobb moved to accept the Commissioners' Report; Rep. Almy seconded the motion. All in favor.

Rep. Almy brought up the subject of unemployment and self-insurance. She asked if the County should continue to carry the \$50,000 which has always been carried. Rep. Almy said she wanted to discuss this with the Treasurer but the Treasurer is not present today; therefore, the Executive Committee agreed with Rep. Almy to defer this discussion until next month, if the Treasurer is present at their Meeting.

There was further discussion on HB555. There was a consensus of the members present that the policy in this Bill is a good idea. Rep. Alger said if this Bill is passed, it might force a solution. Rep. Sovo further discussed provider billings.

Rep. Almy discussed the property tax task force. They have finished meeting and are putting in proposed legislation. This can be found on the Department of Revenue Administration's website. It creates two boards of assessors in equalization - one is to be responsible to put out an official State assessment manual. Right now, it is not mandated and is done on a local level. The equalization board will do the same for the equalization manual. There will be a statistician working on this. There are three controversial items:



EXECUTIVE COMMITTEE MEETING

MONDAY, FEBRUARY 26, 2001

Page 8

1) this will go as an amendment to a bill. This is to require businesses, if the town requests it, to fill out forms on income related to the maintenance of their property. A lot of businesses do not like this because they think it looks like they are being taxed on their income. But the commercial property should really have this information to evaluate the market value of a business, which does not sell very often. 2) certification of assessors. 3) require that when an assessment is done, a certified assessor must be used as part of the process.

Rep. Almy said that this proposed legislation went into drafting last Friday. Rep. Sova asked if there was any discussion about current use. Rep. Almy said that Senator Below brought up some aspects of this. A discussion followed about the authority of Selectboards. It was felt that Selectboards should not have anything to do with assessments; this is clearly a conflict of interest, having it done by individuals who live right in the town.

Rep. Cobb said that at last month's Meeting, Commissioner Chair Panagoulis passed out an article and suggested that the Executive Committee write to its legislators to let them know the problems that counties face. Rep. Cobb said that he and Rep. Alger have written such letters. He received a response from Rep. Smith and will follow up on that. He also received one from Congressman Bass, which he explained. Rep. Cobb said that if everyone in the Delegation sent letters, it would be more powerful than just a few.

Commissioner Cryans discussed the "report card" from NACo. Also, he recently attended a "Charlie Bass Day" in Lebanon, which he explained. He asked the Congressman several questions.

Commissioner Cryans said that the NHAC represents all ten counties. The NHAC invited four legislators - only Congressman Bass sent a representative. It shows that county government is not a priority in this State, he said.

Rep. Cobb moved to adjourn; Rep. Sova seconded the motion. All in favor.

The Meeting adjourned at 11:00 AM.

Respectfully submitted,

---

Martha Solow, Clerk

GRAFTON COUNTY DELEGATION  
EXECUTIVE COMMITTEE MEETING  
BOARD OF COMMISSIONERS' OFFICE  
NORTH HAVERHILL, NH  
MONDAY, JANUARY 22, 2001

PRESENT: Reps. Brien Ward, John Alger, John Cobb, Susan Almy, Charles Sova, Burton Williams, and Hilda Sokol. Commissioners Steve Panagoulis and Michael Cryans. Financial Supervisor Julie Clough. Treasurer Kathleen Ward. Secretary Sam Sorrentino.

EXCUSED: Rep. Martha Solow, Commissioner Raymond Burton, Executive Director Ernest Towne.

ABSENT: Rep. Gene Marshall.

Chair Ward called the Meeting to order at 9:00 AM.

Commissioner Chair Panagoulis gave a Grafton County pin to the three newly elected Executive Committee members who were present today.

Chair Ward declared that Rep. Alger would act as "Clerk Pro-Tem" today in the absence of Rep. Martha Solow, who had asked to be excused for family reasons.

Rep. Almy moved approval of the November 20, 2000 Executive Committee Minutes, as circulated; Rep. Alger seconded the motion. All in favor.

Rep. Williams moved approval of the December 13, 2000 Minutes of the Delegation Reorganizational Meeting, as circulated, with the correction that mention therein of "Civil Rights Day" be changed to read as "Martin Luther King Day/Civil Rights Day". Rep. Almy seconded the motion. All in favor.

Rep. Sova moved approval of the Minutes of the first Meeting of the new Executive Committee on December 13, 2000, as circulated. Rep. Cobb seconded the motion. All in favor.

Treasurer Kathleen Ward gave her Report:

The Treasurer explained her various reports to the new Executive Committee members, as well as handing out her Internal Memos - she mentioned that the information contained in Internal Memos is not to be shared, which she explained. The Treasurer reported that last year, the County made over \$200,000 in interest with its investments in the banks. She explained her method of investments at the banks in Grafton County, which is done by Commissioner District. Rep. Alger asked, as a point of procedure, if the Committee can indeed receive Internal Memos as private documents, even though this is a public

EXECUTIVE COMMITTEE MEETING  
MONDAY, JANUARY 22, 2001  
Page 2

meeting. Chair Ward said the best thing to do would be to review the Internal Memos and then return them to the Treasurer. The Treasurer stated she had passed out Internal Memos for ten years and never had a problem with procedure before. The Treasurer then reviewed for the Executive Committee her Internal Memo regarding the banks that had the highest bids.

Treasurer Ward then discussed the various Capital Reserve Accounts that the County has. Chair Ward explained these Accounts for the benefit of the new Committee members, as well as explaining the Proportionate Share Payment money (Medicare reimbursement) which is traditionally set aside in a Capital Reserve Account for improvements for the Nursing Home. Firms are now being interviewed for the job of construction manager. There will be a bond issue in the future for an expansion at the Nursing Home, which he said would be discussed later this morning in more detail by the Commissioners and Nursing Home Administrator. Chair Ward further explained that the money placed in the Capital Reserve Accounts was put there through previous votes of the Delegation. Rep. Cobb asked about the money set aside for the new barn project. Financial Supervisor Clough said this is indicated on Page Two of the Financial Report. Treasurer Ward said that this money continues to be rolled over until it is needed. The Treasurer then discussed the self-insurance fund.

Rep. Williams asked how, once the money is placed in a Capital Reserve Account, do the Commissioners draw it out; Chair Ward said there is specific language in each Account that the money can only be taken out by a vote of the Delegation, such as in Nursing Home Capital Reserve Account I, and it is to be used for specific purposes. Each Account has a different basis. The Nursing Home Capital Reserve Account II is under the control of the Commissioners for a specific project, as well as the Farm Account, which is earmarked for the new barn.

Rep. Almy asked if the subject of self-insurance/unemployment fund could be discussed at a later date to see if the County feels it still needs this. Chair Ward said this can be placed on next month's agenda.

Rep. Sova asked a procedural question, similar to Rep. Alger's. Where public money is invested, are not the rates received from various banks the public domain? He added that he does understand that to "go out and advertise" the rates we receive should not be done, either. Chair Ward said that Rep. Sova is correct, that if anyone came in to ask about the rates, this would be public information; however, in the spirit of trying to keep peace and harmony within the County, this information will remain with the Treasurer. If someone does question the rates, however, then the Treasurer, through the Commissioners, should provide this information.

EXECUTIVE COMMITTEE MEETING

MONDAY, JANUARY 22, 2001

Page 3

Treasurer Ward said that when she first became the Treasurer, the County's money just sat in the checking account and did not earn any interest. The County's policy was then re-vamped with regard to money and interest, etc.

Rep. Sova moved to approve the Treasurer's Report as presented; Rep. Almy seconded the motion. All in favor.

9:35 AM - Commissioner Chair Panagoulis introduced Nursing Home Administrator Eileen Bolander, who had arrived at the request of the Executive Committee.

Admin. Bolander explained for the new Executive Committee members that she is usually asked to come in each month to give the members an update on the Nursing Home and to do some education so that the Committee members will better understand what goes on in the Nursing Home environment. She then passed out an informational sheet.

Admin. Bolander stated that the major issue at the Nursing Home over the last seven months or so has been the staffing issue. There is a national shortage of health care workers. This is seen particularly in the long-term care field, which is the last field people in nursing want to go into. In order to meet the federally mandated standards, the Grafton County Nursing Home, with the approval of the Commissioners, decided to reduce its census in order to be able to maintain federal compliance.

Admin. Bolander then discussed hiring bonuses which of course have had a major impact on the Nursing Home's cash flow. Also, the Nursing Home has received notification that, effective February 1, 2001, the Medicaid reimbursement will now be reduced \$7 per resident, per day. This has a dramatic impact on the reimbursement. Admin. Bolander then passed out a sheet showing this impact. Commissioner Chair Panagoulis explained that the reason for this reduction is because of the cost reports that the State uses, which are based on information gathered from all the counties and nursing homes - but that this information is about three years old. The information the State has is based on what expenses, etc. were three years ago, and they do not reflect current labor costs, staff hiring bonuses, etc. Rep. Almy said she would suppose the costs did not go down in 1998 vs. 1997; Admin. Bolander said her guess would be probably not, the costs usually go up. Rep. Almy said there must be something else in there, then, also. Rep. Williams asked if they could have a report of the cost per day for the previous three years. Rep. Sova asked if this could be extrapolated for the current "scenarios", as well, to see what they will be facing. Commissioner Chair Panagoulis then mentioned SB409 and its impact. Rep. Sova said he would like to have the report he mentioned so that they can have some idea as to what will be happening in the future. Commissioner Cryans said that the only increases for reimbursement were for private nursing facilities.

EXECUTIVE COMMITTEE MEETING

MONDAY, JANUARY 22, 2001

Page 4

Admin. Bolander said there is a pending lawsuit against the Nursing Home which is being investigated by the County's insurance carrier and by the plaintiff's attorneys.

Chair Ward asked if there is an appeal process for the reimbursement rate, to be able to challenge this. Commissioner Chair Panagoulis said yes there is, and all nursing homes are currently doing this. Chair Ward said that an extrapolated report as mentioned by Rep. Sova would be helpful for the upcoming budgetary process. Admin. Bolander said it is extremely difficult to budget when all of a sudden in the middle of a fiscal year, this happens. The last time this was addressed, the County received an increase in the rate, October 1. There is no usual time for these modifications. Chair Ward asked if this is a yearly situation; Admin. Bolander said it is not. Commissioner Chair Panagoulis said this reduction in the rate took the County by surprise, and the impact is tremendous. Rep. Almy asked if perhaps they should look at introducing a bill this Spring to try and force a re-examination of why it takes the State so long to do these reports. Commissioner Chair Panagoulis said that the New Hampshire Association of Counties tried to get this done annually, since all nursing homes are supplying their information on an annual basis, but the State still lags behind. He said he is not sure why the State cannot be just one year behind on its reports rather than three years behind, but the NHAC continues these discussions. They feel the counties should be involved in discussions on reimbursement rates, but counties have not always been allowed to do so. Rep. Almy asked that the Executive Committee members be made aware in advance when these discussions will take place.

Commissioner Chair Panagoulis then gave the Commissioners' Report. Chair Ward asked that Admin. Bolander remain, in case there were any further issues concerning the Nursing Home.

Rep. Alger passed out copies of a letter Admin. Bolander had written to him, which he explained. Rep. Cobb further discussed their concerns. Commissioner Chair Panagoulis said he was in Washington, DC two weeks ago to address County concerns. Sullivan County's budget went up 55%, and Rockingham County's budget is up 39%, mostly due to nursing home issues. He said he feels that Grafton County will be okay this year, but it probably will not have a surplus. He said he fears for the upcoming budget years, however. He said that the NHAC and the Commissioners try to speak with every available resource.

Rep. Sokol asked if the reduction in reimbursement has to do with Medicaid enhancement and is this why there has been a decrease. Commissioner Chair Panagoulis said no, it is not. He explained that the federal government pays 50%, the State pays 25%, and the County pays the other 25%; the less the State can pay, the happier they are,

EXECUTIVE COMMITTEE MEETING

MONDAY, JANUARY 22, 2001

Page 5

and they have been passing costs along to the counties. Chair Ward then further explained the Nursing Home Cost Per Patient Day Report. A discussion followed.

Commissioner Chair Panagoulis explained to the new Executive Committee members that Grafton County is financially responsible for more than 300 people in nursing facilities, 100 of whom are in the County's Nursing Home.

Rep. Alger asked what the requirements are for admission to the Nursing Home. Admin. Bolander said that when people apply for admission, the Home is mandated to be able to care for the person. Just because a person may have Medicare does not mean automatic admission. The Home must be able to care for the person with equipment and personnel, and have an appropriate bed. The Home cannot discriminate by payer source, either. Rep. Alger asked if people can sue to get in; Admin. Bolander said to her knowledge, no.

At this point, Chair Ward asked that the Commissioner Chair give his full Report with questions after that, rather than allow this free-flowing debate to continue on just Nursing Home issues.

Commissioner Chair Panagoulis explained that at six months. Revenue is at 48.40%, which is down \$290,000 in anticipated Revenue. The Nursing Home is down over \$368,000 but the County made that up from other departments. Expenses are down 45.6%, or \$842,000. At this point last year, Revenue was at 55.60%, and expenses were about 45.83%. Last year the County had \$200,000 more in Revenue than it has this year at this point, and \$48,000 less in Expenses last year than this year. Part of this is the negotiated union contract and the negotiated items which are retroactive to November 7, 2000. Also, the Nursing Home closed a wing because the mandatory overtime and staffing problems were wearing down morale, and the cost associated with overtime was up to \$7,000 to \$8,000 per week, which certainly was not cost effective; therefore, the wing was closed temporarily, and resources were re-allocated. The County has huge concerns coming along at the Jail, since it may receive a quadriplegic inmate who would require 24 hours of care; the Jail is not set up for that type of care. Talks are ongoing with the judges and prosecutors relating to this inmate. Also, a Hepatitis B inmate may be sent to the County Jail. The Jail expenses are "going crazy" and these issues are out of our control, he said - the courts order, and we must obey.

Chair Ward asked if the Commissioners had any recommendations for the Executive Committee to take under advisement. Commissioner Chair Panagoulis said the Commissioners have recommended to all departments heads that they hold the line on spending. The Nursing Home shut down a wing and is trying to control expenses there.

EXECUTIVE COMMITTEE MEETING

MONDAY, JANUARY 22, 2001

Page 6

The Commissioners would like Executive Committee approval to deny all out-of-state travel or at least have it go through the Commissioners' Office to deal with on a case-by-case basis, to control costs. The County has now frozen staff hiring for all departments at the Nursing Home with the exception of Nursing. Rep. Sova moved to allow the Commissioners to review out-of-state travel requests on a case-by-case basis, for discussion purposes. Rep. Almy seconded the motion, for discussion purposes, also. Under "discussion", Rep. Almy said that the Sheriff's Office has to send people out for federal marshal duties and the County is reimbursed for this; she had a concern that the County would be tying the Sheriff's hands on this. Commissioner Chair Panagoulis said this is not a problem, the Commissioners would be flexible; they know the Sheriff is required by law to go out and get these people. Rep. Sova asked how often the Commissioners meet; he wanted to know what the average delay would be after someone asks permission for out-of-state travel. Commissioner Chair Panagoulis said that the Board of Commissioners meets once a week, sometimes twice a week, and telephone polls can be conducted in a timely manner if there is an emergency out-of-state travel request. Rep. Williams then asked if out-of-state travel requests are a big problem. Commissioner Chair Panagoulis said no, not for the Commissioners and the budgets that the Commissioners control; the problem sometimes arises with Elected Officials and their budgets, and what the Commissioners can and cannot do about this. Rep. Alger mentioned that the County Attorney often has seminars planned out ahead of time that he would like to attend; can this be accommodated, he asked? Commissioner Chair Panagoulis replied that the Commissioners could put out a memo to all department heads and Elected Officials that if any out-of-state travel is anticipated in the near future, to contact the Commissioners as soon as possible. Financial Supervisor Clough explained that the County Attorney's Office already has to ask permission for all out-of-state travel before applications are even made for any out-of-state seminars. In other words, they do not register for anything until it has been approved by the Commissioners first. Chair Ward said this policy is only effective until June 30, the end of this fiscal year. Rep. Williams said it was a good policy and he felt it should be continued. A vote was taken on the motion; it passed unanimously.

Commissioner Chair Panagoulis said that the Commissioners would recommend that the County not set aside the Proportionate Share Payment money this year, and that it be placed instead in the General Fund. Chair Ward explained to the new members that this money then stays in the Budget; later in the fiscal year, if the finances turn around, the Executive Committee can then place this money into the Nursing Home Capital Reserve Account. Putting it into the General Fund, he said, is a break with tradition.

Rep. Almy said that Rep. Stephanie Eaton had wanted her to ask why the County is going ahead with an expansion at the Nursing Home when the census is down. Commissioner

EXECUTIVE COMMITTEE MEETING  
MONDAY, JANUARY 22, 2001  
Page 7

Chair Panagoulis explained that the 1930 Building is old and as the federal codes get tougher and tougher - as do the surveys (both federal and State, which he explained), with regard to life and health safety issues, resident care, etc., the 1930 Building is inadequate and it no longer meets our needs. If the County does not continue to address these issues, the federal government could shut us down. The County must go forward with expansion plans, even in light of the temporary staffing problems.

Chair Ward explained that the architects are also addressing storage issues, the Jail, and Courthouse, not only the Nursing Home - the entire County Complex will be involved. The money being mentioned in the Capital Reserve Account was set aside just for the Nursing Home portion of this project.

Rep. Almy said as she understood it, the premise is that the entire 1930 Building will be replaced for space. Commissioner Chair Panagoulis said yes, that building will be used to alleviate office and storage space that exists now at the Courthouse. Also, the County is proceeding with an architectural concept of the Nursing Home expansion and at some point, the Commissioners will need a formal vote by the Delegation.

Chair Ward asked that at the Executive Committee's Meeting in March, the Commissioners let them know which construction management firm was selected. Commissioner Chair Panagoulis said they would do so.

Rep. Sova asked if the State Courts, which are housed at the Superior Courthouse here, are involved in the design process. Commissioner Chair Panagoulis said they would be involved in areas such as security and storage requests; however, the County owns the Courthouse, and the State pays rent on their space there.

Admin. Bolander then further discussed the requirements of admission to the Nursing Home including physical and mental, which must then be approved by the State's Long-Term Care Office. She gave examples. Commissioner Chair Panagoulis said the County Home could admit people from other counties, and those counties would then reimburse us. Rep. Cobb asked if there is preferential treatment on admissions of Grafton County people: Admin. Bolander replied that we cannot discriminate, and no preferential treatment on admissions is considered.

Rep. Sova asked about the two inmates who may be sent to the County Jail - the quadriplegic and the individual with Hepatitis B - can this somehow overlap with the Nursing Home? Commissioner Chair Panagoulis said this would be difficult to address, since the needs and security requirements would be so different. Admin. Bolander said the rules and regulations of the prison system and a nursing home are entirely different, and if the individual was housed at the Nursing Home, then he would be treated under



EXECUTIVE COMMITTEE MEETING  
MONDAY, JANUARY 22, 2001  
Page 8

nursing home rules and regulations, not prison system rules and regulations. This would be very difficult in this circumstance.

Rep. Sova moved to approve the Commissioners' Report as presented; Rep. Alger seconded the motion. All in favor.

Rep. Alger passed out a sheet regarding a billing schedule, which he explained, including asking that the State not be able to bill us beyond a one-year period. The County cannot bill the State beyond one year, so this would be equal. Commissioner Chair Panagoulis said that the NHAC is supportive of this. Rep. Alger said he hopes everyone will support this bill, which does not have a number yet. Rep. Almy cautioned Rep. Alger that this same thing was tried a year or two ago and Health & Human Services said they could not do this in this amount of time, and this would lose money for the State. She suggested Rep. Alger line people up to explain why this is so important. Rep. Alger said that people have known about this for six to eight months, but he appreciated that this is good advice. He said this is very important for the counties. Commissioner Chair Panagoulis said that right now, the County has four outstanding State bills which will total over \$1 million. The County knows it owes this but the State is so far behind. The Human Services Department has to go through these bills to be sure all people and charges listed are Grafton County's obligations. This is a tremendous amount of work each month for that Department, he said.

Rep. Almy mentioned a decision made by a judge in Rockingham County on property tax assessment procedures. She urged everyone to get a copy of this report from the Internet, or through the State. Rep. Alger asked if towns now going through a re-evaluation, such as in his District, should continue, or not, as the rules may change. Rep. Almy said that was a very good question. There is an association of assessors that should discuss this with Stan Arnold. One issue is that re-evaluations are not done very often. Commissioner Cryans said he will raise this question with the Town of Hanover, which is going through a two-year re-evaluation process. A discussion followed.

Rep. Williams asked where he can go to have his views on issues heard, rather than have to wait for a bill to come out, such as on education. Chair Ward said there was no easy answer to this, with all the changes in rules, etc. but the best thing to do would be to go to the Speaker's Office.

Chair Ward stated that the next Executive Committee Meeting, which is normally held on the third Monday of each month, will instead be held on the fourth Monday of February, that is, on February 26, at 9:00 AM, as the 19th is Presidents' Day, a holiday.

EXECUTIVE COMMITTEE MEETING

MONDAY, JANUARY 22, 2001

Page 9

Rep. Alger moved to adjourn; Rep. Sova seconded the motion. All in favor.

The Meeting adjourned at 10:50 AM.

Chair Ward then mentioned that Treasurer Kathleen Ward had been named Littleton's Citizen of the Year last Friday night. There was a round of applause.

Respectfully submitted,

---

Martha Solow, Clerk

EXECUTIVE COMMITTEE MEETING  
BOARD OF COMMISSIONERS' OFFICE  
NORTH HAVERHILL, NH  
WEDNESDAY, DECEMBER 13, 2000

PRESENT: Reps. Brien Ward, John Alger, John Cobb, Susan Almy, Gene Marshall, Charles Sova, Burton Williams. Commissioner Michael Cryans.  
Executive Director Ernest Towne. Treasurer Kathleen Ward.  
Secretary Sam Sorrentino.

EXCUSED: Reps. Martha Solow, Hilda Sokol. Commissioners Steve Panagoulis and Raymond Burton.

Chair Ward called the Meeting to order at 11:30 AM, after the Reorganizational Meeting of the Grafton County Delegation had adjourned.

The Treasurer explained to the new members of the Executive Committee that she meets with them at their monthly Meeting and also, twice a year she comes before the Executive Committee and Commissioners regarding: 1) TANs and 2) short-term investments. The latter is six-month investing, the longest time she can put money away to invest. The Treasurer must ask permission to take \$2 million (as she has done for the past two years) and she puts this out to bid to the banks in each Commissioner District. The end result is usually placing \$300,000+ to several banks to invest. The Treasurer now requested permission for her short-term investments as stated above. Rep. Cobb moved to approve this investing; Rep. Marshall seconded the motion. Rep. Alger asked if it was correct that the Treasurer tries to do this within the State banks, even though they really are "outside owned". The Treasurer said this is correct. Also, some of the banks have several branches within Grafton County and they can divide the money up within those branches, rather than having the branches competing with each other. The money is kept in Grafton County. Rep. Marshall asked if the Treasurer is restricted to keeping the money in banks. Treasurer Ward said no, but that is her policy. A vote was taken; all in favor.

Treasurer Ward then discussed the cash flow; \$9.4 million is due in County taxes by next Monday, December 18, 2000. About half of the towns (not half of the money) have sent in their tax money. The Treasurer explained that she is also the Tax Collector for the County. The top five taxpayers in the County are, in order, Lebanon, Hanover, Lincoln, Littleton, and Holderness. Lebanon and Hanover both pay over \$1 million with Lincoln, the third highest, paying about \$500,000. Since there are more banks in the Lebanon/Hanover area, the Treasurer utilizes three banks for that area for her investing since they pay twice as much taxes as Lincoln, for example.

Executive Director Towne explained that the Executive Committee usually meets the third Monday of every month; however, in January, the third Monday is Martin Luther King Day, and so the Meeting will be held on the fourth Monday, January 22, 2001. Chair Ward explained to the new members that the Executive Committee members all receive a financial packet in the mail each month prior to each Meeting. Executive Director Towne said that if anyone had questions after receiving their monthly packet, to please call him at 787-6941. Rep. Almy said

EXECUTIVE COMMITTEE MEETING

WEDNESDAY, DECEMBER 13, 2000

Page 2

she had suggested awhile ago that the new Executive Committee members should receive specific orientation as to how to read the budget and the monthly financial statements. Executive Director Towne said he would be glad to sit down with them and do this. Chair Ward said he would like to have this orientation too, as it would also help him to understand everything better. He came in mid-term as an appointee and never had any County orientation. Chair Ward suggested the orientation could be done at 8 AM prior to the 9 AM Meeting in January, to go over the packets, etc. Rep. Sova said he would "rather stay after" than come before. Rep. Williams said he would like to visit the various departments of the County Complex the afternoon of the January 22, 2001 Meeting. Executive Director Towne said he will send letters out with a few dates from which the members could pick, for their visits and tours. Chair Ward said that perhaps Reps. Williams, Sova, and Sokol could tour on January 22 after the Meeting.

Rep. Cobb moved to adjourn; Rep. Sova seconded the motion. All in favor.

The Meeting adjourned at 11:40 AM.

Respectfully submitted,

---

Martha Solow, Clerk

REORGANIZATIONAL MEETING OF THE GRAFTON COUNTY DELEGATION  
BOARD OF COMMISSIONERS' OFFICE - NORTH HAVERHILL, NH  
WEDNESDAY, DECEMBER 13, 2000

PRESENT: Reps. Stephanie Eaton, Brien Ward, G. Michael Gilman, Gene Marshall, Robert Giuda, Douglass Teschner, John Cobb, Robert Barker, Sid Lovett, Debra Naro, Mary Cooney, Burton Williams, Bill Gabler, John Alger, Sharon Nordgren, Bernard Benn, Charles Sova, Paul Mirski, Susan Almy, Ralph Akins, Marion Pawlek. Commissioner Michael Cryans. Executive Director Ernest Towne. Secretary Sam Sorrentino.

EXCUSED: Reps. Martha Solow, Hilda Sokol, David Scanlan, and Nancy Scovner. Commissioners Steve Panagoulis and Raymond Burton.

ABSENT: Reps. Bonnie Ham and Terri Dudley.

The meeting began at 10:00 AM and the roll call was taken. Commissioner Cryans chaired the meeting until Officers were elected. He introduced the Executive Director and secretary. Commissioner Cryans explained that the group would be breaking up into three groups, by Commissioner District. Each District will be required to come back with three members for the Executive Committee, for a total of nine. After that, Officers will be elected.

Commissioner Cryans said this is unusual this year because up until now, Reps. Paul LaMott and Marion Copenhaver were members of the Delegation and Executive Committee for many, many years, and Rep. Allen MacNeil also served for several years. They were the Officers for the Executive Committee and Delegation for many years, as well. So this year, the Delegation will be electing three new Officers.

Commissioner Cryans then asked if there were any questions about the responsibilities of the Executive Committee. Executive Director Towne explained this, that the Executive Committee meets monthly with the Commissioners, with few exceptions. The Executive Committee is the only authorizing body that can do appropriation transfers. About 99% of the Executive Committee's authority is financial. The Executive Committee and Commissioners have always had a very good working relationship, he said, and this is one of the few counties in New Hampshire where the Executive Committee meets with the Board of Commissioners.

Rep. Benn asked what the role is for the remaining Delegation members. The Executive Director said they vote once a year on the County's budget and help to sponsor and support legislation that will help the County and its various departments. Also, if there are supplemental appropriations, these require Delegation approval. The County tries to keep the Delegation members aware of legislation that the County supports or opposes. The Delegation, he said, does not meet with the Commissioners more than once a year unless the Chair calls for a special meeting. Rep. Teschner explained this a bit more; also, if there were a major appropriation, then this would require a vote of the full Delegation, he said. Executive Director Towne said that one example would be that later this morning, after the Officers are in place, the County has just

REORGANIZATIONAL MEETING OF THE GRAFTON COUNTY DELEGATION  
WEDNESDAY, DECEMBER 13, 2000

Page 2

approved a three-year union contract and by statute, the economic package requires Delegation approval so this may be voted on today. This package is less than 1% of the County's budget so we do not require a special supplemental appropriation, he explained.

The duties of the Grafton County Commissioners were explained by Commissioner Cryans. There are three Commissioners, as in the other counties. The Commissioners attend weekly meetings here at this Office and also attend the monthly Executive Committee meetings, as well as monthly meetings in Concord of the New Hampshire Association of Counties. At the Commissioner level, the Board works specifically with the managers of each of the departments to develop a budget and ultimately present that to the Delegation for approval. The Commissioners also deal with any personnel issues - the County has 327 employees. Also, the Administrator of the Nursing Home, which has 107 residents currently, attends the monthly Executive Committee meetings to update the members on the concerns and issues there. The Jail has 70 inmates. Commissioner Cryans then explained the various departments in the Superior Courthouse that fall under the Commissioners' jurisdiction, and which are State departments. The County has 800 acres here, and the Farm uses a lot of that land. The Sheriff dispatches for 20 towns. The Commissioners' Office has seven staff members, including the Executive Director, Human Services, payroll, financial, accounts payable, and secretarial. The County has a budget of approximately \$20 million. Commissioner Cryans asked the Delegation members that if they could not attend a meeting at the County, to please call the secretary at 787-6941 and ask to be excused. This will make things a lot easier, he said. He also requested that the members give the secretary their mileage so that they can be paid for today.

10:15 AM - Commissioner Cryans then explained the three Commissioner Districts, and which towns belong to each District. He said that the group would now split into three: District One will remain in the Conference Room to caucus; District Two will caucus in the Commissioners' Office; and District Three will caucus in the break room.

10:32 AM - the members reconvened in the Conference Room to announce the results:

District One - Reps. Susan Almy, Martha Solow, and Hilda Sokol.

District Two - Reps. Brien Ward, Gene Marshall, and John Cobb.

District Three - Reps. John Alger, Charles Sova, and Burton Williams.

Commissioner Cryans then called for election of the Officers. Rep. Teschner nominated Rep. Brien Ward; Rep. Giuda seconded the motion. Rep. Eaton then stood to speak. She said it is important to put this choice into the context of the challenge to the County and State as well, and to be aware of this as we move forward. At the County level, she said, we speak about ten lawsuits on Medicaid reimbursement problems, which may continue. With that in mind, Rep. Eaton said, she feels it is important that we are all aware of the fiscal constraint which will happen there. If we make commitments with that unknown, we may not have the money without

REORGANIZATIONAL MEETING OF THE GRAFTON COUNTY DELEGATION  
WEDNESDAY, DECEMBER 13, 2000

Page 3

raising taxes significantly. On the State level, the education level is unknown. This is important to keep in mind as it is a significant commitment of taxes. And now, she said, we have the union contract. She urged the members to not simply delegate their responsibility. Keep the focus on the taxpayers, whom we are supposed to be supporting. Rep. Teschner then asked the temporary Chair, Michael Cryans, to cast one vote for Brien Ward as Chair, and as no other nominations were forthcoming, Rep. Ward was duly elected as Chair.

For Vice-Chair, Rep. Naro moved to nominate Rep. John Alger. This was seconded by Rep. Sova. Rep. Teschner moved that nominations be closed and that one vote be cast for Rep. Alger for Vice-Chair. Rep. Giuda seconded that motion and the temporary Chair cast one vote for Rep. Alger as Vice-Chair, who was duly elected.

For Clerk, Rep. Almy nominated Rep. Martha Solow. This was seconded by Rep. Alger. Rep. Teschner moved that nominations be closed and that one vote be cast for Rep. Solow for Clerk. Rep. Giuda seconded that motion. The temporary Chair cast one vote for Rep. Solow, who was duly elected as Clerk.

The Officers for the next two years for the Delegation and Executive Committee will be Rep. Brien Ward as Chair, Rep. John Alger as Vice-Chair, and Rep. Martha Solow as Clerk. These three Officers then took their places at the front of the room to continue running the meeting, and Commissioner Cryans stepped down as temporary Chair.

Chair Ward explained his background as a Representative and attorney, as well as formerly being a former Assistant County Attorney. He said he works often at the Courthouse and will always be available. He has enjoyed serving on the Executive Committee. He said we have a very strong county in comparison to other counties, and there is a lot to build upon. He said the Executive Committee has a bi-partisan approach in the election of Officers, which is in the best interests of the County. There is also equal representation from the County (three Commissioner Districts) and there is a good rapport here, which is not usually found in other counties. There is always a free-flowing discussion at Executive Committee meetings. He said that "We are starting in a position of strength here in Grafton County."

Vice-Chair Alger then explained his own background.

Rep. Teschner said that as a member of the Delegation and not on the Executive Committee, he asked that the full Delegation be aware that they are always welcome at any Executive Committee meetings to find out more about issues here. Also, the Delegation members will all receive copies of the monthly Executive Committee Minutes; this is important and you will be informed, he said. Rep. Teschner added that the newly elected members will see that the County's budget is very easy to understand, unlike the State budget.

REORGANIZATIONAL MEETING OF THE GRAFTON COUNTY DELEGATION  
WEDNESDAY, DECEMBER 13, 2000

Page 4

Chair Ward spoke on behalf of the newly elected Executive Committee's Clerk, Rep. Martha Solow, who had asked to be excused today for a family emergency. He gave her background and said she was very well respected by the other Executive Committee members.

Chair Ward then mentioned the memo from Commissioner Chair Panagoulis, who is President of the New Hampshire Association of Counties. Each Delegation member received a copy of that memo. He said the most volatile situation here at the County is the Nursing Home, which he explained. He then spoke about State Bill 409 and how nursing home care was provided and that a moratorium was placed on new nursing home beds. The County is responsible for more "soft costs", that is trying to keep people in their own homes and out of nursing facilities. He mentioned the recent survey at the Grafton County Nursing Home. Rep. Ward then reported that Commissioner Chair Panagoulis is in Washington, DC right now, lobbying on behalf of county government.

Chair Ward mentioned the labor market in relation to the health care providers and the problems in being able to attract qualified staff at the County Nursing Home, which is budgeted for 120 residents. The Executive Committee has worked with the Commissioners over the past year to offer incentives to attract staff but this just is not working. The County Nursing Home is now re-allocating its resources and keeping it down to 103 to 105 resident beds until staffing is back up. He said that the Delegation will be hearing more about this in the future. This is being brought to their attention today, he said, because this problem will not be going away. The Delegation members will then be more aware of these issues when they vote in June on the final county budget. There are no simple answers to the situation. There is a solid administration, Chair Ward said, and the Administrator meets with the Executive Committee monthly to discuss these issues, which are being aggressively approached. The good news, Chair Ward said, is that the County is in an excellent financial position. Last year the County did not have to borrow money in anticipation of taxes; this year, the County had to borrow \$500,000 and this has been re-paid as of today. There is good fiscal management here, he said.

There were questions about the Nursing Home, such as, is the fact that there are fewer residents due to the staffing shortage, and what about getting people to remain in their own homes, and is there a large waiting list. Executive Director Towne said he and Commissioner Burton, along with Admin. Eileen Bolander, met last evening with two Selectboards about these very questions and concerns. The Admin. told them that there are only four on the waiting list right now. Yes, the County is not admitting people because of lack of staff; as the staff increases, then the County will re-open a wing and increase the admissions. The County wants to continue offering quality of care. The County is financially responsible for 325 people throughout the State; 220 of these come out of the Human Services budget. This Department is located in this building. The Executive Director also discussed Old Age Assistance and Aid to the Permanent or Temporally Disabled. Every nursing home in the State has its costs/reimbursement rate set differently by HCFA, he said; no two are the same.



REORGANIZATIONAL MEETING OF THE GRAFTON COUNTY DELEGATION  
WEDNESDAY, DECEMBER 13, 2000

Page 5

Rep. Naro asked about the long-term economic impact and if this can be turned around; also, she asked if this is a training issue. Executive Director Towne said it is money and as youth gain education they go into other fields to make more money. Rep. Alger said that we have the competition from Dartmouth Hitchcock and Glencliff. He asked that the Delegation members share any pertinent articles that they might find on these subjects that would be of interest to all.

Commissioner Cryans said the Commissioners had called in Glen DuBois of the NH Tech College because the Board is concerned about nursing classes dropping off. The State level also had a meeting on this same subject. Also, Admin. Bolander informed the Commissioners this week of a CNA training course at Brookside Nursing Home, which Nursing Home employees will be able to attend.

Rep. Giuda asked if the County finds that lack of available staff is relative to the geography. Executive Director Towne said no, we get people from both sides of the River. It is because right now, it is really an employee's market and everyone is stealing people from everyone else. There is also a shortage of CNA's and RN's nationwide.

Chair Ward then spoke to the union contract for bargaining unit employees at the Nursing Home and Jail. Negotiations were begun a year ago. A tentative agreement was reached on November 5, 2000 by the Commissioners. This requires an additional expenditure so this would be the first vote by the new Delegation. The Commissioners negotiated this contract and would like the Delegation to affirm it. Executive Director Towne then addressed the major issues. He compared the package to the non-union employees' package and why it would be appropriate to vote on this today. The Executive Director explained that the Commissioners also negotiate with the Employee Council which is a non-regulated bargaining unit, for the other employees. He then discussed the benefits for those employees which included a 70 cents an hour increase cross the board and 100% paid health insurance, which was capped at the current rate, plus an additional holiday (Civil Rights Day). Union employees will receive 70 cents an hour retroactive only to November 5, 2000, not to the beginning of the fiscal year. They will also receive Civil Rights Day. Their health insurance at 100% was status quo, legally, during negotiations. The total increase in the County's budget for the union contract is \$171,081.38, retroactive to November 5, 2000. If this had been funded for the full fiscal year, it would have been an additional \$84,729.00.

Commissioner Cryans said that the Commissioners felt that with everything happening in the labor market, that we had come a long way; the employees agreed to cap their insurance and it was time to settle the contract. There had been picketing around this building and this caused hardships in attracting staff, also. Concessions were made on both sides and it was time to move on. The cap on the insurance will be seen in the second and third years of the union contract. Executive Director Towne said it would be 5% in the second year and 8% to 10% in the third year. Commissioner Cryans added that this was a major cultural change here with the

REORGANIZATIONAL MEETING OF THE GRAFTON COUNTY DELEGATION  
WEDNESDAY, DECEMBER 13, 2000

Page 6

employees, who were used to having 100% paid health insurance for so many years. Glenciff continues to pay 100% paid health insurance, the Executive Director said.

Rep. Alger said that this cap on health insurance is useful because the employees will start to think about that their insurance costs. This is a major step even if it is only 5% and 10%. Rep. Almy asked if the employees realize they have lost four months of increases, etc.; Commissioner Cryans said the employees voted for the package.

Chair Ward said that since the increase for the union contract is less than 1% of the County's budget, we do not have to send a supplemental tax bill to fund this. The second and third years will be voted upon on a yearly basis because under New Hampshire law, you can either vote on it in financial language, or you can basically break down the contract and vote on each one of the three years of the contract; that latter is what we are doing. The Delegation will only be voting on the first year of the union contract. The Delegation has no say on the language of the contract, as that is the authority of the Commissioners. The Delegation is voting on the financial package from November 5, 2000 to June 30, 2001. Normally the members would have been informed in advance so that they could think more about this and study it before today's meeting but the timing of the contract did not allow for this. Rep. Giuda moved to approve the union contract as stated; Rep. Cobb seconded the motion. Rep. Sova asked if the third-year salaries have been negotiated; Executive Director Towne said yes, this is in the packet the members received today. When the Delegation meets in June to vote on the County Budget, if the Delegation does not appropriate the funds for the economic side of the contract, then the union and County have to go back to the table. Rep. Eaton asked if the health insurance cap is for the next two years; Chair Ward said yes, this is part of the contract. The union has accepted this contract; the Delegation has not, as yet. Executive Director Towne reiterated that the Delegation is only voting on the current fiscal year's part of the contract, but only from November 5, 2000 to June 30, 2001. The vote was taken; it was unanimously passed.

Executive Director Towne said there will be a short Executive Committee Meeting after the Delegation Meeting this morning, for one or two items.

Chair Ward said that the Treasurer will make monthly reports to the Executive Committee. He then mentioned the Capital Reserve account for the Nursing Home, which currently has \$1.5 million for long-term renovations to the Nursing Home. Also, he said, there are issues facing the Courthouse. The Commissioners, former Executive Committee, and former Delegation agreed that \$250,000 of this money would be used to hire an architect to develop a plan for all County facilities. Some time over the next two years there will be a bond issue to address many of the long-term needs of the complete County Complex. Chair Ward also mentioned that the Haverhill District Court moved into the Superior Courthouse about a year ago and this space need will be addressed, as well.

REORGANIZATIONAL MEETING OF THE GRAFTON COUNTY DELEGATION  
WEDNESDAY, DECEMBER 13, 2000

Page 7

Rep. Cobb said that in his first term on the Executive Committee, the Chair invited all to come and tour the County Complex to view and visit and talk to the people who run these departments. He said he had a very good tour. Visiting the Jail, he said, is an experience you will never forget. He urged all members to take such a tour of the County Complex. Executive Director Towne invited the members to call and we will set up tours and discussions with the various department heads. He said that Mondays are the best days for the department heads to give tours and hold discussions. Commissioner Cryans suggested that perhaps the members could come a few at a time. Rep. Teschner said perhaps the Commissioners/Executive Director could send the Delegation members a few suggested dates and times. Rep. Alger said to remember that the residents are your constituents, and relatives of people you know.

Rep. Giuda asked when the Executive Committee holds its meetings. Chair Ward said it is usually the third Monday of each month, unless the date comes too close for financial reports to be ready for mailing to the members in advance of each meeting.

Rep. Giuda said he is working with the Activities Director at the Nursing Home for carol singing and if anyone wanted to help out, to please let him know, or call Patrick McWilliams, the Activities Director. He said to remember to visit the residents, not only in a legislative capacity, but also in a compassionate capacity.

Rep. Teschner moved to send a letter to former Rep. Allen MacNeil to be signed by Chair Brien Ward in appreciation of the many years of service Rep. MacNeil gave. Rep. Eaton seconded the motion. All in favor.

Commissioner Cryans reminded all members to let the office know their mileage before they leave.

The first Executive Committee Meeting will be held on Monday, January 22. Normally it would be held the third Monday, which is the 15th, but this is Civil Rights Day.

Rep. Cobb moved to adjourn; Rep. Giuda seconded the motion. All in favor.

The Meeting adjourned at 11:22 AM.

Respectfully submitted,

---

Martha Solow, Clerk

GRAFTON COUNTY DELEGATION  
EXECUTIVE COMMITTEE MEETING  
BOARD OF COMMISSIONERS' OFFICE  
NORTH HAVERHILL, NH  
MONDAY, NOVEMBER 20, 2000

PRESENT: Reps. Allen MacNeil, Paul LaMott, Marion Copenhaver, Martha Solow, John Cobb, Brien Ward, Susan Almy, and John Alger. Commissioners Steve Panagoulis and Raymond Burton. Executive Director Ernest Towne. Financial Supervisor Julie Clough. Secretary Sam Sorrentino.

GUEST: Rep. Hilda Sokol.

EXCUSED: Commissioner Michael Cryans. Treasurer Kathleen Ward.

ABSENT: Rep. Philip Weber.

Chair MacNeil called the Meeting to order at 0902.

Rep. LaMott moved to approve the Minutes of October 23, 2000 as amended. Rep. Cobb seconded the motion. All in favor.

Financial Supervisor Clough gave the Treasurer's Report. The County had to draw down \$500,000 in anticipation of taxes but did receive two tax checks at the end of last week.

Rep. Alger asked about "payments". The Financial Supervisor explained that the check for \$980,000 for the Littleton Learning Center was put through the General Fund Account and then paid out; this is why this looks so inflated, she said.

Commissioner Chair Panagoulis said that last year at this time, the County did not have to borrow; this year, things are tightened up. The County may need to borrow in anticipation of taxes.

Rep. LaMott moved to accept the Treasurer's Report as circulated; Rep. Copenhaver seconded the motion. All in favor.

Rep. Copenhaver asked Rep. Ward to update the Executive Committee on how the Treasurer's health is, which he did.

Commissioner Chair Panagoulis presented the Commissioners' Report; the County is down slightly on anticipated revenue. However, expenditures are down also; the County is trying to hold the line on this. Part of the problem is due to lack of staffing at the Nursing Home, and in filling the Nursing Home beds. The cost reports that dictate the County's Medicaid reports are based on two-year-old reports and do not reflect energy costs, and other costs as well. The County is having problems getting licensed staff as

EXECUTIVE COMMITTEE MEETING

MONDAY, NOVEMBER 20, 2000

Page 2

well, and when it does, the County must pay a premium to attract them. The Nursing Home has had to go to mandatory overtime for CNAs, LPNs, and RNs. Also, the more that the NH Department of Health and Human Services spends, the more the County has to spend. If the County can get the revenue up through the Medicaid State portion, this would help out dramatically, he said. Being two years behind on this is a State problem, not a County one. The problems at Merrimack County were discussed. Chair MacNeil asked Commissioner Chair Panagoulis what the New Hampshire Association of Counties is doing about this problem of being two years behind on information; he replied that he is going to Washington, DC next month to meet with NACo and Senator Gregg, at which time this issue will be brought up.

Commissioner Chair Panagoulis then discussed the enormous amount of paperwork at nursing homes, and not just at the Grafton County Nursing Home; this results in less patient care. Government surveys at nursing homes were then discussed and the paperwork involved resulting from the surveys. Rep. Copenhaver said she had thought the federal government hired the states to do the surveys. Commissioner Chair Panagoulis replied that this was so, but then the federal surveyors come in right behind the state surveyors. A discussion followed on the problem as to how the surveys should be interpreted. Commissioner Chair Panagoulis said it might happen that nursing home administrators will some day have to go to Washington, DC to testify about the survey problems. The surveys are very demoralizing for staff. Rep. Alger said he would like to send a letter on this and asked Commissioner Chair Panagoulis to give him a list of the facts that he could use. Commissioner Chair Panagoulis said that the NHAC is becoming more active in this area and is setting up a time with the New Hampshire Secretary of State on this, when all the newly elected Representatives go over their responsibilities. Rep. Alger said that is fine, but he was talking about writing to the two Congressmen and two Senators from New Hampshire. Commissioner Chair Panagoulis said the NHAC has invited these four for a meeting, but the only representative who came was from Congressman Bass's Office. Chair MacNeil said a letter should be sent from every county; there is strength in numbers.

Rep. LaMott said this is a serious problem, where there is an approved rate of \$131.06 per day and yet the actual daily cost is \$191.27 per day. It has gone from bad to worse. The County is not being compensated for the services it provides at the Nursing Home, and yet the Nursing Home is providing these services according to the rules mandated by the State and federal governments! Most of the residents are now coming in extremely ill, he said; this is an additional expense and is labor intensive. The employees must be very careful not to violate the rules, including use of restraints as mandated by the government.

Rep. LaMott said the problem seems to be in the audit situation - the NHAC should be looking into this, he said. If this situation continues, then there will be no control over

EXECUTIVE COMMITTEE MEETING

MONDAY, NOVEMBER 20, 2000

Page 3

the tax rate.

Rep. Ward said the County has been fortunate to have been able to put the PSP money aside, but in the future, the County may have to utilize this to make up for Nursing Home costs. He said the County should be thinking about this in the future because of the volatility of the Nursing Home.

Rep. Solow asked from where these problems are coming, such as the lateness of the cost report. Commissioner Chair Panagoulis said this is a State problem; the County provides the information annually, but by the time the State pays on this, it is two-year-old data. Rep. Solow said it appeared that pressure would have to come from the Delegation, in that case. Commissioner Chair Panagoulis agreed.

Rep. Solow asked if the Nursing Home problem is the lack of staffing candidates, or is it the lack of funding to pay them? Commissioner Chair Panagoulis said the pool is shrinking; the County has used hiring bonuses and made market adjustments to pay. Chair MacNeil said that people are not going into this profession anymore.

Rep. Solow said they have discussed orientation for the new legislative session, to let the newly elected Representatives know of their County responsibilities; Commissioner Chair Panagoulis said that the NHAC is working on that although the agenda is full for the orientation. But hopefully, with the new Speaker of the House coming on board, we will be able to do this. He added that the Commissioners and Executive Committee have in the past invited the entire Delegation to come in and tour the County Complex and learn about it. Chair MacNeil said he, too, had written to the full Delegation and encouraged them all to come in and sit down with each department head to learn about the County part of the Delegation's duties, but few had done so. Rep. Solow said she felt this is a State responsibility to let the Representatives know about their County duties, since these are State Representatives. Commissioner Chair Panagoulis agreed that the best place to do the orientation is in Concord, when all the Delegation members have to be there, even if their orientation takes more time over several days.

Rep. Almy explained why she felt the NHAC should prepare simple fact sheets for the Legislators to read in case the new Speaker of the House does not do this orientation.

Nursing Home Administrator Eileen Bolander was present (Rep. LaMott wanted the record to reflect that the Administrator had been present and waiting to speak since 9:15 AM; it was now 9:35 AM) and spoke about the reimbursement and the fact that Grafton County is actually one of the better Medicaid-reimbursed counties in the State because of the acuity level here.

EXECUTIVE COMMITTEE MEETING

MONDAY, NOVEMBER 20, 2000

Page 4

Chair MacNeil asked that the Executive Committee get back to the Commissioners' Report before further discussions on the Nursing Home, and to stick to the agenda.

Rep. Cobb said that each of the Executive Committee members should write letters regarding the Nursing Home reimbursement matter, rather than a joint letter. Rep. Alger agreed and urged everyone to use every method they can to communicate and get on top of this, and get these costs under control.

Rep. Copenhaver said that when the letter about orientation is written to the newly elected Representatives, she felt the same letter should also go to the incumbents, to remind them about their County responsibilities.

Rep. Almy asked what the Commissioners plan to do about the Grafton County Farm; the price of milk has stayed down. Commissioner Chair Panagoulis said the County has tried to do more to create revenue by cutting wood at the Farm, raising pigs and corn, and using inmate labor to contain expenditures. This is a farming community and a farming county, he pointed out. The Commissioners realize farms are expensive to run and they are doing everything possible to raise the revenue. There is also a shortage of people who want to work farm hours. Executive Director Towne said that the Farm Manager planted an additional 40 acres of corn this year, and is working on cutting more firewood. The Farm revenues should be increased drastically by year-end, he said.

Commissioner Chair Panagoulis said he wanted to remind the Representatives that what they do in Concord affects us here at the County level.

Rep. LaMott moved to approve the Commissioners' Report as presented; Rep. Copenhaver seconded the motion. All in favor.

Nursing Home Administrator Bolander distributed a monthly update and a map of the United States, showing the average daily cost of nursing home care in each state.

The current Grafton County Nursing Home census is 110. As for staffing, the Home is over 1,000 hours a week short staffed. There are significant overtime costs in order to care for the residents. Mandatory overtime is still being done.

Administrator Bolander said she has been discussing with the Commissioners a plan to consolidate the staffing resources in order to look for better efficiency. Some of the residents will be relocated to other units as appropriate, after complying with all laws and regulations on this procedure. Eventually the Nursing Home will close a wing and utilize only 103 beds in order to contain costs. Hopefully this plan will offset the budget on the expenditures side because of taking care of less people. Administrator Bolander said that

EXECUTIVE COMMITTEE MEETING  
MONDAY, NOVEMBER 20, 2000  
Page 5

at a recent meeting with New Hampshire Health & Human Services Commissioner Donald Shumway, he said that throughout the State, nursing homes are beginning to consolidate their resources, as well.

Rep. Copenhaver asked if there is any way to attract some of the 200 people in the State for whom the County is financially responsible in other nursing facilities or situations. Commissioner Chair Panagoulis said that the County Nursing Home just cannot handle them; the Home has a problem now, taking care of the residents it has. It is costing the County more money to take care of the 200 who are in other situations, but the Nursing Home just cannot find the staff to take care of 200 more in-house. Executive Director Towne said that also, you cannot mandate anyone to come to the Grafton County Nursing Home; it is their choice where they would like to be.

Rep. Ward asked the Administrator how long this plan will take to be fully implemented, i.e., consolidating the resources and moving the residents. Administrator Bolander said this should be completed by the first of the year.

Rep. Ward then asked if there is any plan to develop a revised budget for the Nursing Home if it only utilizes 103 beds. Administrator Bolander said yes, there is a potential for this, and she will be meeting with the nursing staff on this later in the week.

Rep. LaMott said he appreciated the map the Administrator had provided today. He said he did not criticize the Nursing Home but feels that others (State) should be "dragged up to the plate" if they do not step up to it, and pay their full share.

Rep. Alger asked the Administrator to confirm that there are 32 beds on the second floor of the 1930 Building. Administrator Bolander said yes, that is correct; they will only be moving 19 residents from the second floor of that building.

Nursing Home Administrator Bolander then explained the annual OBRA survey. They do a survey of every nursing home in the United States that has a contract with Medicare/Medicaid.

Rep. Ward commended Administrator Bolander on her leadership on the staffing and resident issues. Administrator Bolander thanked him, and said the Nursing Home's plan will get them away from paying so much overtime. Executive Director Towne said it will help to alleviate staff burnout, as well.

10:05 AM - Administrator Bolander left the Meeting.



EXECUTIVE COMMITTEE MEETING

MONDAY, NOVEMBER 20, 2000

Page 6

Legislative Update - Rep. Copenhaver said that for the incumbents, you should not try to differentiate between duties as County Legislators vs. State. The State is "us" and she said she is tired of hearing County people blaming the State, yet when the County people go to the Legislature, they vote against the County and then wash their hands of it all. It should be made clear to the Legislators that what they do at the State level affects the County level. Chair MacNeil said that the incumbents should get together with the newly elected Legislators and make them aware of this.

Rep. Solow asked at what point do the new Legislators begin to receive copies of the Minutes of the Executive Committee Meetings; Executive Director Towne said that will begin after December 6, when the Legislators are sworn in. It was agreed that today's Minutes should be sent to the new Delegation members.

Chair MacNeil said that on Wednesday, December 13, 2000, at 10:00 AM, the Grafton County Delegation will meet at the Commissioners' Office for reorganization and for choosing the Chair, Vice-Chair, and Clerk. He mentioned his recommendations for each of these positions.

Commissioner Chair Panagoulis then gave the Executive Committee an update on the union. A tentative agreement has been drawn up and the County hopes to soon be able to come forward with this to the new Delegation for a vote, after the Commissioners have thoroughly reviewed the proposed contract agreement.

Executive Director Towne asked if the "Dean of the House" (Rep. Paul LaMott) would kindly explain the statute on the economic side as to what is being proposed for the union for the first year, which Rep. LaMott did. He said if the contract is less than 1% of the budget, the County does not have to have a special appropriations budget meeting with the Delegation, since it will not affect the tax rate, but the Delegation does need to approve the economic package in the contract and authorize the expenditure. Then in the next budget, the County must consider the contract costs, of course. He said he questions whether there would be a major shortfall because of the contract; he feels the County should be well covered.

Rep. Ward asked if permission must be sought from the Court to hold a special meeting on the contract. Executive Director Towne said no, the Chair of the Delegation can call that meeting, if one is needed.

Commissioner Chair Panagoulis said he does not anticipate any budget shortfalls til year-end but the County will be tightening up. Also, the County will not have the surplus at year-end that it has applied towards taxes in prior years.

EXECUTIVE COMMITTEE MEETING

MONDAY, NOVEMBER 20, 2000

Page 7

Rep. Alger distributed a handout regarding Title 10 - Public Health, Chapter 126A on the New Hampshire Department of Health & Human Services, Section 126-A:3. He said the Department of Health & Human Services has a habit of billing the County over a year late and he has discussed this with Grafton County Human Services Administrator Nancy Bishop. He said he had written to the Chief Information Officer of the New Hampshire Department of Health & Human Services regarding this billing practice, and the CIO has said he will reply. Rep. Copenhaver said she had introduced such a bill, to no avail, to require the State to pay their bills in a timely fashion. Rep. LaMott complimented Rep. Alger on writing this letter to the State. Rep. Ward said that the flip side to this is that the County has been able to accumulate some income because it has not been billed on time. He said there is a price to pay if the State becomes timely in its billing.

Chair MacNeil distributed his letter of farewell with various comments and suggestions, as he leaves office. He thanked everyone for working with him over the years. Rep. Alger thanked Chair MacNeil for his services.

Rep. LaMott moved that the letters distributed today by Chair MacNeil and Rep. Alger become a part of the record of today's Meeting. Rep. Cobb seconded the motion. Rep. Almy voted no since she felt that Chair MacNeil's letter was "campaigning." He replied, "Oh well, I'm a politician!" The others voted in favor of the motion, which carried by majority.

Rep. Solow gave her personal thanks to Chair MacNeil for the way he has always conducted himself as Chair - she said he has always been fair, through, and stuck to the Order of Business. Rep. Ward followed up on that by thanking everyone on the Executive Committee for working well together, especially when you hear about other counties and how their Executive Committees do not work together. He said that the Executive Committee should continue to build upon this. Rep. Copenhaver said yes, and this Executive Committee even meets in the same room with the County Commissioners, which most other counties do not do.

Rep. Copenhaver thanked Financial Supervisor Julie Clough and Secretary Sam Sorrentino for their work and loyal cooperation with the Executive Committee.

This was the last Executive Committee Meeting for Chair Allen MacNeil, Rep. Paul LaMott, and Rep. Marion Copenhaver, as they leave office.

EXECUTIVE COMMITTEE MEETING  
MONDAY, NOVEMBER 20, 2000  
Page 8

Rep. LaMott moved to adjourn; Rep. Copenhaver seconded the motion. All in favor.

The Meeting adjourned at 10:30 AM.

Respectfully submitted,

---

GRAFTON COUNTY DELEGATION -  
EXECUTIVE COMMITTEE MEETING

**Note: CHANGE OF MEETING LOCATION FOR TODAY ONLY:**

**GRAFTON COUNTY DEPARTMENT OF CORRECTIONS**

NORTH HAVERHILL, NH

MONDAY, OCTOBER 23, 2000

PRESENT: Reps. Allen MacNeil, Paul LaMott, Marion Copenhaver, John Cobb,  
Martha Solow, Brien Ward, John Alger, and Susan Almy.  
Treasurer Ward made a brief appearance.

EXCUSED: Commissioners Steve Panagoulis and Raymond Burton.  
Executive Director Ernest Towne. Financial Supervisor Julie Clough.

ABSENT: Rep. Philip Weber.

Chair MacNeil called the Meeting to order at 0901 in the Jail basement.

Commissioner Cryans explained why the individuals who had asked to be excused were not able to attend today's Meeting.

Rep. LaMott moved to approve the Minutes of September 18, 2000 as circulated.  
Rep. Copenhaver seconded the motion. All in favor.

Chair MacNeil announced that there would be no Treasurer's Report, as the Treasurer was not present. He then asked Rep. Ward for an update on the Treasurer's health, which was given. Chair MacNeil then asked that Rep. Ward extend to the Treasurer the very best wishes from the Executive Committee. (The Treasurer arrived later during the Meeting, to a round of applause.)

Chair MacNeil talked about last week's Candidates Night in Plymouth. He spoke on behalf of the Treasurer, who was not able to attend. Rep. Alger said it was a good session that night.

Rep. Alger asked if the County is going to have to borrow money this year. Rep. Ward said that the paperwork has been done for \$1.3 million which was authorized by a prior vote of the Executive Committee/Delegation. No borrowing has been done as yet, and if it must be done, it will probably not be for the total amount, and it would only be for a short window of time.

Rep. Ward asked to be excused early for a court session.

Commissioner Cryans gave the Commissioners' Report:

He discussed the Annual Conference at The Balsams earlier this month, during which

Reps. Copenhaver and LaMott were honored for their long terms of office and their impending retirements from State Legislature. Also, the Executive Director and Financial Supervisor received awards for their work.

Union negotiations continue. One meeting involved the Commissioners.

Commissioner Cryans then explained Commissioner Chair Panagoulis's health. He was released last Friday from the hospital and must rest. He will be fine.

Commissioner Cryans then discussed the Budget Activity Comparison Report. Expenses are up at the Sheriff's Department, Nursing Home, and Jail. Rep. Almy said that it was anticipated this would happen at the Sheriff's Department and Jail. Commissioner Cryans said that unfortunately, Revenues are flat. We should definitely keep track of this over the next few months, he said.

Rep. Almy mentioned the Medicaid and Medicare money which is not coming in. Commissioner Cryans said he was not in a position to answer this; and unfortunately, Administrator Bolander could not join us today to answer our questions. Chair MacNeil asked that the Commissioners' Office answer these questions and mail them out to the Executive Committee.

The Treasurer arrived, and said that overall, the patients receive Social Security and on a monthly basis, the County receives over \$100,00. September saw \$103,000, so as the patient count goes down, so does the Social Security. A discussion followed on this. Treasurer Ward added that the month of September "just about wiped us out," with three payroll periods. Plus, there are two State checks, which combined, total just under \$800,000. Then there were the health insurance, retirement, etc. The County, she said, has gone through \$2 million for the month of September.

A discussion followed on the New Hampshire Department of Health & Human Services and its relationship with the County. Rep. Almy said this is an enormous part of the State Budget, and the State is in crisis. Rep. Alger mentioned the dementia issue and said he had been reading about this type of needed service being on the increase by about 20%. He asked if the County is being reimbursed for this in any way at the Nursing Home. He said this should be considered.

A discussion followed regarding the Treasurer's position. Commissioner Cryans explained the Deputy Treasurer's position and that he is authorized to sign checks for the County when the Treasurer is not available.

EXECUTIVE COMMITTEE MEETING  
MONDAY, OCTOBER 23, 2000  
Page 3

Rep. Cobb asked about all of the Social Service agencies that the County funds. He asked why this is being done if the County money is tight.

Rep. LaMott said that the Delegation members should be educated as to what goes on with County Government, and its responsibilities. The election is coming up. He said, "We should be thinking in terms of not for whom we vote, but rather, to educate those who are elected."

Rep. LaMott discussed Grafton County Human Services Administrator Nancy Bishop's report, which he said is quite upsetting. There are only two caps, and they are both set by the State. This is full of loopholes, he said. Commissioner Cryans said that the Social Services money is scrutinized quite closely by the County's Consultant, Cindy Swart. The County's philosophy is that these agencies can do things that the County itself cannot, and it is money well spent. An example would be the Day Care Center in Lisbon, which is a poor community. This money could be cut out and you could save that money, but these agencies provide services that otherwise could not be provided to our citizens. The County's funding helps these agencies to obtain other funding. Rep. Copenhaver said that the town is the last resort so if the County does not support these services, then the towns would be burdened. A discussion then followed on the auditors, and the difference of \$64 for the Nursing Home patient reimbursement cost. Rep. Solow said that the auditors look at the figures and make sure the right number goes into the right column, but they are not the policymakers to look into the reimbursement difference. Rep. Solow said there is an orientation process after the elections every two years, but she does not recall anything being said about the County part of a Delegation member's responsibilities. She said this should be added to the orientation process, and more emphasis placed on the County part. Chair MacNeil said this should be done by the County. Rep. Solow said that regardless of which "agency" is involved, it should be done. Commissioner Cryans said he thought that after the last election, the County sent out a letter with a packet of information, inviting the Delegation members to come visit the County Complex and have a tour, etc. Rep. Solow said this is an extra responsibility that people quickly shun, but the State should do an orientation on this, in Concord. This is where the new legislators go for their training. She said she was not being critical of what the County tried to do, but that Concord would be the best place to do this. Commissioner Cryans said he would speak to Commissioner Chair Panagoulis, who is President of the New Hampshire Association of Counties, about getting this on the agenda for the NHAC to follow up with their leadership. Rep. Cobb said he is not saying he is against the Social Service agencies, but "we should look at these programs regardless of what their benefits might be - you can't continue to go on and give away large sums of money." He continued, "Take care of the first line first, and then if there is money, you do the rest." Rep. Almy said that every agency is justified in terms of prevention of expenses such as to the Jail and Nursing Home budgets. Some might be re-

EXECUTIVE COMMITTEE MEETING

MONDAY, OCTOBER 23, 2000

Page 4

thought, she said, but we would cut off our foot if we cut off the Social Services. The County's function in this is very important, not just for the money, but for an accounting auditor over these agencies. Grafton County has a better integrated system on Social Services than the State because the County has worked on this for so long.

Chair MacNeil said that in some counties, different parts of the Delegation work on different county departments such as the Sheriff's Department, Nursing Home, etc. perhaps we should think of doing this, too; we could look at this, he said.

Rep. LaMott said that someone on the Executive Committee should get on the orientation committee. This would be a golden opportunity, he said. Rep. Solow said this was her point, exactly.

Rep. Copenhagen moved to accept the Commissioners' Report as presented. Rep. LaMott seconded the motion. All in favor.

Rep. Almy discussed self-insurance for the County. A mailing had been sent to the Executive Committee prior to today's meeting, for their review. Rep. Almy then summarized her data. She said she is very impressed by what the City of Keene is doing. The County, if it followed suit, could assume part of the risk of having major medical claims and help in designing its own plan. Usually only the "large players" can design their own plans for self-insurance. An administrative contractor would be hired to do the type of work that Cigna does, for example. They would charge if just used for administration and the County would have to purchase stop-gap insurance. Usually this would be a firm related to the one that does the administration. Chair MacNeil mentioned AFLAC as an example; they are large.

Rep. Almy then discussed the disadvantages of self-insurance, such as the fact that the employer becomes the appeal of last resort, which she explained. Rep. Almy discussed the State of Maine's plan, which is almost equal to full insurance, but not self-insurance.

Chair MacNeil said this would all have to be part of the union negotiations. Rep. Almy said this is why she is bringing this up now, to be considered next year, or the year after. Chair MacNeil asked if the committee on which Rep. Almy serves is a standing committee; Rep. Almy said it is not; her committee ends on November 1 of this year, but they may ask that this continue, but frankly, the committee members feel they have gathered as much information as they are going to get.

Rep. Copenhagen asked how this fits in with the HMO accountability, in terms of an appeals process - she said it makes her nervous, that someone with no medical background makes the decisions. Rep. Almy said that for the City of Keene, the final

EXECUTIVE COMMITTEE MEETING  
MONDAY, OCTOBER 23, 2000  
Page 5

decision is made by the City Manager. Keene is just now reaching the premium level that they would have had three years ago, had they stayed with full insurance. At least looking at self-insurance, she said, would provide competition in the bidding process.

Chair MacNeil asked that Rep. Almy keep the Executive Committee informed on this subject. The Executive Committee asked that Rep. Almy's chart on benefits be included with today's Minutes.

Rep. Solow asked about Home Rule and how this would affect the County. Commissioner Cryans said he did not have the answer to that, but that he does not believe the NHAC has made a stand for or against this.

The Meeting adjourned at 10:35 AM, at which time a surprise celebration was given for retiring Representatives Marion Copenhaver (28 years of service to the State Legislature) and Paul LaMott (30 years of service). Engraved plaques from the Executive Committee/Delegation, and proclamations from Governor Shaheen, were presented to each. Reps. Copenhaver and LaMott then each gave a brief speech. Light refreshments were served.

Respectfully submitted,

---

Marion Copenhaver, Clerk



GRAFTON COUNTY DELEGATION  
EXECUTIVE COMMITTEE MEETING  
BOARD OF COMMISSIONERS' OFFICE  
NORTH HAVERHILL, NH 03774  
MONDAY, September 18, 2000

PRESENT: Reps. Allen MacNeil, Paul LaMott, Marion Copenhaver,  
Martha Solow, John Cobb, Susan Almy, John Alger. Treasurer Kathleen Ward  
Commissioner Michael Cryans and Financial Supervisor Julie Clough.

EXCUSED: Commissioners Steve Panagoulis, Raymond Burton. Executive Director  
Ernest Towne. Representative Brien Ward

ABSENT: Representative Philip Weber

Chair MacNeil called the Meeting to order at 0905.

Rep. LaMott moved to approve the minutes of the Executive Committee meeting on June 26, 2000. Rep Copenhaver seconded the motion. All in favor.

Rep LaMott moved to approve the minutes of the Delegation meeting on June 26, 2000,  
Rep Almy seconded the motion. All in favor.

Rep LaMott moved to approve the minutes of the Executive Committee meeting on June 12, 2000, Rep Cobb seconded the motion. All in favor.

#### Treasurer's Report:

Treasurer Ward reported that due to the State billing catching up with us the cash flow isn't looking good. We have had to pay a lot of money to the State in the last couple of months. Treasurer Ward feels that we will have enough money to get through September, but feels that by the middle of October we may be looking for cash. She furthered reported that she has authority to borrow against the Nursing Home Capital Reserve account if that interest is lower than what we would pay another bank. Treasurer Ward then addressed Health Insurance, she informed the Executive Committee that we now pay \$115,000 per month for health insurance. She hopes that the Executive Committee along with the Commissioners will address this, as this is an outrageous amount of money to be paying.

A lengthy discussion followed regarding health insurance. Rep Almy is the Clerk, of the Committee studying Self-Insuring the State Employees Health Plan, she distributed minutes of the last two meetings and will speak about this at October's Executive Committee meeting. She advised the group that this committee is meeting weekly so she'll have additional minutes to give the Executive Committee. Commissioner Cryans explained to the Executive Committee that the Commissioners have been trying to get a handle on health insurance for the past three years, but the costs have risen at such a fast pace it has been difficult. This issue will be discussed in greater detail on October 23, 2000.

Nursing Home Administrator Eileen Bolander arrived to give the Executive Committee an update. She handed out some facts, today's census is 110 inc. 2 hospitalized residents. Year-to-date the Nursing Home has had 28 admissions - 8 discharges - 20 deaths. She explained that they have had a lot more discharges and deaths then she'd like but the residents being admitted are more acutely ill. On average the Nursing Home is admitting one and have one death per week. Staffing is still short, there are 11.15 vacant licensed

positions in addition to 14.95 vacant Certified Nursing Assistant positions. As a result of staffing shortage mandatory staffing has been instituted at the Nursing Home. Administrator Bolander explained that mandatory staffing is any unfilled hours that no one signs up to work, someone is mandated to work those hours. Representative Copenhaver asked how this is going over? Admin. Bolander explained that for the most part the CNA's are happy because now the overtime is spread over a much larger pool of people.

Administration Bolander then reviewed the results of the latest Nursing Home Survey that was conducted on August 17, 2000. The Nursing Home received 8 deficiencies, 2 level G with Civil Money Penalties up to \$4000. Six out of the eight deficiencies were documentation. The two level G penalties were for pressure ulcers, which Administrator Bolander explained was a direct result of two nurses not following proper protocol and procedure, these problems have been resolved. The second level G was due to a resident whose wheelchair fell through an unlocked gate and resulted in a fractured arm. This incident was reported in depth to the Ombudsman's Office and was investigated. The Nursing Home still received a deficiency due to harm to a resident. The mechanism on the lock of the gate has been changed to prevent this from happening in the future. Due to the fact that the Nursing Home received the two level G's they are expecting another survey at anytime. Administrator Bolander explained that new procedures have been put in place and things are much tighter now.

Rep. Almy asked about staff turnover. Admin. Bolander explained that most of the turnover was with probationary employees who just weren't working out. The real problem is getting people to apply for the jobs.

Rep. Cobb questioned if the Nursing Home has a quality control employee? Admin. Bolander explained that she doesn't have a QA nurse, but even if she did the paperwork is so tremendous that one person wouldn't necessarily catch all the errors.

Rep. Copenhaver questioned if as Reps there is anything they can do to help. Admin. Bolander told them to encourage federal lawmakers to decrease the onerous nature of the surveys. The Federal government is making money through all the Civil Money Penalties that are being enforced. A discussion followed regarding the surveys that both the state and the federal governments are conducting. NH has historically had very low deficiency rate and the Federal government is pushing hard on NH to increase that.

Rep. Copenhaver stated that she has heard nothing but good things about Grafton County Nursing Home and that family members of residents have high regards for the Nursing Home.

Rep. Solow stated that she appreciates Administrator Bolander dealing with the reality of the Nursing Home.

Rep. Alger said that if there is anything the Executive Committee can do, to let them know.

The Executive Committee requested to meet with Administrator Bolander on a monthly basis. The Committee appreciates her report.

Rep Almy asked the Treasurer if the County has 1.2m currently or at the end of September. Treasurer Ward stated that is the current cash balance. Rep. Alger questioned borrowing against the Nursing Home Capital Reserve Account. The Treasurer explained that the

Delegation gave her the authority to do this if it was financially advantageous. Rep LaMott moved to accept the Treasurer's Report Rep. Solow seconded. All in favor.

**Commissioner's Report:**

Commissioner Cryans asked Human Service Admin. Nancy Bishop to explain the encumbrance chart that she has provided the Executive Committee. Admin. Bishop explained that she had to encumber money from FY 2000 to pay April, May and June State Bills, as the state billing is so far behind. These bills have now all been processed and the chart explained by category the encumbrance, actual amount paid and the balance. A discussion followed regarding the billing from the state and the number of problems that County Human Service agencies are having with the State of NH. Admin. Bishop explained that the problems have been communicated to numerous people, but at times seem to fall on deaf ears. Rep. Cobb requested that the Executive Committee be provided with a written explanation of the acronyms on Admin. Bishop's report. This will be provided with the Executive Committee's next mailing.

Commissioner Cryans reported that there had been two major retirement parties over the past two weekends for Representatives LaMott and Copenhaver, both were well attended and successes. He also reported that the new Horsemeadow Senior Center is now open and encouraged everyone to stop and visit. He also advised the Committee that Grafton County Nursing Home is home to the oldest citizen in all of the County Homes and she just celebrated her 107th birthday. The Grafton County Economic Development Annual Meeting will be held in Plymouth, on October 19th at the Senior Center.

Commissioner Cryans asked Financial Supervisor Clough to do the financial report. She reported that the Executive Committee had been given copies of the final appropriation transfers that need approval for Fiscal Year 2000. She also reported that the draft year end audit is being reviewed and the Fiscal Year should be closed out by the end of September. Rep. LaMott moved to approve the appropriation transfers, Rep. Cobb seconded the motion. Rep. Alger questioned why are transfers approved by the board, he questions the procedure, his experience is that it is just a matter of procedure that they are brought in front of the Committee and approved. Rep. Solow said it is a opportunity for oversight control. Rep. Alger stated only if you use the oversight. All voted in favor.

Rep. Cobb wanted to mention that after the June 26th budget hearing he was walking back from the Jail and notice what poor shape the farm tractors seem to be in. Commissioner Cryans explained that because of the cost of new tractors sometimes it is more cost effective to put several thousand dollars into them, rather than replacing them.

Rep. LaMott moved to accept the Commissioners report, Rep. Solow seconded the motion. All voted in favor.

Rep. MacNeil said that the next Executive Committee meeting will be on Monday, October 23, 2000.

Rep. LaMott moved to adjourn, Rep. Solow seconded the motion. All voted in favor. The meeting adjourned at 10:55 PM.

Respectfully,

*Marion L. Copenhaver*

COUNTY OF GRAFTON, NEW HAMPSHIRE  
GENERAL PURPOSE FINANCIAL STATEMENTS  
WITH SUPPORTING SCHEDULES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

INDEX

	<u>Schedule</u>	<u>Page No</u>
Independent Auditor's Report		1-2
<u>General Purpose Financial Statements Combined Statements</u>		
Combined Balance Sheet - All Fund Types and Account Groups	A	3-4
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types	B	5
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP) and Actual - General Fund	C	6-7
Statement of Revenues, Expenses and Changes in Retained Earnings - Proprietary Fund Types	D	8
Statement of Cash Flows - Proprietary Fund Types	E	9
<u>Notes to Financial Statements:</u>		
Note 1 - Summary of Significant Accounting Policies		10-16
A. Reporting Entity		
B. Basis of Presentation		
C. Basis of Accounting		
D. Budgets and Budgetary Accounting		
E. Deposits and Temporary Investments		
F. Inventories		
G. Accumulated Unpaid (Vacation and Sick Pay) Earned Time		
H. Capital Lease Agreements		
I. Total Columns (Memorandum Only) on Combined Statements		
Note 2 - Due From/To Other Governments		16
Note 3 - Individual Interfund Receivables and Payables		16
Note 4 - Property, Plant and Equipment		17
Note 5 - Changes in Long-Term Debt		17-18
Note 6 - Reserves and Designations of Fund Equity Balances		19-20
Note 7 - Budgeted Decrease in Fund Balance		20
Note 8 - Pension Plan		20-21
Note 9 - Contingent Liabilities - Federal Assistance		21
Note 10 - Risk Management		21-22
Note 11 - Contingencies		22

INDEX  
(Continued)

Combining and Individual Fund Financial Statements

	<u>Schedule</u>	<u>Page No</u>
<u>General Fund</u>		
Schedule of Revenues and Other Financing Sources Compared to Budget (Non-GAAP Basis)	A-1	23-24
Schedule of Expenditures Compared to Budget - General Government - (Non-GAAP Basis)	A-2	25
Schedule of Cost Per Inmate Day - Jail	A-3	26
Schedule of Expenditures Compared to Budget - Capital Outlay - (Non-GAAP Basis)	A-4	27
Schedule of Other Financing Sources/Uses Compared to Budget (Non-GAAP) - Operating Transfers In/Out	A-5	28
<u>Special Revenue Funds</u>		
Combining Balance Sheet	B-1	29
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	B-2	30
Victim Witness Assistance Grant - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budgetary Basis)	B-3	31
<u>Capital Projects Funds</u>		
Combining Balance Sheet	C-1	32
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	C-2	33
<u>Enterprise Fund</u>		
Grafton County Home:		
Schedule of Operating Revenues	D-1	34
Schedule of General Operating Expenses and Cost Per Patient Day	D-2	35
<u>Trust and Agency Funds</u>		
Combining Balance Sheet - All Trust and Agency Funds	E-1	36
Combining Statement of Changes in Assets and Liabilities	E-2	37-38
<u>Budgetary Information</u>		
Schedule of Actual Revenues and Expenditures/Expenses Compared to Legally Adopted Budget (Non-GAAP Basis)	F-1	39
Schedule of Revenues and Expenses Compared to Budget (Non-GAAP Basis) - Grafton County Home	F-2	40



INDEPENDENT AUDITOR'S REPORT

**MASON+RICH**

PROFESSIONAL  
ASSOCIATION

CERTIFIED  
PUBLIC  
ACCOUNTANTS

August 1, 2001

Board of County Commissioners  
County of Grafton, New Hampshire

We have audited the accompanying general purpose financial statements of the County of Grafton, New Hampshire as of and for the year ended June 30, 2001, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the combined financial statements referred to above present fairly in all material respects, the financial position of the County of Grafton, New Hampshire at June 30, 2001 and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The accompanying combined and individual fund financial statements listed as supporting schedules in the table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements and in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

SIX  
BICENTENNIAL  
SQUARE  
CONCORD  
NEW HAMPSHIRE  
03301

FAX (603) 224-2613  
(603) 224-2000

1247  
WASHINGTON  
ROAD  
SUITE B  
P.O. BOX 520

RYE  
NEW HAMPSHIRE  
03870-0520

FAX (603) 964-6105  
(603) 964-7070

MEMBER  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS  
PRIVATE COMPANIES  
PRACTICE SECTION

Visit us on the web: [www.masonrich.com](http://www.masonrich.com)

In accordance with *Government Auditing Standards*, we have also issued our report dated August 1, 2001, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Respectfully submitted,

*Mason & Rich, P.A.*

MASON + RICH PROFESSIONAL ASSOCIATION  
Certified Public Accountants



COUNTY OF CRAFTON, NEW HAMPSHIRE  
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
 JUNE 30, 2001

	Governmental Fund Types		Proprietary	Fiduciary	Account Groups		Totals	
	General	Special Revenue	Capital Projects	Fund Type Enterprise	Trust and Agency	General Fixed Assets	General Long-Term Debt	(Memorandum Only)
<b>ASSETS</b>								
Cash	\$139,859	\$3,911	-	\$300	\$799,175	-	\$-	\$943,245
Temporary Investments	2,976,265	-	1,800,092	-	30,415	-	-	4,806,772
Accounts Receivable	69,564	-	-	921,787	-	-	-	991,351
Due from Other Governments	62,518	5,675	-	-	-	-	-	68,193
Due from Other Funds (Note 3)	22,920,145	-	-	22,034,444	-	-	-	44,954,589
Inventories	13,875	-	-	67,205	-	-	-	81,080
Prepaid Expenses	-	-	-	40,623	-	-	-	40,623
Property, Plant and Equipment (Net of Accumulated Depreciation)	-	-	-	650,344	-	6,687,216	-	7,337,560
Amount to be Provided for Sick Pay	-	-	-	-	-	-	104,627	104,627
Amount to be Provided for Retirement of Long-Term Debt	-	-	-	-	-	-	249,552	249,552
<b>TOTAL ASSETS</b>	\$26,182,226	\$9,586	\$1,800,092	\$23,714,703	\$829,590	\$6,687,216	\$354,179	\$59,577,592

(Continued)

The Accompanying Notes are an Integral Part of This Financial Statement

COUNTY OF GRATON, NEW HAMPSHIRE  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
JUNE 30, 2001

	Governmental Fund Types		Proprietary Fund Type		Fiduciary Fund Type		Account Groups			Totals (Memorandum Only)
	General	Special Revenue	Capital Projects	Enterprise	Trust and Agency	General	Fixed Assets	Long-Term Debt	Total	
<b>LIABILITIES AND FUND EQUITY</b>										
Accounts Payable	\$1,954,518	\$ -	\$ -	\$111,907	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,666,425
Accrued Expenses	188,545	-	-	413,152	-	-	-	-	-	601,697
Due to Other Governments (Note 2)	-	-	-	-	586,810	-	-	-	-	586,810
Due to Other Funds (Note 3)	22,041,543	5,675	276,830	22,498,676	131,865	-	-	-	-	44,954,589
Vested Sick Pay	-	-	-	60,026	-	-	-	104,627	-	164,653
Due to Specific Individuals	-	-	-	-	80,500	-	-	-	-	80,500
Capital Lease Obligation	-	-	-	-	-	-	-	39,552	-	39,552
Bonds Payable (Note 5)	-	-	-	-	-	-	-	210,000	-	210,000
Total Liabilities	23,784,606	5,675	276,830	23,083,761	799,175	-	-	354,179	-	48,304,226
<b>Equity</b>										
Contributed Capital: Intergovernmental	-	-	-	17,625	-	-	-	-	-	17,625
County	-	-	-	122,833	-	-	-	-	-	122,833
Investment in General Fixed Assets	-	-	-	-	-	-	6,687,216	-	-	6,687,216
Retained Earnings	-	-	-	490,184	-	-	-	-	-	490,184
Fund Balance:	781,620	-	-	-	-	-	-	-	-	781,620
Reserved for Encumbrances	25,000	-	-	-	-	-	-	-	-	25,000
Reserved for Unemployment Escrow	-	-	-	-	-	-	-	-	-	-
Unreserved:										
Designated by Trust Instrument	-	-	-	-	30,415	-	-	-	-	30,415
Designated for Specific Capital Projects	-	-	1,523,262	-	-	-	-	-	-	1,523,262
Designated for Specific Purposes	-	3,911	-	-	-	-	-	-	-	3,911
Undesignated	1,591,000	-	-	-	-	-	-	-	-	1,591,000
Total Fund Equity	2,397,620	3,911	1,523,262	630,342	30,415	-	6,687,216	-	-	11,273,266
TOTAL LIABILITIES AND FUND EQUITY	\$26,182,226	\$9,586	\$1,800,092	\$23,714,703	\$829,590	\$6,687,216	\$354,179	\$59,377,592		

The Accompanying Notes are an Integral Part of This Financial Statement

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 ALL GOVERNMENTAL FUND TYPES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Governmental Fund Types			Expendable Trust Fund	Totals (Memorandum Only)
	General	Special Revenue	Capital Projects		
<u>Revenues</u>					
Taxes	\$9,411,145	\$ -	\$ -	\$ -	\$9,411,145
Intergovernmental	279,054	1,411,302	-	-	1,690,356
Jail	67,084	-	-	-	67,084
Farm	342,552	-	-	-	342,552
Charges for Services	1,397,948	-	-	-	1,397,948
Rent	268,748	-	-	-	268,748
Interest	241,781	49	152,006	-	393,836
Miscellaneous	40,113	-	-	30,415	70,528
Total Revenues	<u>12,048,425</u>	<u>1,411,351</u>	<u>152,006</u>	<u>30,415</u>	<u>13,642,197</u>
<u>Expenditures</u>					
Current:					
General Government	10,074,071	1,476,278	-	-	11,550,349
Jail	1,861,194	-	-	-	1,861,194
Farm	351,322	-	-	-	351,322
Capital Outlay	195,057	-	-	-	195,057
Debt Service: Principal	70,000	-	-	-	70,000
Interest	18,183	-	-	-	18,183
Total Expenditures	<u>12,569,827</u>	<u>1,476,278</u>	<u>-</u>	<u>-</u>	<u>14,046,105</u>
Excess (Deficiency) of Revenues Over Expenditures	(521,402)	(64,927)	152,006	30,415	(403,908)
<u>Other Financing Sources (Uses)</u>					
Proceeds from Capital Lease	40,726	-	-	-	40,726
Operating Transfers In	-	62,838	15,500	-	78,338
Operating Transfers (Out)	(411,247)	-	(250,000)	-	(661,247)
Total Other Financing Sources (Uses)	(370,521)	62,838	(234,500)	-	(542,183)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	(891,923)	(2,089)	(82,494)	30,415	(946,091)
Fund Balances, Beginning of Year	3,289,543	6,000	1,605,756	-	4,901,299
Fund Balances, End of Year	<u>\$2,397,620</u>	<u>\$3,911</u>	<u>\$1,523,262</u>	<u>\$30,415</u>	<u>\$3,955,208</u>

The Accompanying Notes are an Integral Part of This Financial Statement

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET (NON-GAAP) AND ACTUAL - GENERAL AND SPECIAL REVENUE FUND TYPES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	General Fund		Variance Favorable (Unfavorable)	Unbudgeted Special Revenue Funds		Variance Favorable (Unfavorable)
	Budget	Actual		Budget	Actual	
<b>Revenues</b>						
Taxes	\$9,411,145	\$9,411,145	\$ -	\$ -	\$ -	\$ -
Intergovernmental	277,527	279,054	1,527	30,000	25,000	(5,000)
Jail	37,775	67,084	29,309	-	-	-
Farm	346,263	342,552	(3,711)	-	-	-
Charges for Services	1,194,385	1,397,948	203,563	-	-	-
Rent	263,399	268,748	5,349	-	-	-
Interest	170,500	241,781	71,281	-	-	-
Miscellaneous	10,001	40,113	30,112	-	-	-
Total Revenues	11,710,995	12,048,425	337,430	30,000	25,000	(5,000)
<b>Expenditures</b>						
General Government	10,297,556	10,074,071	223,485	101,970	87,838	14,132
Jail	1,970,874	1,861,194	109,680	-	-	-
Farm	358,637	351,322	7,315	-	-	-
Capital Outlay	368,906	154,331	214,575	-	-	-
Debt Service: Principal	70,000	70,000	-	-	-	-
Interest	18,183	18,183	-	-	-	-
Total Expenditures	13,084,156	12,529,101	555,055	101,970	87,838	14,132
Excess (Deficiency) of Revenues Over Expenditures	(1,373,161)	(480,676)	892,485	(71,970)	(62,838)	9,132
<b>Other Financing Sources (Uses)</b>						
Operating Transfers In	-	-	-	71,970	62,838	(9,132)
Operating Transfers (Out)	(1,528,893)	(411,247)	1,117,646	-	-	-
Total Other Financing Sources (Uses)	(\$1,528,893)	(\$411,247)	\$1,117,646	\$71,970	\$62,838	(\$9,132)

(Continued)

The Accompanying Notes are an Integral Part of This Financial Statement

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 BUDGET (NON-GAAP) AND ACTUAL - GENERAL AND SPECIAL REVENUE FUND TYPES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	General Fund		Unbudgeted Special Revenue Funds		Variance Favorable (Unfavorable)
	Budget	Actual	Budget	Actual	
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses) (Budgetary Basis)	(\$2,902,054)	(\$891,923)	\$ -	\$ -	\$ -
Adjustments:					
Proceeds of Capital Leases	-	40,726	-	-	-
Capital Outlay - Capital Leases	-	(40,726)	-	-	-
Nonbudgeted Special Revenue Funds	-	-	-	(2,089)	(2,089)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses) (GAAP Basis)	(2,902,054)	(891,923)	-	(2,089)	(2,089)
Fund Balance, Beginning of Year	3,289,543	3,289,543	6,000	6,000	-
Fund Balance, End of Year	\$307,489	\$2,397,620	\$6,000	\$3,911	(\$2,089)

The Accompanying Notes are an Integral Part of This Financial Statement

Exhibit D

COUNTY OF GRAFTON, NEW HAMPSHIRE  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
PROPRIETARY FUND TYPES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	<u>Enterprise (Grafton County Home)</u>
<u>Operating Revenues</u>	
Charges for Services	\$6,617,566
Other	22,942
Total Operating Revenues	<u>6,640,508</u>
<u>Operating Expenses</u>	
General Operating	7,070,614
Depreciation	111,740
Total Operating Expenses	<u>7,182,354</u>
Operating Income (Loss)	(541,846)
<u>Operating Transfers In (Out)</u>	
Operating Transfers In (Out)	<u>582,909</u>
Net Income (Loss) (Exhibit E)	41,063
Add: Credit Arising from Transfer of Depreciation to Contributed Capital: Intergovernmental (Note 4)	<u>23,825</u>
Increase (Decrease) in Retained Earnings	64,888
Retained Earnings, Beginning of Year	<u>425,596</u>
Retained Earnings, End of Year	<u>\$490,484</u>

The Accompanying Notes are an Integral Part of this Financial Statement .

Exhibit E

COUNTY OF GRAFTON, NEW HAMPSHIRE  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND TYPES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Enterprise (Grafton County Home)
<u>Cash Flows From Operating Activities</u>	
Net Operating Income (Loss), Exhibit D	(\$541,846)
Adjustments to Reconcil� Net Operating Income (Loss) To Net Cash Provided by Operating Activities:	
Depreciation	111,740
Change In Operating Assets and Liabilities:	
(Increase) Decrease in Operating Assets:	
Accounts Receivable	(419,432)
Inventories	(10,059)
Prepays	(21,851)
Due from Other Funds	(8,068,573)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable	(17,454)
Accrued Expenses	(18,547)
Due to Other Funds	8,534,065
Accrued Sick Pay	(87,258)
Total Adjustments	2,631
Net Cash Provided by Operating Activities	(539,215)
<u>Cash Flows from Noncapital Financing Activities</u>	
Operating Transfers In (Out) to Other Funds	582,909
<u>Cash Flows from Capital and Related Financing Activities</u>	
Acquisition of Property, Plant and Equipment	(43,694)
Net Cash Provided by Capital and Related Financing Activities	(43,694)
Increase (Decrease) in Cash and Cash Equivalents	-
Cash and Cash Equivalents, Beginning of Year	300
Cash and Cash Equivalents, End of Year	\$300
<u>Noncash Transactions:</u>	
Fully Depreciated Equipment Written Off	\$38,100

The Accompanying Notes are an Integral Part of this Financial Statement

COUNTY OF GRAFTON, NEW HAMPSHIRE  
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Grafton, New Hampshire conform to generally accepted accounting principles as applicable to governmental units, except as noted in the following. The following is a summary of the more significant policies:

A. Reporting Entity

The accompanying financial statements include the transactions of all funds and account groups of the County of Grafton, New Hampshire and other governmental organizations over which the County's elected officials exercise oversight responsibility in accordance with criteria set forth in the National Council on Governmental Accounting (NCGA) Statement No. 3. The funds are established under the authority of the County Charter and their operations as reflected in these financial statements are those under the control of the County's governing body. The account groups are those required by financial reporting standards for governmental units.

B. Basis of Presentation

I. Fund Accounting

The accounts of the County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by the County.

**GOVERNMENTAL FUNDS**

General Fund - The General Fund is the general operating fund of the County. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. From the fund are paid the general operating expenditures, the fixed charges and the capital improvement costs that are not paid through other funds.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trust or major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by special assessments or enterprise operations.

(Continued)



COUNTY OF GRAFTON, NEW HAMPSHIRE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

**PROPRIETARY FUNDS**

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**FIDUCIARY FUNDS**

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include Expendable Trust, Nonexpendable Trust and Agency Funds.

Nonexpendable Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds.

Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

II. Account Groups

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

General Fixed Assets Account Group

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

General Long-Term Debt Account Group

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Account Group, not in the governmental funds. The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate however, that they should not be considered "available spendable resources", since they do not represent net current assets. Recognition of governmental fund type revenues represented by non-current receivables is deferred until they become current receivables. Non-current portions of long-term loans receivables are offset by fund balance reserve accounts.

Because of their spending measurement focus, expenditures recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures of fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

The proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

Buildings	5 to 70 Years
Equipment	3 to 20 Years

C. Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Property tax revenues (taxes) are collected for the County by the Towns and Cities in the County and are remitted to the County annually in December. Accordingly, tax revenues are recognized in the year for which taxes have been levied.

Licenses and permits, charges for services and other revenues are recorded as revenues when received in cash as they are generally not measurable until actually received. Investment earnings are recorded as earned if they are both measurable and available.

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

In applying the susceptible to accrual concept to intergovernmental revenues (grants, subsidies and shared revenues), the legal and contractual requirements of the numerous individual programs are used as a guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the County; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to the purpose of expenditures and nearly irrevocable, i.e., equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the criteria of availability.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule includes principal and interest on general long-term debt which is recognized when due.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned and their expenses are recognized when they are incurred.

D. Budgets and Budgetary Accounting

Grafton County observes the following procedures in establishing the budgetary data reflected in the financial statements:

1. The County Commissioners deliver or mail to each member of the County Convention and to the chairman of the Board of Selectmen in each Town and the Mayor of each City within the County and to the Secretary of State prior to June 1 annually their itemized budget recommendations together with a statement of actual expenditures and income for at least nine months of the preceding fiscal year.
2. Within ten to twenty days after the mailing of the budget, a public hearing is held on the budget estimates as submitted by the Commissioners.
3. Twenty-eight days must elapse after the mailing of the estimated operating budget before the County Convention may vote on the appropriations for the ensuing budget period.
4. The County Convention must adopt its annual budget no later than September 1.
5. The final form of the County Budget is filed with the Secretary of State's office and the Commissioner of Revenue Administration no later than 30 days after the adopting of the budget.
6. The Commissioners must get authorization from the Executive Committee of the delegation to transfer budgeted amounts between any line items within any fund; any revisions that alter the total expenditures of any fund must be approved by the executive committee of the delegation.
7. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds and Enterprise Fund. However, the County legally adopts only one budget for three funds.

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

8. Budget appropriations lapse at year end except for any outstanding encumbrances or approved appropriation carryovers.
9. Budgets for the General and Special Revenue (Victim/Witness Grant) Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the Enterprise Fund are adopted on a basis which is not consistent with GAAP. The budget for the enterprise fund is prepared on the modified accrual basis while GAAP requires the full accrual basis.
10. Budgetary information presented in Exhibit C includes transfers authorized by the Executive Committee of the County Delegation.

E. Deposits and Temporary Investments

Deposits

At year end the carrying amount of the County's deposits (cash and temporary investments) was \$5,429,797 and the bank balance was \$5,492,096. Of the bank balance, \$984,109 was covered by federal depository insurance, \$3,156,614 was collateralized by U.S. Treasury Notes, \$276,830 was secured by surety bond coverage and \$1,074,543 was uninsured and uncollateralized.

The uninsured and uncollateralized deposits held by the General Fund were for amounts in excess of the FDIC insured amounts.

For purposes of the statement of cash flows, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

Temporary Investments

Temporary investments consist of certificates of deposit and are reported at cost, which approximates market value.

The County Treasurer is authorized by State statutes and with the approval of the Commissioners to invest excess funds "in obligations of the U.S. Government, in the public deposit investment pool established pursuant to RSA 383:22-24, in savings bank deposits of banks incorporated under the laws of the State of New Hampshire or in certificates of deposits of banks incorporated under the laws or in the State of New Hampshire or in national banks located within the State or the State of Massachusetts".

New Hampshire Public Deposit Investment Pool

The County participates in the New Hampshire Public Deposit Investment Pool established in accordance with RSA 383:22-24. Total funds on deposit with the Pool at year end were \$320,220 and are reported as temporary investments on the General Fund. Based on GASB Statement No. 3, investments with the Pool are considered to be unclassified. At this time, the Pool's investments are limited to "short-term U.S. Treasury and U.S. Government Agency obligations, State of New Hampshire and New Hampshire municipal obligations, certificates of deposit from A1/P1-rated banks, money market mutual funds (maximum of 20% of portfolio), overnight to 30-day repurchase agreements (no limit, but collateral level at 102% in U.S. Treasury and Government Agency instruments delivered to Custodian) and reverse overnight repurchase agreements with primary dealers or dealer banks.

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

F. Inventories

Inventories are priced at lower of cost or market on the first-in, first-out basis. Inventory in the general fund consists of expendable supplies of the Jail and Farm. The cost is recorded as an expenditure at the time individual inventory items are used (consumption method).

Inventories of the Enterprise Fund consist of supplies and food.

G. Accumulated Unpaid (Vacation and Sick Pay) Earned Time

Statement 4 of the NCGA requires that the current and non-current portions of earned time liabilities be reported on the governmental fund and general long-term debt account group balance sheets respectively. The County accrues current accumulated earned time in the General Fund and long-term earned time in the General Long-Term Debt Account Group. The Enterprise Fund (Grafton County Home) accrues accumulated unpaid earned time pay and recognizes the expense in the period the pay is earned. The accumulated accruals are \$297,601 County Home, \$188,472 General Fund and \$104,627 General Long-Term Debt Account Group.

Earned Time is for Non-Bargaining unit employees and includes vacation, personal, and sick benefits. Earned Time is accrued based upon: length of employment, up to 300 hours for full-time, 240 for 4/5 part-time and 180 hours for 3/5 part-time employees.

Vacation Time is for Bargaining Unit employees who also accrue based upon: length of employment up to 240 hours for full-time employees under 10 years of service and up to 320 for full-time employees with 10 years of service, 192 for 4/5 part-time employees under 10 years of service and 256 hours for 4/5 part-time with 10 years of service and 144 hours for 3/5 part-time employees under 10 years of service and 192 for 3/5 part-time employees with 10 years of service.

Upon termination in good standing, an employee receives a lump sum payment of all unused accrued current Earned Time or Vacation Time. Non-Bargaining unit employees are also eligible to receive payment of 1/4 the number of days in the in the extended sick leave bank, not to exceed 16 days total. Upon retirement, an employee receives a lump sum payment of all unused accrued current Earned Time or Vacation Time. The employee is also eligible to receive payment of 1/3 the number of days in the extended sick leave or sick leave bank, not to exceed 20 days total.

H. Capital Lease Agreements

The County's General Fund has entered into agreements for the lease of vehicles for the Sheriff's Department and a copier for the County Attorney. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, Accounting for Leases. Accordingly, equipment has been recorded in the General Fixed Asset account and the principal balance of the capital lease has been recognized in the General Long-Term Debt account group. As required by the Government Accounting Standards Board (GASB), the acquisition of the vehicles and the proceeds from the capital lease have been recognized at the beginning of the lease. Payments on the capital lease are annually charged to Capital Outlay (Sheriff's Department).

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

I. Total Columns (Memorandum Only) on Combined Statements

Total columns on the Combined Statements are captioned (Memorandum Only) to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - DUE FROM/TO OTHER GOVERNMENTS

Amounts due from other governments include:

General Fund:

State of New Hampshire	\$ 43,027
US Department of Justice	4,173
Town of Littleton	8,974
Town of Orange	431
U.S. Forestry	<u>5,913</u>
Total General Fund	<u>62,518</u>

Special Revenue:

State of New Hampshire - Victim/Witness Assistance	<u>5,675</u>
Total Special Revenue	<u>5,675</u>
Totals	<u>\$ 68,193</u>

Amounts due to other governments include:

Agency Funds (Register of Deeds):

State of New Hampshire	<u>\$586,810</u>
------------------------	------------------

NOTE 3 - INDIVIDUAL INTERFUND RECEIVABLES AND PAYABLES

The balances were:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$22,920,145	\$22,041,543
Special Revenue:		
Victim/Witness Assistance Grant	-	<u>5,675</u>
Total Special Revenue	-	<u>5,675</u>
Capital Projects:		
Capital Reserve Nursing Home	-	<u>276,830</u>
Enterprise Fund:		
Grafton County Home	<u>22,034,444</u>	<u>22,498,676</u>
Fiduciary:		
Agency - Register of Deeds	-	123,315
Agency - Sheriff	-	<u>8,550</u>
Total Fiduciary	-	<u>131,865</u>
Totals	<u>\$44,954,589</u>	<u>\$44,954,589</u>

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

General Fixed Assets Account Group

	<u>Balance</u> <u>July 1</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30</u>
<u>Cost or Estimated Cost</u>				
<u>Building and Land:</u>				
General Government	\$2,868,570	\$ -	\$ -	\$2,868,570
Jail	1,863,389	-	-	1,863,389
Farm	485,626	-	-	485,626
<u>Equipment:</u>				
General Government	1,090,640	54,142	(56,730)	1,088,052
Jail	98,742	5,255	-	103,997
Farm	<u>273,426</u>	<u>9,995</u>	<u>(5,839)</u>	<u>277,582</u>
Total Cost or Estimated Cost	<u>\$6,680,393</u>	<u>\$ 69,392</u>	<u>\$ (62,569)</u>	<u>\$6,687,216</u>

Enterprise Fund

The following is a summary of proprietary fund property, plant and equipment:

	<u>Cost</u>	<u>Accumulated</u> <u>Depreciation</u>	<u>Net</u> <u>Depreciation</u>
Buildings and Improvements	\$1,384,171	\$ (1,016,718)	\$ 367,453
Sewer	508,842	(496,122)	12,720
Equipment	<u>511,173</u>	<u>(241,002)</u>	<u>270,171</u>
Totals	<u>\$2,404,186</u>	<u>\$ (1,753,842)</u>	<u>\$ 650,344</u>

Depreciation recognized on County Home fixed assets acquired through externally restricted intergovernmental grants has been closed to Contributed Capital: Intergovernmental.

NOTE 5 - CHANGES IN LONG-TERM DEBT

The following is a summary of long-term debt transactions of the County for the year:

Balance, Beginning of Year	\$433,084
New Bonds Issued	-
Proceeds of Capital Lease	40,726
Bonds Retired	(70,000)
Payments on Lease Purchase Obligations	(46,111)
Net Increase in Vested Sick Pay	<u>(3,520)</u>
Balance at End of Year	<u>\$354,179</u>

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

Long-term debt payable at year end is comprised of the following individual issues:

General Obligations Bonds

\$1,100,000 - 1988 Jail Addition  
 Bonds, due in Annual Installments of  
 \$75,000 Through July 1998; \$70,000  
 From July 1999 to 2003; Interest at  
 6.95% to 7.55% \$ 210,000

Capital Lease Obligations

2000 Sheriff Vehicle Lease Payable, Due  
 in Annual Payments of \$14,162 Including  
 Interest at 6.61%, Final Payment Due 2002. \$ 13,285

2001 Sheriff's Vehicle Lease Payable, Due in  
 Annual Payments of \$14,458 Including  
 Interest at 6.65%, Final Payment Due 2003. 26,267

Total \$ 39,552

Future minimum payments under the capital lease consisted of the following at year end:

Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 25,995	\$ 2,860	\$ 25,995
2003	<u>13,557</u>	<u>2,625</u>	<u>13,557</u>
Total	<u>\$ 39,552</u>	<u>\$ 5,485</u>	<u>\$ 39,552</u>

The debt service requirements of the County's outstanding bonds are as follows:

Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2002	\$ 70,000	\$ 13,073	\$ 83,073
2003	70,000	7,893	77,893
2004	<u>70,000</u>	<u>2,643</u>	<u>72,643</u>
Total	<u>\$ 210,000</u>	<u>\$ 23,609</u>	<u>\$ 233,609</u>

(Continued)



COUNTY OF GRAFTON, NEW HAMPSHIRE  
 NOTES TO FINANCIAL STATEMENTS  
 (Continued)

NOTE 6 - RESERVATIONS AND DESIGNATIONS OF FUND EQUITY BALANCES

Reserved for Encumbrances

Encumbrances and designations of fund balances of the General and Special Revenue Funds are carried forward to the subsequent fiscal year. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not yet constitute expenditures or liabilities.

General Fund

General Government:

Register of Deeds	\$ 10,822
Sheriff	1,857
Human Services	334,494
Extension Service	6,542
Corrections	2,557
Capital Outlay:	
Maintenance	39,050
Sheriff	4,779
Corrections	5,573
Farm	122,946
Operating Transfers Out - Nursing Home	<u>253,000</u>
Total	<u>\$ 781,620</u>

Fund Balance Reserved for Unemployment Escrow

The County is self-insured for purposes of unemployment insurance, i.e., the State bills the County only for actual unemployment benefits received by former County employees. The County budgets an annual expenditure based upon previous year's actual cost. At year end the County has an accumulated reserve of \$29,410. There were no current year expenditures from the reserve.

*\$25,000*

Designated for Specific Capital Projects

Designated for specific Capital Project expenditures in future years as follows:

Capital Reserve - Nursing Home	\$ 1,338,591
Capital Reserve - Farm	127,747
Capital Reserve - Dispatch	<u>56,924</u>
Total	<u>\$ 1,523,262</u>

Designated for Specific Purposes

Fund balance designated as follows:

Drug Forfeiture	\$ 3,861
CDBG Grants	<u>50</u>
Total	<u>\$ 3,911</u>

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

NOTE 7 - BUDGETED DECREASE IN FUND BALANCE

The budgeted decrease (\$2,902,054) in General Fund fund balance on Exhibit C represents \$1,200,000 budgeted by the County from beginning fund balance to reduce the tax rate, \$1,686,554 of appropriation carryovers approved from the prior year and \$15,500 budgeted from available surplus.

NOTE 8 - PENSION PLAN

Plan Description - Substantially all County employees participate in the State of New Hampshire Retirement System (the System), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). All County full-time employees are eligible to participate in the System. The System is divided into two employee groups: Group I which includes all employees except fire fighters and police officers and Group II which is for fire fighters and police officers (including County Sheriff's Departments). The New Hampshire Retirement System issues annually a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the New Hampshire Retirement System, 4 Chenell Drive, Concord, NH.

Group I employees who retire at or after age 60 but before age 65 are entitled to retirement benefits equal to 1.667% of the average of their three highest paid years of compensation, multiplied by their years of service. At age 65 the benefit is recalculated at 1.50% of AFC multiplied by their years of service credit. Earlier retirement allowances at reduced rates are available after age 50 with 10 years of service. Benefits fully vest upon reaching 10 years of service or attaining age 60.

Group II Employees who attain age 45 with 20 years or more of service are entitled to retirement benefits equal to 2.5% of the average of their three highest paid years of service, multiplied by their years of service, not to exceed 40. Benefits vest ratably beginning after 10 years of service.

The System also provides death and disability benefits. Cost-of-living increases have been periodically granted to retirees by the State Legislature.

Funding Policy - The System is funded by contributions from both the employees and employers. Group I employees are required by State statute to contribute 5.0 percent of gross earnings. Group II employees are required to contribute 9.3 percent of their gross earnings. The employer must, under the same statute, contribute monthly at an actuarially determined rate. The current rates are 3.14% (2.18% for teachers, 4.63% for police officers and 5.40% for firefighters) of covered payroll. The contribution requirement for the year was \$659,422, which consisted of \$284,573 from the County and \$374,849 from employees. The County's contributions to the System for the years ended June 30, 2000 and 1999 were \$266,746 and \$246,105, respectively, which were equal to the amount required under State statute to be contributed for each year.

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
NOTES TO FINANCIAL STATEMENTS  
(Continued)

NOTE 9 - CONTINGENT LIABILITIES - FEDERAL ASSISTANCE

The County participates in a federally assisted contract for services with the Department of Health and Human Services Medicaid (Title XIX) - through the New Hampshire Department of Health and Human Services and also receives CDBG grant funds from the New Hampshire Office of State Planning as well as grant funds from the New Hampshire Office of the Attorney General.

The contract and the grants are subject to program compliance audits by the grantors or their representatives. The audits of the contract and the grants for or including the fiscal year have not yet been reviewed by the grantor. Accordingly, the County's compliance with applicable contract requirements will be established at some future date after the grantor's review. The amount if any, of expenditures which may be disallowed by the contracting agencies cannot be determined at this time although the County expects such amounts if any, to be immaterial.

NOTE 10 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County, along with numerous other municipalities in the State, is a member of three public entity risk pools in the State currently operating as a common risk management and insurance program for which all political subdivision in the State of New Hampshire are eligible to participate. The pools provide coverage for workers' compensation, unemployment and property liability insurance. As a member of the property liability pool, the County shares in contributing to the cost of and receiving benefits from a self-insured pooled risk management program. Contributions paid for the fiscal year totaled \$86,206 for property liability coverage, with no unpaid contributions at year end. There were no deductible claims for the fiscal year.

The pool agreement permits the pool to make additional assessments to members should there be deficiency in pool assets to meet its liabilities. At this time, the pool foresees no likelihood of an additional assessment for past years.

NOTE 11 - CONTINGENCIES

The County generally follows the practice of recording liabilities resulting from claims and legal actions only when they become fixed or determinable in amount.

There are several cases currently pending against the County. It is management's opinion that the County is not liable in the suits and the County intends to contest the cases vigorously.

## SUPPORTING SCHEDULES

### GENERAL FUND

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund. It is the overall operating entity of the County. Most of the essential governmental services and functions are provided by the General Fund, including general administration, County Attorney and Medical Referee, Register of Deeds, maintenance of County buildings, Sheriff's Department, Human Services (welfare), Jail, County Farm.

COUNTY OF GRAFTON, NEW HAMPSHIRE  
GENERAL FUND  
SCHEDULE OF REVENUES COMPARED TO BUDGET  
(NON-GAAP BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Adopted Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES</b>			
<b>Taxes</b>			
County Taxes	\$9,411,145	\$9,411,145	\$ -
Total Taxes	9,411,145	9,411,145	-
<b>Intergovernmental</b>			
Federal Payment in Lieu of Taxes	30,000	35,107	5,107
Federal PILT - Distributed	-	-	-
Drug Task Force	26,124	26,972	848
County Attorney	1,000	64	(936)
Juvenile Alternative Program	183,267	176,212	(7,055)
Flexible Funding	-	3,750	3,750
COPS Grant	19,726	20,295	569
Bryne Grant	17,410	16,654	(756)
Unclaimed Property Distribution	-	-	-
Total Intergovernmental	277,527	279,054	1,527
<b>Jail</b>	37,775	67,084	29,309
<b>Farm</b>			
Sale of Milk	264,375	252,576	(11,799)
Sale of Livestock	15,000	13,162	(1,838)
Services to Jail	-	-	-
Sale of Wood	9,000	24,009	15,009
Produce to Nursing Home	10,000	1,879	(8,121)
Services to Nursing Home	5,888	5,888	-
House Expenses Reimbursed	12,000	13,248	1,248
Miscellaneous	30,000	31,790	1,790
Total Farm	346,263	342,552	(3,711)
<b>Charges for Services</b>			
Register of Deeds Surcharge	44,400	46,919	2,519
Register of Deeds	700,000	854,482	154,482
Sheriff's Department Fees	115,000	110,062	(4,938)
Sheriff's Department Dispatch Service	155,000	155,722	722
White Mountain Forest Patrols	20,000	21,640	1,640
Reimbursement, Prisoner Return	3,000	13,016	10,016
Court Bailiffs	76,485	88,542	12,057
Special Deputy Assignments	7,500	13,862	6,362
Deeds- CD ROM and On-line Service	-	1,373	1,373
Sheriff- District Court Fees	30,000	41,782	11,782
Electronic Monitoring	-	-	-
Reimbursement from UNH	8,000	-	(8,000)
District Court Prisoner Security	35,000	50,548	15,548
Total Charges for Services	1,194,385	1,397,948	203,563
<b>Rent</b>			
Courthouse	263,399	268,748	5,349
Total Rent	\$263,399	\$268,748	\$5,349

(Continued)

Schedule A-1  
(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
GENERAL FUND  
SCHEDULE OF REVENUES COMPARED TO BUDGET  
(NON-GAAP BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Adopted Budget	Actual	Variance Favorable (Unfavorable)
<u>Interest</u>			
Interest	\$170,000	\$241,706	\$71,706
Interest on County Taxes	500	75	(425)
Total Interest	<u>170,500</u>	<u>241,781</u>	<u>71,281</u>
<u>Miscellaneous</u>			
Sale of Cruisers	7,000	4,137	(2,863)
Insurance Refunds	1	19,407	19,406
Miscellaneous	3,000	16,569	13,569
Total Miscellaneous	<u>10,001</u>	<u>40,113</u>	<u>30,112</u>
 Total Revenues	 <u>\$11,710,995</u>	 <u>\$12,048,425</u>	 <u>\$337,430</u>

COUNTY OF GRAFTON, NEW HAMPSHIRE  
GENERAL FUND - GENERAL GOVERNMENT  
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Adopted Budget	Prior Year's Encumbrances	Approved Transfers	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>General</b>						
Administration - County Commissioners	\$251,159	\$4,440	\$ -	\$255,599	\$253,768	\$1,831
- Treasurer	7,950	-	-	7,950	6,815	1,135
- County Delegation	5,000	-	1,485	6,485	6,481	4
County Attorney	358,580	-	-	358,580	292,601	65,979
Register of Deeds	412,130	-	-	412,130	391,068	21,062
Sheriff's Department	805,759	-	1,675	807,434	778,218	29,216
Dispatch Center	437,000	-	-	437,000	413,478	23,522
Medical Referee	40,000	-	-	40,000	27,636	12,364
Human Services	5,497,949	1,381,908	-	6,879,857	6,015,060	864,797
Grafton County Regional Economic Development	30,000	-	-	30,000	29,709	291
Extension Service	220,603	6,474	-	227,077	207,790	19,287
County Vehicle	2,200	-	1,000	3,200	2,139	1,061
Increase (Decrease) in Vacation Leave	-	-	-	-	39,350	(39,350)
Social Services Agencies	486,800	-	-	486,800	484,150	2,650
Conservation District	35,845	-	-	35,845	34,239	1,606
North Country Council	500	-	-	500	500	-
Salary/Benefits Adjustment	115,660	-	-	115,660	104,384	11,276
Interest - Tax Anticipation Notes	10,000	-	(1,000)	9,000	2,110	6,890
Court House Rental Space	7,365	-	-	7,365	7,030	335
Contingency Account	55,000	-	(7,005)	47,995	21,931	26,064
Medicaid Proportionate Share	-	-	-	-	837,265	(837,265)
Juvenile Detention	100	-	-	100	-	100
Unallocated Insurance	5,000	-	-	5,000	-	5,000
Courthouse Maintenance	123,979	-	-	123,979	118,349	5,630
<b>Total General Government</b>	<b>\$8,908,579</b>	<b>\$1,392,822</b>	<b>(\$3,845)</b>	<b>\$10,297,556</b>	<b>\$10,074,071</b>	<b>\$223,485</b>

Schedule A-3

COUNTY OF GRAFTON, NEW HAMPSHIRE  
GENERAL FUND - JAIL  
SCHEDULE OF COST PER INMATE DAY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Amount	Cost Per Inmate Day *
Salaries and Wages	\$972,309	\$39.67
Wages in Lieu of Health Insurance	4,700	0.19
Uniforms	5,059	0.21
Social Security	26,806	1.09
Health Insurance	143,588	5.86
Retirement	41,568	1.70
Workmen's Compensation Insurance	6,382	0.26
Unemployment Compensation	27	0.00
Education and Conferences	5,693	0.23
Consultants	14,226	0.58
Employee Physicals	5	0.00
Ambulance Service	632	0.03
Mental Health Consulting Services	10,843	0.44
Dues, Licenses and Subscriptions	966	0.04
Postage	312	0.01
Supplies	6,210	0.25
Meals	285,960	11.67
Laundry	14,902	0.61
Prisoner Clothing/Supplies	6,586	0.27
Medical/Dental	120,867	4.93
Plant Operation	70,720	2.89
Telephone	3,140	0.13
Vehicle	2,384	0.10
Repairs and Maintenance	12,848	0.52
Property Insurance	4,963	0.20
Liability Insurance	1,548	0.06
Building Renovations	2,217	0.09
Community Connections	63,265	2.58
Operating Impact Grant	32,468	1.32
	<u>\$1,861,194</u>	<u>\$75.94</u>

\* Inmate Days = 24,510



Schedule A-4

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 GENERAL FUND - CAPITAL OUTLAY  
 SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (NON-GAAP BASIS)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Capital Outlay</u>			
County Commissioners	\$1,250	\$1,250	\$ -
Prior Year's Encumbrance	9,588	9,588	-
County Attorney	7,500	-	7,500
Prior Year's Encumbrance	-	-	-
Register of Deeds	8,228	8,137	91
Prior Year's Encumbrance	6,500	6,500	-
Sheriff's Department	58,896	54,117	4,779
Prior Year's Encumbrance	5,300	5,127	173
Maintenance	20,000	-	20,000
Prior Year's Encumbrance	56,850	3,628	53,222
Extension Service	-	-	-
Prior Year's Encumbrance	7,200	6,914	286
Jail	6,530	957	5,573
Prior Year's Encumbrance	3,718	3,718	-
Farm	10,000	9,995	5
Prior Year's Encumbrance	122,946	-	122,946
Deeds Equipment - Surcharge	44,400	44,400	-
Total Capital Outlay	<u>\$368,906</u>	<u>\$154,331</u>	<u>\$214,575</u>

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 GENERAL FUND - OPERATING TRANSFERS IN (OUT)  
 SCHEDULE OF OTHER FINANCING SOURCES (USES) COMPARED TO BUDGET (NON-GAAP BASIS)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Adopted Budget	Prior Year's Encumbrances	Budgeted From Available Surplus	Approved Transfers	Revised Budget	Actual	Variance Favorable (Unfavorable)
<b>Operating Transfers In</b>							
From Capital Projects:							
Farm Capital Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From Enterprise Fund:							
Nursing Home	-	-	-	-	-	-	-
Total Operating Transfers In	-	-	-	-	-	-	-
<b>Operating Transfers (Out)</b>							
To Special Revenues:							
Victim/Witness Grant	(71,970)	-	-	-	(71,970)	(62,838)	9,132
To Capital Projects:							
Home Capital Reserves	-	-	-	-	-	-	-
Farm Capital Reserves	-	-	-	-	-	-	-
Dispatch Capital Reserves	-	-	(15,500)	-	(15,500)	(15,500)	-
To Enterprise Funds:							
Grafton County Nursing Home	(1,352,593)	(88,830)	-	-	(1,441,423)	(332,909)	1,108,514
Total Operating Transfers (Out)	(1,424,563)	(88,830)	(15,500)	-	(1,528,893)	(411,247)	1,117,646
<b>Total Other Financing Sources (Uses)</b>	(\$1,424,563)	(\$88,830)	(\$15,500)	\$ -	(\$1,528,893)	(\$411,247)	\$1,117,646

## SUPPORTING SCHEDULES

### SPECIAL REVENUE FUNDS

These funds account for certain revenue sources which are restricted by law or other formal action to expenditures for specific purposes.

#### Individual Funds:

**Victim Witness Assistant Grant** - To account for grant funds received from the New Hampshire Attorney Generals Office for a victim/witness assistance program.

**Drug Forfeiture** - To account for funds from drug seizure operations.

**CDBG Grants** - To account for grant funds received from the State of New Hampshire Office of State Planning that are designated for the construction of the whole village facility in Plymouth.

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 SPECIAL REVENUE FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2001

	Victim Witness Assistance Grant	Drug Forfeiture	CDBG Grants	Total
ASSETS				
Cash	\$ -	\$3,861	\$50	\$3,911
Due From Other Governments	5,675	-	-	5,675
TOTAL ASSETS	\$5,675	\$3,861	\$50	\$9,586

LIABILITIES AND FUND BALANCES

Liabilities	\$ -	\$ -	\$ -	\$ -
Accounts Payable				
Due to Other Funds:				
To General Fund	5,675	-	-	5,675
Total Liabilities	5,675	-	-	5,675

Fund Balances

Designated for Specific Purposes	-	3,861	50	3,911
Total Fund Balances	-	3,861	50	3,911
TOTAL LIABILITIES AND FUND BALANCE	\$5,675	\$3,861	\$50	\$9,586

COUNTY OF GRAFTON, NEW HAMPSHIRE  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Victim Witness Assistance Grant	Drug Forfeiture	CPBG Grants	Total
<u>Revenues</u>				
Intergovernmental	\$25,000	\$603	\$1,385,699	\$1,411,302
Interest	-	49	-	49
Total Revenues	25,000	652	1,385,699	1,411,351
<u>Expenditures</u>				
General Government:				
Jail	87,838	2,741	1,385,699	1,476,278
Total Expenditures	87,838	2,741	1,385,699	1,476,278
Excess (Deficiency) of Revenues Over Expenditures	(62,838)	(2,089)	-	(64,927)
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In:				
From General Fund	62,838	-	-	62,838
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	-	(2,089)	-	(2,089)
Fund Balances, Beginning of Year	-	5,950	50	6,000
Fund Balances, End of Year	\$ -	\$3,861	\$50	\$3,911

COUNTY OF GRAFTON, NEW HAMPSHIRE  
SPECIAL REVENUE FUNDS  
VICTIM WITNESS ASSISTANCE GRANT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues</u>			
Intergovernmental:			
State of New Hampshire	\$30,000	\$25,000	(\$5,000)
<u>Expenditures</u>			
General Government	101,970	87,838	14,132
Excess (Deficiency) of Revenues Over Expenditures	(71,970)	(62,838)	9,132
<u>Other Financing Sources (Uses)</u>			
Operating Transfers In:			
From General Fund	71,970	62,838	(9,132)
Total Other Financing Sources (Uses)	71,970	62,838	(9,132)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -

## SUPPORTING SCHEDULES

### CAPITAL PROJECTS FUNDS

These funds include all major capital improvement projects of the County other than those accounted for in the Enterprise Funds (Nursing Home).

#### Individual Funds:

**Capital Reserves** - To account for funds which have been designated for specific future capital outlay requirements by the County Delegation as per RSA 35:1. Funds may only be withdrawn and expended from the individual funds with delegation approval.

COUNTY OF GRAFTON, NEW HAMPSHIRE  
CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2001

	Capital Reserve Nursing Home	Capital Reserve Farm	Capital Reserve Dispatch	Totals
<u>ASSETS</u>				
Temporary Investments	\$1,615,421	\$127,747	\$56,924	\$1,800,092
Due From Other Funds:				
From General Fund	-	-	-	-
TOTAL ASSETS	<u>\$1,615,421</u>	<u>\$127,747</u>	<u>\$56,924</u>	<u>\$1,800,092</u>
<u>LIABILITIES AND FUND BALANCE</u>				
<u>Liabilities</u>				
Due to Other Funds:				
To General Fund	\$276,830	\$ -	\$ -	\$276,830
Total Liabilities	<u>276,830</u>	<u>-</u>	<u>-</u>	<u>276,830</u>
<u>Fund Balances</u>				
Reserved for Specific Capital Projects	1,338,591	127,747	56,924	1,523,262
Total Fund Balances	<u>1,338,591</u>	<u>127,747</u>	<u>56,924</u>	<u>1,523,262</u>
TOTAL LIABILITES AND FUND BALANCES	<u>\$1,615,421</u>	<u>\$127,747</u>	<u>\$56,924</u>	<u>\$1,800,092</u>



COUNTY OF GRAFTON, NEW HAMPSHIRE  
 CAPITAL PROJECTS FUNDS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Capital Reserve Nursing Home	Capital Reserve Farm	Capital Reserve Dispatch	Totals
<u>Revenues</u>				
Interest	\$138,591	\$8,297	\$5,118	\$152,006
Excess (Deficiency) of Revenues Over Expenditures	138,591	8,297	5,118	152,006
<u>Other Financing Sources (Uses)</u>				
Operating Transfers In:				
From General Fund	-	-	15,500	15,500
Operating Transfers (Out):				
To Enterprise Fund - Nursing Home	(250,000)	-	-	(250,000)
Total Other Financing Sources (Uses)	(250,000)	-	15,500	(234,500)
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Sources (Uses)	(111,409)	8,297	20,618	(82,494)
Fund Balances, Beginning of Year	1,450,000	119,450	36,306	1,605,756
Fund Balances, End of Year	\$1,338,591	\$127,747	\$56,924	\$1,523,262

## SUPPORTING SCHEDULES

### ENTERPRISE FUNDS

These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs be financed or recovered primarily through user charges.

#### Individual Funds:

**Grafton County Nursing Home** - To account for the operation and maintenance of the Grafton County Nursing Home which provides intermediate nursing care to the elderly residents of the County and is funded through a combination of Medicaid and Medicare funds from the Federal government, State and the County, as well as from the private resources of the residents of the Home.

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 GRAFTON COUNTY HOME - ENTERPRISE FUND  
 SCHEDULE OF OPERATING REVENUES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

Revenues

## Charges for Services:

Room and Board from Social Security, Retirement and State	\$4,036,471
Room and Board from Private Patients	861,204
Room and Board and Therapy from Medicare	502,051
Medicaid Proportionate Share	1,217,840
Total Charges for Services	6,617,566

## Other Revenue:

Meal Reimbursement	22,295
Miscellaneous	647
Total Other	22,942
Total Operating Revenues	\$6,640,508

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 GRAFTON COUNTY HOME - ENTERPRISE FUND  
 SCHEDULE OF GENERAL OPERATING EXPENSES AND COST PER PATIENT DAY  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Amount	Cost Per Patient Day*	Prior Year's Cost Per Patient Day
<u>General Operating Expenses</u>			
Administrative	\$669,981	\$17.49	\$14.92
Dietary	778,152	20.32	17.61
Nursing Service	4,163,563	108.71	95.88
Physical Therapy	102,370	2.67	4.78
Therapeutic Recreation	174,727	4.56	5.13
Plant Maintenance	351,536	9.18	7.49
Laundry and Linen	149,918	3.91	3.83
Housekeeping	456,163	11.91	11.08
Pharmacy and Medical Director	20,313	0.53	0.55
Contracted Services	202,696	5.29	1.83
Special Services	88,453	2.31	2.04
Increase (Decrease) in Vacation/Sick Leave	(87,258)	(2.28)	(0.24)
 Total General Operating Expenses	 <u>\$7,070,614</u>	 184.61	 <u>\$164.90</u>
 Prior Year's Cost		 (147.14)	
 Increase (Decrease) Over Prior Year		 <u>\$37.47</u>	

\* Patient Days = 38,300      Patient Days Prior Year = 40,710

*Budget Note: Nursing Home budget is based upon the modified accrual basis of accounting. As an Enterprise Fund, the Home uses the accrual basis of accounting. Budgetary comparisons are neither required by GAAFR nor considered useful under the circumstances. See Schedule F-2 for adjustments to budgetary basis.*

## SUPPORTING SCHEDULES

### FIDUCIARY FUNDS

Fiduciary funds account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds. These Agency Funds are custodial in nature and do not measure the results of operations.

#### Trust Funds

#### Agency Funds

**Various Agency Funds** - To account for various monies held by the County as an agent for Nursing Home patients, for the State of New Hampshire and for Jail inmates.

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 ALL TRUST AND AGENCY FUNDS  
 COMBINING BALANCE SHEET

JUNE 30, 2001

	Trust	Agency Funds						Total
		Patient Funds	Register Of Deeds	Sheriff's Department	Jail Canteen	Inmate Fund		
ASSETS								
Cash	\$ -	\$50,977	\$710,125	\$15,344	\$14,469	\$8,260	\$799,175	
Temporary Investments	30,415	-	-	-	-	-	30,415	
TOTAL ASSETS	\$30,415	\$50,977	\$710,125	\$15,344	\$14,469	\$8,260	\$829,590	
LIABILITIES AND FUND BALANCE								
Liabilities								
Due to Other Governments	\$ -	\$ -	\$586,810	\$ -	\$ -	\$ -	\$586,810	
Due to Other Funds:								
To General Fund	-	-	123,315	8,550	-	-	131,865	
Due to Specific Individuals	-	50,977	-	6,794	14,469	8,260	80,500	
Total Liabilities	-	50,977	710,125	15,344	14,469	8,260	799,175	
Fund Balance								
Unreserved:								
Designated by Trust Instrument	30,415	-	-	-	-	-	30,415	
Total Fund Balance	30,415	-	-	-	-	-	30,415	
TOTAL LIABILITIES AND FUND BALANCE	\$30,415	\$50,977	\$710,125	\$15,344	\$14,469	\$8,260	\$829,590	

COUNTY OF GRAFTON, NEW HAMPSHIRE  
ALL AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance July 1	Additions	Deductions	Balance June 30
<b><u>PATIENT FUNDS</u></b>				
<b><u>ASSETS</u></b>				
Cash	\$56,919	\$121,084	\$127,026	\$50,977
<b><u>LIABILITIES</u></b>				
Due to Specific Individuals:				
Due to Patients	\$56,919	\$121,084	\$127,026	\$50,977
<b><u>REGISTER OF DEEDS</u></b>				
<b><u>ASSETS</u></b>				
Cash	\$754,034	\$2,783,384	\$2,827,293	\$710,125
<b><u>LIABILITIES</u></b>				
Due to Other Governments:				
Due to State of New Hampshire	\$671,180	\$2,412,714	\$2,497,084	\$586,810
Due to Other Funds:				
Due to General Fund	82,854	368,806	328,345	123,315
Due to Specific Individuals				
Due to Others	-	1,864	1,864	-
TOTAL LIABILITIES	\$754,034	\$2,783,384	\$2,827,293	\$710,125
<b><u>SHERIFF'S DEPARTMENT</u></b>				
<b><u>ASSETS</u></b>				
Cash	\$9,798	\$161,209	\$155,663	\$15,344
<b><u>LIABILITIES</u></b>				
Due to Other Funds:				
Due to General Fund	\$ -	\$120,073	\$111,523	\$8,550
Due to Specific Individuals				
Due to Specific Individuals	9,798	41,136	44,140	6,794
TOTAL LIABILITIES	\$9,798	\$161,209	\$155,663	\$15,344
<b><u>JAIL CANTEEN FUND</u></b>				
<b><u>ASSETS</u></b>				
Cash	\$10,832	\$41,831	\$38,194	\$14,469
<b><u>LIABILITIES</u></b>				
Due to Specific Individuals:				
Due to Inmates	\$10,832	\$41,831	\$38,194	\$14,469

(Continued)

COUNTY OF GRAFTON, NEW HAMPSHIRE  
ALL AGENCY FUNDS  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Balance July 1	Additions	Deductions	Balance June 30
<u>JAIL INMATES' ACCOUNT</u>				
<u>ASSETS</u>				
Cash	\$7,385	\$206,186	\$205,311	\$8,260
<u>LIABILITIES</u>				
Due to Specific Individuals:				
Due to Inmates	\$7,385	\$206,186	\$205,311	\$8,260
<u>TOTAL</u>				
<u>ASSETS</u>				
Cash	\$838,968	\$3,313,694	\$3,353,487	\$799,175
TOTAL ASSETS	\$838,968	\$3,313,694	\$3,353,487	\$799,175
<u>LIABILITIES</u>				
Due to Other Governments:				
Due to State of New Hampshire	\$671,180	\$2,412,714	\$2,497,084	\$586,810
Due to Other Funds:				
Due to General Fund	82,854	488,879	439,868	131,865
Due to Specific Individuals:				
Due to Patients	56,919	121,084	127,026	50,977
Due to Specific Individuals	9,798	43,000	46,004	6,794
Due to Inmates	18,217	248,017	243,505	22,729
TOTAL LIABILITIES	\$838,968	\$3,313,694	\$3,353,487	\$799,175



SUPPORTING SCHEDULES

BUDGETARY INFORMATION

COUNTY OF GRAFTON, NEW HAMPSHIRE  
 SCHEDULE OF ACTUAL REVENUES AND EXPENDITURES/EXPENSES  
 COMPARED TO LEGALLY ADOPTED BUDGET (NON-GAAP BASIS) \*  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Budget as Originally Adopted	Prior Year's Encumbrances Added to Budget	Budgeted From Available Surplus	Approved Transfers	Amended Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>							
General Fund (Schedule A-1)	\$11,710,995	\$ -	\$ -	\$ -	\$11,710,995	\$12,048,425	\$337,430
Grafton County Nursing Home (Schedule F-2)	6,248,206	-	-	-	6,248,206	6,640,508	392,302
Transfers from Capital Reserves	250,000	-	-	-	250,000	250,000	-
Victim/Witness Grant	30,000	-	-	-	30,000	25,000	(5,000)
	<u>18,239,201</u>				<u>18,239,201</u>	<u>18,963,933</u>	<u>724,732</u>
<b>Expenditures/Expenses</b>							
<b>Expenditures</b>							
General Fund:							
General Government (Schedule A-2)	8,911,254	1,392,822	-	(6,520)	10,297,556	10,074,071	223,485
Victim/Witness Grant	101,970	-	-	-	101,970	87,838	14,132
Jail	1,970,874	-	-	-	1,970,874	1,861,194	109,680
Farm	347,117	-	-	11,520	358,637	351,322	7,315
Capital Outlay	161,804	212,102	-	(5,000)	368,906	154,331	214,575
Transfers to Capital Reserves	-	-	15,500	-	15,500	15,500	-
Debt Service:							
Principal - General Fund	70,000	-	-	-	70,000	70,000	-
Interest - General Fund	18,183	-	-	-	18,183	18,183	-
Total Expenditures	<u>11,581,202</u>	<u>1,604,924</u>	<u>15,500</u>	<u>-</u>	<u>13,201,626</u>	<u>12,632,439</u>	<u>569,187</u>
Expenses							
Grafton County Home (Schedule F-2)	7,850,799	88,830	-	-	7,939,629	7,223,417	716,212
Total Expenditures/Expenses	<u>19,432,001</u>	<u>1,693,754</u>	<u>15,500</u>	<u>-</u>	<u>21,141,255</u>	<u>19,855,856</u>	<u>1,285,399</u>
Excess (Deficiency) of Revenues Over Expenditures/Expenses (Budgetary Basis)	<u>(\$1,192,800)</u>	<u>(\$1,693,754)</u>	<u>(\$15,500)</u>	<u>\$ -</u>	<u>(\$2,902,054)</u>	<u>(\$891,923)</u>	<u>\$2,010,131</u>

\* The County legally adopts one budget for all funds which differs from generally accepted accounting principles (GAAP).

\*\* \$1,200,000 was appropriated from the General Fund Undesignated Unreserved Beginning Fund Balance to reduce the amount to be raised by taxation, \$1,693,754 of appropriation carryovers from the prior year and \$15,500 was voted from available surplus to be transferred to the Capital Reserve funds.

COUNTY OF CRAFTON, NEW HAMPSHIRE  
 ENTERPRISE FUND - GRAFTON COUNTY HOME  
 SCHEDULE OF EXPENSES COMPARED TO BUDGET  
 (NON-GAAP BUDGETARY BASIS)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001

	Actual	Adjustments		Actual		Variance
		Budgetary Basis **	to Budgetary Basis **	on Budgetary Basis *	Favorable (Unfavorable)	
<b>Material Revenues</b>						
Charges for Services	\$6,617,566	\$ -	\$ -	\$6,617,566	\$6,226,908	\$390,658
Other	22,942	-	-	22,942	21,298	1,644
Total Operating Revenues	6,640,508	-	-	6,640,508	6,248,206	392,302
<b>Fixed Costs Expenses</b>						
General Treating:						
Administrative	669,981 (1)	11,397 (4)	21,851	703,229	1,049,582	346,353
Dietary	778,152 (1)	829	-	778,981	761,530	(17,451)
Nursing Services	4,163,563 (1)	9,812	-	4,172,375	4,383,125	210,750
Physical Therapy	102,370	-	-	102,370	112,622	10,252
Therapeutic Recreation	174,727	-	-	174,727	197,127	22,400
Plant Maintenance	351,536	-	-	351,536	412,252	60,716
Laundry	149,918 (1)	22,656	-	172,574	178,093	5,519
Housekeeping	456,163	-	-	456,163	472,574	16,411
Pharmacy and Medical Director	20,313	-	-	20,313	24,113	3,800
Contract Services	202,696	-	-	202,696	257,327	54,631
Special Services	88,453	-	-	88,453	91,284	2,831
Increase (Decrease) in Sick Leave	(87,258)	-	(3)	87,258	-	-
Total General Operating Expenses	7,070,614	43,694	109,109	7,223,417	7,939,629	716,212
Depreciation	111,740	(111,740)	-	-	-	-
Total Operating Expenses	7,182,354	(68,046)	109,109	7,223,417	7,939,629	716,212
Operating Income (Loss)	(541,846)	68,046	(109,109)	(582,909)	(1,691,423)	1,108,514
<b>Operating Transfers In/Out</b>						
Operating Transfer From (To) Other Funds	582,909	-	-	582,909	1,691,423	(1,108,514)
Net Income (Loss)	\$41,063	\$68,046	(\$109,109)	\$ -	\$ -	\$ -

\* Spending measurement focus using modified accrual basis of accounting.

\*\* Adjustments are to (1) expense assets previously capitalized, (2) remove depreciation expense, (3) remove long-term sick pay and (4) remove prepaid expense.









Rebecca M. Ernest, Milne Spec.  
Collections & Archives  
University of New Hampshire  
UNH Library  
18 Library Way  
Durham, NH 03824-3592

