

**SULLIVAN
COUNTY
New Hampshire**



**Annual Report
Of the
Board of Commissioners,
Other Elected Officials and
Department Heads
Fiscal Year 2005**

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DEDICATION

We proudly dedicate our County annual report this year to former Sullivan County Commissioner, **Rudolf "Rudy" Adler**. As the Executive Branch of the County, the duties of the County Commissioner are mandated by NH State RSA's and normally seen as a part time position, but through the perseverance of Rudy, the role of County Commissioner with Sullivan County was brought into a new age.

Rudy brought to the County his experiences he gathered throughout his career in quality control and engineering, as a college instructor and as a proprietor of a recreational camping park. His education included a Bachelors of Science, Business Management Rutgers University, MBA course of study, University of Connecticut. Rudy held a four year term with the Lempster Select Board and was a member of their Planning Board / Trustees of Trust Funds, as well as a member of the NH House of Representatives for two years. He was on the Board of Directors and former President and Treasurer of the Sullivan County United Way, a member of the Military Affiliate Radio System (MARS) and former Director of Northern New England, the Amateur Radio Emergency Service (ARES) and Coordinator for Sullivan County. He was a Chairman of the NHAC Commissioners Council, a member of the NHAC Executive Committee and Chair of the NHAC Tax Equity Committee. He was on the Board of Directors of the Western Regional Development Corporation and was a county government representative to the Transportation Committee of Governors Council on Disabilities.

As Commissioner, while holding the offices of Vice Chair followed by Chair, Rudy and his continuants strove to bring Sullivan County out of a 1.2 million-dollar budget shortfall, inherited from the former Board, and in doing so brought to the forefront a major problem he saw in the failure of the state and federal government to fairly fund federal healthcare programs (Medicaid). Throughout his term he encouraged and supported ways to improve upon the delivery of County services in the most efficient and less costly ways, but always to make sure that quality was never sacrificed, and encouraged professionalism at all levels.

Now retired, we trust Rudy is enjoying more time with his wife Doris, his daughter Lisa and their son Erich, along with their grandchildren. Best wishes to you Rudy and thank you for enriching our lives.



SULLIVAN COUNTY DEPARTMENT DIRECTORY & OTHER OFFICIALS

Alphabetical Listing

BOARD OF COMMISSIONERS OFFICETel. 603-863-2560
.....Fax. 603-863-9314
.....E-mail: commissioners@sullivancountynh.gov
.....Address: 14 Main Street, Newport NH 03773
Donald S. Clarke - Chair, (District 1: Serving a 4 Yr Term)*
Bennie C. Nelson - Vice-Chair (District 2: Serving a 2 Yr Term)*
Ethel Jarvis - Clerk (District 3: Serving a 2 Yr Term)*
Ed Gil de Rubio - County Manager
*Mark Pitkin - Treasurer**

CONSERVATION DEPARTMENTTel. 603-863-4297
.....Fax. 603-863-4730
.....E-mail: janice.heighes@email.nacdnet.org
.....Address: 24 Main Street, Newport NH 03773
Janice Heighes - District Manager
Board of Supervisors: David Grobe (Chair - Plainfield), Leon Stevens
(Vice Chair - Claremont), John Luther (Treasurer - Acworth), Cornelia Sargent
(Claremont), and Doddridge Johnson (Sunapee)
Associate Supervisor: Richard Elsesser (Acworth)

COOPERATIVE EXTENSIONTel. 603-863-9200
.....Fax. 603-863-4730
.....E-mail: seth.wilner@unh.edu
.....Web site: <http://ceinfo.unh.edu>
.....Address: 24 Main Street, Newport NH 03773
Educators & Program Associates:
4-H Youth Development – Nancy Berry and Robin Luther
Agricultural Resources & Environmental Stewardship – Seth Wilner
County Forester – Chuck Hersey
Family and Consumer Resources – Gail Kennedy
Family Lifeskills – Donna Meuse
Nutrition Connections - Sandy Trybulski

COUNTY ATTORNEY OFFICETel.603-863-7950/9365
.....Fax. 603-863-0015
.....E-mail: ca3@sullivancountynh.gov
.....Address: 14 Main Street, Newport NH 03773
*Marc Hathaway - Attorney**
David Park - Assistant Attorney

COUNTY FACILITIES & OPERATIONSTel. 603-542-9511
.....Fax. 603-542-9214
.....Address: 5 Nursing Home Drive, Claremont NH 03743
Gregory Chanis – Director

DEPARTMENT OF CORRECTIONSTel. 603-542-8717
.....Fax. 603-542-4311
.....E-mail: scoth@sullivancountynh.gov
.....Address: 103 County Farm Road, Claremont NH 03743
Scott Hagar - Superintendent

HUMAN RESOURCE DEPARTMENT.....Tel. 603-542-9511
.....Fax. 603-542-9314
.....E-mail: peterf@sullivancountynh.gov
.....Address: 5 Nursing Home Drive, Claremont NH 03743
Peter Farrand – Director

HUMAN SERVICES DEPARTMENTTel. 603-542-9511 Ext. 210
.....Fax. 603-542-9214
.....E-mail: sherriec@sullivancountynh.gov
.....Address: 5 Nursing Home Drive, Claremont NH 03743
Sherrie Curtis - Human Services Coordinator

SULLIVAN COUNTY DEPARTMENT DIRECTORY & OTHER OFFICIALS

Alphabetical Listing - Continued ...

NURSING HOMETel. 603-542-9511
.....Fax. 603-542-9314
..... E-mail: nursinghome@sullivancountynh.gov
Address: 5 Nursing Home Drive, Claremont NH 03743
Courtney Marshall - Administrator
Heidi Smith - Director of Nursing

REGISTRY OF DEEDS.....Tel. 603-863-2110
.....Fax. 603-863-0013
..... E-mail: sudeeds@nhvt.net
..... Address: PO Box 448, Newport NH 03773
*Sharron King - Registrar**
Chaunee Baker - Deputy Registrar

SHERIFF'S OFFICETel. 603-863-4200
.....Fax. 603-863-0012
..... E-mail: sheriff@nhvt.net
..... Web Site: sullivancounty-nh.com
..... Address: PO Box 27, Newport NH 03773
*Michael L. Prozzo, Jr. - High Sheriff**
William J. Ball - Chief Deputy Sheriff
Barbara E. Sprague - Secretary / Special Deputy

VICTIM WITNESS PROGRAMTel. 603-863-8345
.....Fax. 603-863-0015
..... Address: 14 Main Street, Newport NH 03773
Cindy Vezina - Victim Witness Coordinator

COURTS:

Superior CourtTel. 603-863-3450
Arthur Brennan - Judge
Peter Wolfe - Clerk
Newport District CourtTel. 603-863-1832
Bruce Cardello - Justice
Ed Tenney - Special Justice
Claremont District CourtTel. 603-542-6064
John Yazinski - Justice
ProbateTel. 603-863-3150
Michael Feeney - Judge
*Diane Davis - Probate Registrar**

SULLIVAN COUNTY DEPARTMENT DIRECTORY & OTHER OFFICIALS

Directory Listing – Continued ...

The Governors Commission on Alcohol and Drug Abuse Prevention, Intervention and Treatment funds the following programs, which are administered financially through the County Manager at the Sullivan County Commissioners' Office in Newport. **Details of these programs may be attained through the Sullivan County Commissioners' Office at 14 Main Street Newport NH 03773.**

DISTRICT COURT DIVERSION PROGRAM

Program Director – Douglass Roberts
Sullivan County
.....Tel. 603.542-9511 Ext. 202

PARENTS AS TEACHERS

Program Director – Jana Gillespie
.....Tel. 603.542-4885

STRENGTHENING FAMILIES PROGRAM 6-11/10-14 AND PARENT CIRCLES

Program Co-Directors – Nancy Berry / Gail Kennedy of UNH
Cooperative Extension
.....Tel. 603.863-9200

SULLIVAN COUNTY STUDENT COUNSELOR LADC PROGRAM

Program Director – Ramona Berman
.....Tel. 603.863-2414

The Workforce Opportunity Council and the Office of Juvenile Justice Division provides funding for the following two youth programs, which the County Manager, through the Sullivan County Commissioners' Office also provides financial administration of. **Details of these programs may be attained through the Sullivan County Commissioners' Office at 14 Main Street Newport NH 03773.**

CLAREMONT YOUTH COLLABORATIVE: THE RED ELEPHANT

Program Director – Pam Humphrey
.....Tel. 603. 542-9096

NEWPORT ENRICHMENT TEAM

Program Director – Sam Clough
.....Tel. 603.863-0765

* Indicates elected County officials

SULLIVAN COUNTY FACTS PAGE

BRIEF HISTORY

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

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

The population in Sullivan County is currently 41,283 (*Estimate extracted from LGC 2004/2005 NH Municipal Officials Directory*).

COUNTY GOVERNMENT

- ❖ Sullivan County employs 260 employees (part and full time, effective 6-25-05 pay end).
- ❖ The majority of the employees are employed at the Sullivan County Nursing Home in Unity, followed by Department of Corrections, Facilities & Operations, Sheriff's Office, Registry of Deeds, Attorney's Office, County Commissioners' Office, Cooperative Extension, and Conservation Department. Per NH State mandates the County subsidizes employees in the following programs: Victim Witness Protection, Conservation and Human Services.
- ❖ The County owns approximately 1,500 acres of land, which includes, in Newport, the Remington B. Woodhull County complex and Records Building on Main Street, and in Unity, the Nursing Home, Department of Corrections, Maple Hill, and several out buildings, along with several land properties located in the Town of Unity.

COUNTY GOVERNMENT IS MADE UP OF TWO BRANCHES

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

The Legislative Branch, the County Delegation, consists of thirteen elected Representatives. The role of the County Delegation is to approve the necessary funds to operate the County. The Delegation Executive Finance Committee reviews the Commissioners' budget, then submits the budget (with any modifications) to the full County Delegation who then vote on the funds. County Delegation minutes may also be attained from the Commissioners Office.

COUNTY GOVERNMENT DEPARTMENTS & THEIR ROLE

Commissioners Office - The Commissioners Office is located on Main Street in Newport, the County seat. This office is the primary office for the Board of Commissioners, and currently employs four employees: a Payroll Clerk, an Accounts Payable Clerk, an Administrative Assistant, and a Secretary/Receptionist. The employees perform a number of duties which include: coordinating meetings among officials and public, preparing budgetary reports for Department Heads and Auditors, handling employee benefits, accounts payable & receivable, and maintaining records for all County Offices. The Board of Commissioners convene the first and third Tuesday of each month @ 1:30 p.m. The first Tuesday meeting is held in Newport, at the Commissioners' Office Conference Room, while the third Tuesday meeting is held in Unity, at the Nursing Home Recreation Room. Commissioners' meetings are open to the public, excluding Executive Sessions (non public). The Board's goal with each meeting is to allow discussion of old and new business and to monitor the progress and performance levels of each of the following departments: County Manager, Nursing Home, Facilities & Operations, Department of Corrections, Registry of Deeds, Sheriff's Office, Human Services, UNH Cooperative Extension, Conservation, County Attorney's Office, Victim / Witness Program, Payroll, and the County Commissioners' Office.

County Manager - The County Manager serves as the Commissioners' agent, for the financial and administrative management of Sullivan County. The Manager oversees and coordinates the business, fiscal, purchasing and human resources activities of the following departments and functions: 1) Nursing Home, 2) Department of Corrections, 3) Commissioners' Office, 4) Maintenance of all County Property, 5) Human Relations, 6) Communications and Information Technology, 7) Cooperative Extension, and 8) Conservation District.

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

Registry of Deeds - The position of Registrar is a two year elected position, receiving its authorization from NH Constitution, Part #2 Article 71 & 72. Sullivan County Registry of Deeds is located on Main Street in Newport. The duties of the Registrar, dictated by RSA's, include the recording, reproduction and indexing of legal documents pertaining to real estate, and the reporting to the cities and towns (for tax purposes) of all transfers of property and the maintenance of records dating back to 1827. The Registry records an average of 50-75 documents a day, with 30-50 people utilizing the facility per day. Along with the elected Registrar, the Registry of Deeds currently employs a Deputy Registrar and two full time and one part time clerk.

Sheriff's Office - The Sheriff's Office receives its legally mandated authorization from NH Constitution, Part #2 Article 71, and additionally from RSA section 104:6. The Sheriff's Office is located on Sunapee Street in Newport. Along with the High Sheriff (the chief law enforcement officer to each Sheriff's Office, a two year elected term) there is a Chief Deputy, three full time and 7 part time Deputies, and a full time Secretary/Special Deputy. In New Hampshire, the Sheriff's authority reaches throughout and within the boundaries of the State, sharing jurisdiction with local law enforcement agencies. Some of their duties include: rural patrols, criminal investigations, support of local law enforcement initiatives, vehicle escorts, transport of inmates/juveniles/involuntary emergency admissions, prisoner control, civil services, and Superior Court capiases & extraditions. Check out the Sheriff's

Office Web site @: sullivancounty-nh.com for further details and to view the County's "Most Wanted".

Attorney's Office - The County Attorney's Office is located on Main Street in Newport. The County Attorney is a constitutionally elected official and is the chief law enforcement officer in the County. The County Attorney is charged with prosecution of felonies and misdemeanor appeals from the district courts and works in conjunction with the State Attorney General's Office, Sheriff's Department, NH State Police and local police departments. In addition, the County Attorney represents the County in all civil matters involving the departments or agents of the county, and works with the medical referee in cases of untimely deaths. Along with the County Attorney, the County Attorney's Office currently employs an Assistant Attorney and a full and part time Secretary. The office also works closely with the **Victim Witness Program**. The Victim Witness Program was created to ensure that the rights of the victim are protected; reducing the impact the crime and resulting involvement in the criminal justice system has on the lives of victims and witnesses. State, Local, and County resources fund this program, which staffs one Victim Witness Program Coordinator.

Nursing Home - The Sullivan County Nursing Home is located on the County Farm Road in Unity. The Nursing Home employs approximately 191 and provides both Skilled and Intermediate levels of care for its residents. The Nursing Home Rehabilitation Department has available to them a registered Physical Therapist as well as Occupational Therapist when needed, and the home assists in applying for Nursing Home assistance. Along with the MacConnell Unit, which was built specifically to meet the needs of the resident with Alzheimer's Disease, the home also helps with Respite Care - a service allowing someone to take time off from caring for a family member at home.

CURRENT DAILY RATES: Medicaid \$125.30 (effective 02-01-04), Semi-Private \$180 (eff. 7-1-03), and Private \$195 (eff. 7-1-03). These rates include: room accommodations, meals (including special diets ordered by physicians), 24 hour nursing care, assistance with activities, personal care items, laundry service, routine dental treatments, prescribed medical dressing items, social services, most recreational activities, and oxygen concentrators or tanks. Additional items such as physician services, podiatrist services, pharmacy services, medical supplies are billed to insurance carriers first then to the responsible party. An updated list of items available can be obtained by contacting the Nursing Home at 603.542-9511.

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

UNH Cooperative Extension - UNH Cooperative Extension is located in the same building as the Conservation District office. In partnership with Sullivan County, the State of New Hampshire and the Federal Government, Cooperative Extension provides practical,

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

Department of Corrections – The Department of Corrections is located at the Unity complex, near the County Nursing Home. The Department of Corrections employs 32 employees, which includes a Superintendent, a Corrections Secretary, three nurses, and 27 Corrections Officers. The Department of Corrections operates a Jail (pretrial detention of adult males and females awaiting trial and sentencing), House of Corrections (adult males and females sentenced to 1 year or less), and a Community Corrections program consisting of a Transitional Housing Unit, Work Release, and Home Confinement and GPS/RF Electronic monitoring. The Department of Corrections also provides juvenile tours and diversion tours as a deterrent effort for early intervention.

Sullivan County NH
COUNTY COMMISSIONERS REPORT
FY 2005 Annual Report

The fiscal year 2005 has been another year of significant accomplishment in your County Commissioners Office. We are continuing to reap the benefits of management changes made over the past two or three years. These changes started with Ed Gil de Rubio, County Manager, assuming the day-to-day management responsibilities of the Commissioners Office, which has resulted in tighter budget controls, improved personnel management and the assembly of a strong management team. This team includes new leadership at the Department of Corrections and a new Facilities Director and the contract with Genesis Health care for the management of the Nursing Home. All of these have resulted in noticeable improvement in all these areas.

The assembly of this management team has given the Commissioners the support and expertise to take a more forward look at what the County needs in order to more effectively serve the needs of county residents. We have divided our long-range outlook in to two parts, buildings / facilities and land. On the buildings and facilities front we authorized a study, performed by Clough Harbour & Associates, to evaluate all of our buildings, some of which have not been used for years, to determine which ones may have some future use and which ones need to be demolished and to put in place a plan to renovate the reusable buildings to correct the problems brought on by years of deferred maintenance. On the land front we have established a committee, chaired by Commissioner Jarvis with representatives from the County management team, UNH Extension, Soil Conservation District, Unity Conservation Committee, NH Fish and Game Department and others to gather ideas on how to make the 1,500 plus acres of land, owned by the County, more available for the enjoyment of our residents.

Your County Commissioners continue to be active at the State level as new legislation comes forward and to minimize the effect of fewer state and federal dollars flowing to the counties.

I want to take this opportunity to thank all of our dedicated county employees for a job well done and for their cooperation through the period of significant change we have gone through in the past couple of years. The dedication and teamwork has been outstanding. I particularly want to thank the staff in the Commissioners Office for their "can do" attitude during the implementation of our new payroll and financial management systems. They have gone well beyond the call of duty and it is much appreciated.

The Board of Commissioners would like to recognize newly retired long-term County employees, Robert Hemenway, former County Nursing Home Administrator, and Bonnie Rivard, Director of Nursing for their dedication.

The Board of Commissioners look forward with enthusiasm and optimism for another successful year.

Respectfully submitted,
Donald S. Clarke – Chair
Bennie C. Nelson – Vice Chair
Ethel Jarvis - Clerk

Sullivan County NH
COUNTY MANAGER'S REPORT
FY 2005 Annual Report

FY 05 was earmarked by a significant change in the elected leadership. Representatives Converse, Jillette, Houde-Quimby, Irish, Prichard, Gale and Osgood became newly elected County Delegates. Additionally Ethel Jarvis replaced Rudy Adler as a County Commissioner. Both the new members of the delegation and the new commissioner are hard working dedicated individuals. They have shown an incredible resilience which in turn has embellished their learning curve regarding the many complex issues that are facing county government.

The focus of the Commissioners and the County Manager is to continue a unified consensus towards the operation of county government. All of the Department Heads and Elected Officials whole heartedly work towards this goal. There is a mutual respect and a direction to provide the citizens of Sullivan County with a governmental form that is balanced and cost effective.

Medicaid reimbursement was the key political issue for Sullivan County this past year. Facing funding cutbacks and deliberate quota restrictions by the State, the Board of Commissioners acquiesced to official policy direction by the County Delegation and contracted a management agreement to help run the Sullivan County Nursing Home. This is a very unique public \ private relationship which enables Sullivan County to pursue various venues of skilled care while enabling us to continue to provide Medicaid services to the citizens of Sullivan County. It is our goal as elected and appointed officials to eliminate the tax burden associated with the nursing home while providing a high quality product. This year's annual report for the nursing home is somewhat abbreviated due to the timing of our managerial contract. We did provide all the statistics that we are obligated by the state statutes. Next year's report will have a more informative narrative.

The Commissioners' Office completed the installation of a new accounting software package this past December. The new system enables the Department Heads and Elected Officials to operate a true accrual method for purchasing and reports. Additionally, the new software is in a window format that is compatible to other Microsoft products.

The upcoming year will move the County towards new directions regarding capital spending especially at the Unity complex. There has been a sizable amount of money allocated toward various capital improvements and expenditures. Additionally, the Commissioners and the County Delegates are jointly addressing the vacant buildings at the Unity complex. This coupled with looking into various uses for the vast amount of acreage owned by the County creates a dynamic setting. Two areas that we are currently analyzing are improvements to the County Jail and whether the County should provide an assisted living program.

It is no secret that the current building that houses the DOC is overused and poorly designed in reference to current correctional standards. In order to determine a direction for the facility county leadership will have to look into the current criminal justice system. It is the intention to get feedback from various political and functional segments of the county through the use of the Criminal Justice Coordinating Committee. It is the hopes of the Commissioners, the County Manager and the Superintendent of the Department of Corrections to formulate a positive strategic plan that will enhance the current needs of the DOC and give the department a sound footing to deal with the issues of the future.

Assisted living is a venue of mid level care that is rapidly becoming a key component in the Medicaid scenario. The need for assisted living is due to a limited number of Medicaid assisted living beds in the state and a policy change by the Department of Health and Human Services (DHHS). Using Medicaid assessment as a gauge DHHS is changing the dynamics of Medicaid by redirecting potential and existing nursing home residents into an assisted living function. The County undertook a preliminary study that concluded the Sullivan County Nursing Home is in the position to provide some form of assisted living that will benefit Medicaid residents. Additional studies during the upcoming year will be conducted in order to bring solid suggestions and options to the elected leadership.

During the past year Sullivan County lost two long time employees to retirement; Bob Hemenway and Bonnie Rivard. Bob had been the Administrator at the Nursing Home for approximately eighteen years. Bob has played a significant role in transforming the Nursing Home to its current level of credibility. Bonnie had been the Director of Nursing for the past three years. Prior to becoming the DON, Bonnie served as a Registered Nurse and a Supervisor at the Nursing Home for approximately fifteen years. Good luck to both Bob and Bonnie.

This year's Annual Report is dedicated to Rudy Adler. Rudy has been instrumental in putting county government in the fore front of the political curve. The recipient of the New Hampshire Association of Counties' 2004 "Commissioner of the Year Award," Rudy always had his "eye on the prize." Good luck to both Rudy and his wife Doris.

Finally, I would like to thank my staff and elected officials for their dedication and hard work. A tip of the hat to the citizens of Sullivan County; because of your confidence and understanding you make it all possible.

*Respectively Submitted,
Ed Gil de Rubio
County Manager*

Sullivan County NH

SULLIVAN COUNTY ATTORNEYS OFFICE

FY 05 Annual Report

The past year has been a busy one for the Sullivan County Attorney's Office. In the Sullivan County Superior Court this office is handling 451 new cases as well as dealing with 316 re-entries. In addition to the work in the Superior Court, we continue to work closely with area law enforcement by providing legal advice in criminal investigations and prosecution services in the District Court, as circumstances require.

We welcome Assistant Sullivan County Attorney, David S. Park to our staff. David brings with him much experience as former Cheshire County Attorney and most recently, Regional Prosecutor for Jaffrey, Dublin and Peterborough Police Departments. Assistant County Attorney Park fills the position left by Richard Anderson, who has assumed a position with a local law firm. Additionally, we'd like to welcome Holly Pariseau as our part-time secretary. Holly also maintains part-time employment with the Sullivan County Deeds Office.

Our prosecutorial duties are made easier by the competent and compassionate work of our Victim/Witness Coordinator, Cindy Vezina. What is more important, however, is that Ms. Vezina's efforts insure that the concerns and questions of those involved in the criminal system as victims and/or witnesses are addressed promptly and professionally. Ms. Vezina also plays a major role in our continued commitment to the victims of violence. Each year she works with area law enforcement and Women's Supportive Services to organize the domestic violence training program we provide Sullivan County law enforcement.

While the prosecutorial duties of the Sullivan County Attorney's Office take up the majority of our time and resources, we continue to provide County Government with quality legal representation.

The delivery of quality, cost-effective legal representation to the citizens of Sullivan County is a continuing challenge. We continue to work toward the goal of imaging technology. A substantial step toward that goal has been the addition of an upgraded computer system, allowing us to effectively handle information-the statements, reports, pleadings, legal research, memorandums and other documents which are the heart of every lawyer's workday, as well as providing us with the capability to manage imaging technology. By taking advantage of this new cost-effective technology, we will be able to keep pace with an ever-expanding workload.

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

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

*Respectfully submitted,
Marc B. Hathaway
Sullivan County Attorney*

Sullivan County NH
SULLIVAN COUNTY SHERIFF'S OFFICE
FY 2005 Annual Report

To the Honorable Commissioners of Sullivan County:

Another year has passed, and the Sheriff's Office had a successful and very active year. We have had a major increase in our transport activity of more than 2,400 individuals transported to various courts, and other appointments.

We remain pro-active with our Grants, marking a milestone in 2005 with more than \$1,000,000 in grant monies received. We will continue to work with grants, both Federal and State, to benefit Sullivan County.

This year, we have acquired a \$27,000 grant for the "Underage Alcohol Task Force." This is the third grant we have received for this worthwhile endeavor, and we continue to work closely with Claremont, Newport, Sunapee, and Goshen Police Departments as well as the NH State Police and Liquor Enforcement.

The Western New Hampshire Special Operations Unit (SOU), which we are a member of, continues to work closely with area agencies. New members from Charlestown and Springfield Police Departments join Claremont, Newport, and Sunapee to combat drug abuse in Sullivan County.

The Sheriff's Office is in its second year of providing police coverage for the Town of Unity, as well as our many other duties, including, but not limited to court security, prisoner control, and civil process.

We were also fortunate enough last year to be able to do some much needed remodeling in the Sheriff's Office. This is the first time in my tenure as Sheriff that any renovations have been done. With the assistance, and willingness of my staff we were able to work with what we have to remodel, and gain some needed storage space.

The goals of the Sheriff's Office for the upcoming fiscal year are to continue to upgrade our equipment, computers, filing systems, etc. We will do these things while staying within the budget, and increasing revenue for the County.

Effective August 1, 2005 we announce the retirement of longtime employee, Lt. William "Chip" Ball. He is retiring from his full-time position, and has been a full-time employee from 1995 - 2005. We wish him well.

I also want to welcome Denis J. O'Sullivan, III as a full-time deputy sheriff. Denis is an eighteen (18) year veteran of the Newport Police Department, and we are fortunate to have him with his experience and knowledge in law enforcement.

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

Respectfully submitted,

Michael L. Prozzo, Jr., High Sheriff

MLPjr/bes

Sullivan County NH
NURSING HOME REPORT
FY 05 Annual Report

Nursing Home Census:

	MEDICAID DAYS	PRIVATE DAYS	MEDICARE DAYS	HCBC RESPITE	PRIVATE RESPITE	LEAVE DAYS	TOTAL DAYS FILLED
1ST QUARTER	9,997	2,420	266	62	11	43	12,756
2ND QUARTER	10,414	2,224	278	24	0	58	12,940
3RD QUARTER	9,965	1,624	379	51	12	82	12,031
4TH QUARTER	9,499	1,587	633	37	2	46	11,758
FY '05 TOTAL	39,875	7,855	1,556	174	25	229	49,485

FY 05 Duly Certified Beds: 156

FY 05 Room Rate: Please see *“County Government Departments & Their Role: Nursing Home, Current Daily Rates”*.

FY 05 Additional Narrative: Please see *“County Manager’s FY 05 Annual Report”* for comment on Nursing Home Report.

Sullivan County NH
DEPARTMENT OF CORRECTIONS
FY 2005 Annual Report

The Department of Corrections has completed another exciting and productive year. In July, the Division of Medical Services, under the direction of Carol Lady, RN, hired two additional nurses allowing us to discontinue nursing services received from the Sullivan County Nursing Home. In preparation for this change, a new spacious medical services office was constructed to enhance medical and mental health services provided to the inmate population.

The Division of Community Corrections, under the direction of Sergeant Douglas Roberts, reported having another banner year. "*Small County Program, a Model for New Hampshire*" was the headline for a case study of Sullivan County's Inmate Transition to Community Program, which received national attention through the website <http://www.bi.com>. Global Positioning Satellite (GPS) technology has enhanced our ability to track offenders in the community with triangulation and mapping software.

In addition to providing inmate labor for the Sullivan County Complex, inmate community service was provided to area towns and municipalities allowing inmates to give something back to their community. Last year's details included projects at the Charlestown Fire Department, the Lempster Fire Department, and the West Unity Church. Inmates also participated in multiple roadside cleanups within the town of Unity.

Training and Staff Development continues to be a high priority within the Department. The Division of Training and Staff Development, coordinated by Cpl. Dan Gokey, continues to provide high quality training and development opportunities. In addition to providing an average of 115 hours of training per officer, many of our officers have received specialized training and instructor certifications allowing us to be self-sufficient and a valuable training resource to local law enforcement. We have also become a valuable asset to the New Hampshire Association of Counties Corrections Academy, providing instructors for Defensive Tactics, Intro to Criminal Justice, and Crime Scene and Evidence Preservation.

Our inmate census peaked at a record setting 119 offenders during the summer months of 2005; our female inmate population peaked at 27. The total number of bookings for the year was 963, of which 51 were for protective custody (intoxication). With an average daily population consistently exceeding our maximum bed capacity, overcrowding and the lack of programmatic and operational space within the facility continues to be our chief concern. In October of 2005 Phase II of the P.O.N.I. (Planning of New Institutions) Program, sponsored and funded by the National Institute of Corrections will be held in Longmont, CO. This phase will focus on the correctional facility development process and will discuss pre-architectural planning, needs assessment, consultant selection, and facility programming.

Once again, I wish to thank my entire staff for their hard work and dedication. As a team we continue to rise above challenges and obstacles faced during our pursuit of correctional excellence.

Respectfully submitted,
Scott R. Hagar, Superintendent

Sullivan County NH
HUMAN SERVICES DEPARTMENT
FY 2005 Annual Report

HCBC (Home and Community Based Care)

The county is responsible for 25% of the cost for services provided to recipients in their home. Sullivan County has approximately 200 active cases. The cost for this service for FY 05 was \$533,896.00.

Provider Payments

The county is responsible for 25% of the cost for services such as prescription drugs, hospitalization, emergency medical services, and durable medical equipment for Medicaid recipients living in nursing homes and the community. Sullivan County has approximately 450 active cases. The cost for this service for FY 05 was \$622,771.00.

OAA (Old Age Assistance)

The OAA program remains as in the past. This program offers recipients money payment and medical assistance for individuals 65 years of age and meets the income eligibility guidelines. Sullivan County has approximately 70 active cases. The cost for this service for FY 05 was \$39,361.00.

APTD (Aid to the Permanently and Totally Disabled)

The APTD program also remains the same as in the past. This program also offers recipients monthly money payments and medical assistance for individuals meeting the income level guidelines. Sullivan County has approximately 350 active cases. The cost for this service for FY 05 was \$262,051.00.

Nursing Homes

With the implementation of Senate Bill 409 effective January 1, 1999, the counties started paying 25% of nursing home care. Sullivan County has approximately 280 recipients in nursing homes. The cost for FY 05 was \$1,594,191.00.

Board and Care of Children

The counties continue to work with the State of New Hampshire regarding court ordered services for families and children of Sullivan County. The counties are responsible for 25% of these costs. The cost for these services for FY 05 was \$756,262.00. 341 Children and families were served.

Incentive Funds

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

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

FY '05

General Fund Appropriation:	\$3,163,126.00	
County 15% guaranteed amount:	\$ 474,469.00	\$47,446.90
Remaining Amount	\$2,688,657.00	

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

The Sullivan County Incentive Funds were awarded at our annual review day. Total funds received for FY 05 were \$141,550.00. Agencies receiving these funds through the application process were:

Southwestern Community Services, Good Beginnings, Children & Youth Services, Soup Kitchen, Sullivan County Sheriff's Office, Lake Sunapee Mediation, Women's Supportive Services, Claremont Police Department, SAU # 43 Early Childhood Support Team, Girl's Incorporated of NH, Big Brother-Big Sister Program and West Central Services.

*Respectfully submitted,
Sherrie Curtis, Coordinator
Human Services
Sullivan County NH*

DEPARTMENT OF HUMAN SERVICES CITY/TOWN EXPENSE REPORT FY'05

TOWN/CITY	OAA & MEDICAL		APTID & MEDICAL		NURSING CARE		CHILDREN FAMILIES		HCBC		PPMT		TOTAL
	# CASES	MEDICAL	# CASES	MEDICAL	# CASES	CARE	# CASES	FAMILIES	# CASES	HCBC	# CASES	PPMT	
ACWORTH	1	\$ 126.00	5	\$ 6,335.00	2	\$ 519.00	4	\$ 308.00	4	\$ 18,249.00	4	\$ 6,318.00	\$ 31,855.00
CHARLESTOWN	6	\$ 2,042.00	32	\$ 33,316.00	37	\$ 164,308.00	30	\$ 101,607.00	38	\$ 92,624.00	68	\$ 89,699.00	\$ 483,596.00
CLAREMONT	31	\$ 16,839.00	192	\$ 134,374.00	139	\$ 857,147.00	184	\$ 436,513.00	89	\$ 213,775.00	215	\$ 301,619.00	\$ 1,960,267.00
CORNISH	1	\$ 1,206.00	2	\$ 2,116.00	4	\$ 30,022.00	1	\$ 657.00	1	\$ 1,086.00	6	\$ 2,615.00	\$ 37,682.00
CROYDON	0	\$ -	3	\$ 2,388.00	0	\$ -	2	\$ 19,323.00	3	\$ 2,371.00	2	\$ 1,993.00	\$ 26,075.00
GOSHEN	3	\$ 2,513.00	4	\$ 780.00	5	\$ 32,772.00	8	\$ 24,612.00	5	\$ 9,221.00	9	\$ 16,142.00	\$ 86,040.00
GRANTHAM	0	\$ -	1	\$ 1,362.00	8	\$ 46,911.00	1	\$ 1,286.00	0	\$ -	9	\$ 40,067.00	\$ 95,462.00
LANGDON	0	\$ -	3	\$ 3,641.00	2	\$ 16,351.00	2	\$ 4,344.00	1	\$ 4,344.00	3	\$ 6,249.00	\$ 31,871.00
LEMPSTER	1	\$ 67.00	4	\$ 1,724.00	3	\$ 7,140.00	2	\$ 424.00	2	\$ 11,588.00	5	\$ 3,937.00	\$ 24,880.00
NEWPORT	18	\$ 14,955.00	74	\$ 58,425.00	44	\$ 231,727.00	74	\$ 135,245.00	49	\$ 138,739.00	85	\$ 99,756.00	\$ 678,847.00
PLAINFIELD	2	\$ 27.00	7	\$ 4,031.00	5	\$ 28,886.00	3	\$ 1,431.00	1	\$ 4,493.00	6	\$ 4,295.00	\$ 43,163.00
SPRINGFIELD	1	\$ (325.00)	2	\$ 612.00	1	\$ 10,230.00	1	\$ 2,913.00	0	\$ -	1	\$ 451.00	\$ 13,881.00
SUNAPEE	0	\$ -	4	\$ 3,448.00	8	\$ 17,794.00	6	\$ 7,122.00	7	\$ 22,096.00	15	\$ 11,458.00	\$ 61,918.00
UNITY	0	\$ -	4	\$ 2,422.00	3	\$ 23,239.00	1	\$ 28.00	2	\$ 5,669.00	5	\$ 5,583.00	\$ 36,941.00
WASHINGTON	1	\$ 798.00	5	\$ 1,895.00	4	\$ 26,661.00	1	\$ 26.00	2	\$ 3,530.00	6	\$ 12,125.00	\$ 45,025.00
OTHER	2	\$ 1,113.00	6	\$ 5,192.00	16	\$ 100,484.00	21	\$ 17,645.00	3	\$ 6,131.00	17	\$ 20,464.00	\$ 151,029.00
TOTALS	67	\$39,361.00	348	\$262,051.00	281	\$ 1,594,191.00	341	\$ 756,262.00	207	\$ 533,896.00	456	\$ 622,771.00	\$ 3,808,532.00

Sullivan County NH
FACILITIES & OPERATIONS DEPARTMENT
FY 2005 Annual Report

FY 2005 proved to be an extremely active one for Sullivan County's Facilities Department. Since coming on board as the Facilities Director for the County in July of 2004, I have been busy familiarizing myself with the buildings and land owned by Sullivan County, getting to know the people who work in these buildings and coordinating the planning and completion of numerous projects related to facilities.

Highlights of FY 2005 include;

- Major upgrades to the HVAC systems at the Remington B. Woodhull County complex (located in Newport) including a new cooling tower, extensive re-piping in the boiler room, installation of a computer driven control system for the heating and cooling components and installation of sprayed in place foam insulation in various locations. In addition to making the Remington B. Woodhull County complex a more comfortable place for both staff and the public, these improvements will result in substantial long-term savings in the costs of heating and cooling.
- Hiring of a fulltime Senior Maintenance Worker whose primary responsibility is maintenance and repairs at the Sullivan County Department of Corrections.
- Replacement of two boilers at the Sullivan County Department of Corrections
- Replacement of the main fire tube in one of the low-pressure steam boilers servicing the Sullivan County Nursing Home.
- Purchase of a new F450 1 ton dump truck with a snowplow and sander.
- Development of a master planning process with two goals in mind. First, to take a comprehensive look at all of the buildings at the Unity complex and make recommendations for their future use. Second, to take a comprehensive look at the, approximately, 1,500 acres of land owned by Sullivan County and to make recommendations regarding future management.

These highlights represent only a small part of what the Sullivan County Facilities Department is doing everyday, none of which would be possible without the hard work and dedication of the many talented staff members of the department. I would like to take this opportunity to thank them for their efforts. I would also like to thank the County Manager and his staff along with the County Commissioners for their support and encouragement during my first year as the Sullivan County Facilities & Operations Director.

Respectfully Submitted
Greg Chanis, Facilities & Operations Director



SULLIVAN COUNTY CONSERVATION DISTRICT

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

**ANNUAL REPORT
FY 2005**

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

The services to Sullivan County included:

- **TECHNICAL ASSISTANCE** – Technical assistance was provided to landowners in Sullivan County either directly by the District Manager or through our technical partner, the USDA Natural Resources Conservation Service (NRCS). There were 13 requests from towns for assistance, 3 from public schools, 6 from non-profit organizations, 23 from private consultants and there were twelve assists provided to both state and federal agencies. The following is a listing of services and acreage affected within Sullivan County:

- ✓ 432 Acres of Nutrient Management planning
- ✓ 3 Agricultural Waste Management and Compost Systems designed
- ✓ 151 Acres of Grazing Management assistance
- ✓ 4 Wildlife Habitat plans written
- ✓ 40 Acres of Invasive Plant Control
- ✓ 406 Acreage under new Conservation Plans
- ✓ 1 Milk house Waste System was designed and installed
- ✓ 1 Rock lined Waterway was installed
- ✓ 4 Plans were written for woods roads
- ✓ 3,400 feet of woods roads were installed
- ✓ 2 projects were completed to exclude livestock from stream banks
- ✓ Soil Capability information for 132 individual parcels of land
- ✓ Soil Potential Indexes for Farmland in Current Use and Current Use information to 41 landowners
- ✓ Wetland permitting information, assistance and/or permit preparation to 45 landowners
- ✓ Conservation Tree and Shrub distribution – 2,400 conservation plants, fruit trees, bushes, and wetland flowers were sold to 84 landowners. Compost bins were also offered through the sale this year.
- ✓ Assessments and recommendations for 72 landowners with natural resource concerns

- **2005 Farm Bill Dollars received in Sullivan County**

Fifty-two applications were received for 2005 Farm Bill cost share programs. Out of those 52, 28 were approved for funding. Applications for Farm Bill programs have doubled this past year. Twenty-two Environmental Quality Incentives Program (EQIP) applications were approved for a total of \$375,468. Four Wildlife Habitat Incentive Program applications were approved which totaled \$15,931. The Wildlife Habitat

Incentives Program is the only 2002 Farm Bill Program to which non-agricultural landowners may apply for the installation of conservation practices. Two applications have been approved under the Animal Management Assistance (AMA) program with a funding total of \$90,121. Because of the unique partnership between the Natural Resources Conservation Service and Sullivan County Conservation District the total, to date, of cost share program dollars that have come into Sullivan County and has allowed landowners to install sound conservation practices is \$481,520. This total has more than double from what it was last year. Eight landowners have applied for the Conservation Security Program (CSP). CSP is a one-time payment program that rewards landowners who have a documented history of good land stewardship. Though these applications have not, to date, been approved for funding, there is the strong possibility that 6 will be funded for an additional \$56,626. All technical assistance necessary to implement Farm Bill programs is provided by NRCS at no additional cost to the landowner. Assistance includes surveys, designs, and long range conservation plans. \$1.2 million in Farm Bill program funds were allocated for the state of NH this year – once again we demonstrated the need for funding in our county and the need was recognized in the amount of funding that was approved.

- **MEETINGS:**

- ✓ **Local Led Workgroup Meeting** - A joint Local Led Workgroup meeting was held by Sullivan and Cheshire Conservation Districts in March to establish priorities and issues that should be addressed through the USDA Environmental Quality Incentives Program (EQIP). Participants included local town officials, UNH Cooperative Extension, Farm Bureau, and USDA Natural Resources Conservation Service personnel. This yearly meeting allows for local input and recommendations regarding how EQIP cost share dollars should be allocated and in what areas based on local needs.
- ✓ **Annual Meeting** – Our annual awards dinner/meeting was held in May at the Indian Shutters Restaurant in Charlestown. Guest Speaker was Sam Stoddard, Coos County Forester with UNH Cooperative Extension, who gave a presentation, through series of historic photographs, video clips and stories, of the history, life and times of loggers, timber barons and river drivers in New England over the past 300 years. The Conservationist-of-the-Year award this year was presented to the Haynes Farm on Route 11/12 in Claremont for outstanding conservation efforts and commitment to good land stewardship for two generations.

Our sincere gratitude and appreciation goes to our technical partner, the USDA Natural Resources Conservation Service for their continuing technical assistance to Sullivan County Conservation District for both Farm Bill program assistance as well as non-Farm Bill related technical assistance to landowners. Our unique working relationship with NRCS allows us, together, to carry out our mission to protect and conserve the soil and water resources of Sullivan County landowners.

*Respectfully submitted,
Janice E. Heighes
District Manager*

Sullivan County NH
UNH COOPERATIVE EXTENSION
2004-05 ANNUAL REPORT

The University of New Hampshire Cooperative Extension provides practical education to people of all ages. The partnership of Sullivan County, the State of New Hampshire and the U.S. Department of Agriculture forms UNH Cooperative Extension. In every Sullivan County community, this program is at work, increasing economic development, enhancing the environment, supporting community needs and developing human potential. Sullivan County Extension educators provide educational programs in Agriculture, Natural Resource Management, Family Development, Consumer Education, Community Development and Youth Development, with the assistance of a local advisory council. Sullivan County residents also benefit from a wide range of statewide Extension programs directed by state Extension Specialists.

- * Educational radio spots and newspaper articles throughout the year by Extension Educators – WNTK, cable access TV stations in Claremont and Newport, Eagle Times, Valley News and other local newspapers; five newsletters to 1700 households in Sullivan County.

- * Extension educators participated in numerous countywide events, forums, fairs and public exhibits including the Cornish Fair, Sullivan County Agricultural Festival, Civil Rights Day Volunteer Fair, Claremont Fall Festival, Career Days and Health Days for area high schools and the County Commissioners' Pancake Breakfast in Unity.

AGRICULTURAL NATURAL RESOURCES & COMMUNITY DEVELOPMENT PROGRAMS

- * The Sullivan County UNH Cooperative Extension Agricultural Resources program area assisted commercial and non-commercial growers in all phases of agricultural production and management. This includes crop production methods, pest management, farm management, financial management, animal husbandry, risk management, nutrient management, and marketing.

- * Five major areas of agricultural programming were continued this past year, these included: farm management and record keeping, marketing, pasture management, whole farm planning/holistic management, and farmer driven research in sustainable agriculture.

- * In addition to these educational programs, over 150 farm visits were made, and over 300 phone calls were responded to. Not only were the services of the Sullivan County Agricultural Resources Educator made available to growers, but so too were the knowledge and services of 12 different agricultural specialists who work with UNH

Cooperative Extension. Additionally, 4 grants were funded this past year for over \$9,000.00. Grant writing assistance was also provided to two farms seeking funding for projects.

- * Sullivan County UNH Cooperative Extension office has provided support to the agricultural community in diverse areas including: agricultural engineering, nutrient management, home gardening, crop production, animal husbandry, organic production methods, pesticide re-certification credits, on-farm research projects, farm management, and support for new and beginning farmers groups.
- * The Sullivan County Master Gardener Program continued to expand over the past year. An active core of 20 Master Gardeners was augmented by new interns in May 2005. Sullivan County Master Gardeners have conducted educational programs around the county.
- * In addition to the activities listed above, the Agricultural Resources educator provided support to Sullivan County Farm Bureau, the Cold Pond Community Land Trust, County Garden Clubs, the Sugar River Vocational Technical School, Stevens Middle High School, the Cornish Fair and other county organizations. He also has worked to help producers deal with production problems and implement new technologies.
- * The activities listed above have resulted in increased farm profits, increased efficiency, improved environmental conditions, and a more robust agricultural community here in Sullivan County.

4-H YOUTH DEVELOPMENT PROGRAM

- * With the help of 94 volunteer leaders, the 4-H Youth Development Program fostered life skill development in youth. This year 293 youth took part in 23 community clubs and 7 family clubs to build personal skills in communication, relationships, leadership and management through their participation in club and county project activities.
- * The Newport Enrichment Team (NET) continued to offer after-school and summer activities for teens in Newport during its second year of existence. A Teen Center was opened in the downtown area, dances were held, and job shadow experiences, classes and activities were offered. NET also worked with other community partners to construct a low ropes course behind the high school during the past year. With the help of Extension and other board members, NET is working to build assets for young people in the Newport area.
- * Sullivan County 4-H members were recruited to form a "Life Smarts" Team to study personal finance, the environment, health, technology and consumer responsibilities and then to compete in an online competition. After several months of weekly practice sessions, the team qualified for the state quiz bowl contest in Manchester, NH. The Sullivan County team won the New Hampshire Life Smarts contest along with an all expense paid trip to compete in the national Life Smarts Contest in San Francisco,

California. The team did well in the national contest, scoring in the middle third of the teams competing from all over the US.

- * Leader training sessions conducted during the fall included "Organizational Leader Training" with 15 attending, Clothing Leader Training with 7 attending and Cloverbud Leader Training with 4 attending. Video conferences on "Bullying" also reached 5 more community members.
- * The Sullivan County 4-H Teen Club continued to meet monthly and grow in popularity. Seventeen 4-H teens and three adult chaperones traveled to Franklin County, Pennsylvania for a week in July. Our hosts took us to Hershey Park, Harrisburg, Gettysburg, and Washington, D. C. to see the national monuments and other historical sites. This past year was spent raising funds to host teens from Wisconsin as the first part of another 4-H Teen Exchange program.
- * *The Sullivan County Strengthening Families Program 10-14 (SFP 10-14) Project* was conducted by the Family & Consumer Resources and 4-H Youth Development Educator with a \$30,000 grant through the Governor's Drug Abuse Prevention, Intervention and Treatment Fund. The primary goal of the project was to train & support five teams of three people to teach Strengthening Families 10-14 Programs (SFP 10-14) in different locations around Sullivan County. SFP 10-14 is a family strengthening program that involves youth ages 10-14 and their parents/caregivers meeting for seven consecutive weeks and has been shown to be effective at preventing alcohol and drug abuse in youth. Six class series were held in Claremont, Newport, Charlestown, and Plainfield reaching 50 Sullivan County families (64 adults and 66 youth participating) this past fall and winter.

FAMILY & CONSUMER RESOURCES PROGRAM

- * A total of 492 parents participated in *parent education programs* offered through the Sullivan County office by attending *Family Focus* parent education program series, workshops, one-on-one sessions and receiving *Cradle Crier/Toddler Tales* age-paced, monthly newsletters focused on early childhood development.
- * Two *National Satellite Conferences on Parenting & Bullying* were down linked to Sullivan County and attended by 11 area educators, health and social service providers.
- * *Safety Awareness in the Food Environment* and *ServSafe Food Safety* programs were attended by a total of 18 local restaurant and other food services personnel.
- * *UNHCE* money management publications and program series reached many individuals and families in Sullivan County. Overall goals of the program series are to help participants reduce debt and increase savings. *Making Money Work for You* five-session, money management series reached 38 Sullivan Academy Alternative Sentencing Program members referred as part of their individual self-improvement plans. *Planning*

Ahead/Staying Ahead money management program reached 16 inmates at Sullivan County House of Corrections Transitional Housing Program.

- * *Planning Ahead/Staying Ahead* nutrition and money management agency training program reached 11 providers from health, social service, and educational agencies who will now use the program resources to help their caseloads in the areas of budgeting, food safety, nutrition and efficient use of their limited food resources.
- * UNH Cooperative Extension's "*Sullivan County Strengthening Families Project*" was expanded and successfully funded for '05 \$30,000 through the Governor's Drug Abuse Prevention, Intervention and Treatment Fund. Besides recruiting and training new community educators to work along with current teams to implement SFP 10-14 in different locations around the county, the project will also include recruiting and training local facilitators to run "circle talks," discussion groups for parents and other interested adults held in neighborhood homes for the purpose of increasing awareness, connections, and action in relation to prevention of risky behaviors like substance abuse. A family strengthening program to reach parents, caregivers and younger children is also part of the expanded project plan.

NUTRITION CONNECTIONS PROGRAM

- * Limited income residents from Claremont, Newport, Charlestown, Washington, Grantham, Springfield, and Plainfield participated in a series of food and nutrition or basic money management lessons. Nutrition Connections programming reached 28 families, either in a group series, the home study course or individual visits.
- * Using a series of nutrition and fitness lessons, Nutrition Connections programming in schools reached 374 youth from Claremont, Newport, Langdon and Charlestown. The North Walpole School serves students from Cheshire and Sullivan counties and the lessons are co-taught with Christine Parshall, Program Associate from Cheshire County. Additional programming reached 36 preschoolers in Head Start programs.
- * Families were referred by various agencies including Southwestern Community Services, WIC, Southwestern Homeless Services, Good Beginnings, Developmental Services of Sullivan County, and Welfare offices. Some food stamp recipients referred themselves to the program through information provided in the state-wide Smart Choices Newsletter and Nutri-News newsletter, and flyers distributed to the schools and Head Start.
- * A series of nutrition and money management lessons were presented to City Welfare with Gail Kennedy, Family and Consumer Resources Educator.
- * *Planning Ahead...Staying Ahead* training for agencies was presented with Gail Kennedy. Follow-up sessions are ongoing for this series of money management and nutrition lessons for agencies to use with the limited income families they serve.

- * Nutrition Connections was promoted throughout the county by the distribution of materials and brochures, school and agency contacts and visits, and newsletter articles.

FAMILY LIFESKILLS PROGRAM

- * Working with TANF recipients in the three week intensive LEAP program and individually, the Family Lifeskills Program has reached families within Sullivan and Grafton counties; including parents from Claremont, Enfield, Lebanon, Newport, Orford, Springfield, Washington and West Lebanon. For many parents, participating in the Family Lifeskills Program has helped them to become connected with the larger community, to gain access to community resources and supports and been the first step toward the larger goal of self-sufficiency.
- * Many parents referred to the Family Lifeskills Program have children with disabilities. The addition of lessons that assist parents with recognizing and appreciating children's unique differences and learning styles, helped parents to have a greater understanding of the parental challenges they've faced within their home and with the educational system. A review of learning styles, supporting learning and Individual Education Plans (IEP) equips parents with much of the information needed to meet their children's educational needs and to feel comfortable advocating on their behalf. Participants have commented that the information covered in these lessons helped them to become more sensitive to their child's difficulties with learning and less critical and frustrated with school. With the knowledge gained from these lessons, some participants were prompted to take different approaches to assisting their children with their homework and became more involved in what was going on at school. All participants receive information about the IEP process, 504 Plan's and resources they can contact.
- * Graduates of the Family Lifeskills Program have gone on to Alternative Work Experience Programs (AWEP), where they have begun to acquire transferable skills in a career area of interest. Other graduates have gone on to obtain their GED and some have taken college level classes to enhance their employability. Most are closer to their employment objectives and managing better on their limited resources. Others have begun working with other job readiness programs, are employed at least part time or working full time. The Family Lifeskills Coordinator provides continuation of support to graduates for assistance with skill building and the application of life skills, as it relates to enhancing their ability to become employed.

FOREST RESOURCES PROGRAM

- * Extension Educator for the Forest Resources Program, Sullivan County UNH Cooperative Extension, examined 7,610 acres of forestland and advised 39 landowners on management practices that enhance and sustain the timber, wildlife, water, recreation and biodiversity values of their forestland.

- * Forest Resource Educator administered Forest Land Enhancement Program to help landowners apply stewardship principles on their properties. 10 landowners developed forest stewardship plans, created wildlife habitat and conducted timber stand improvement on 880 acres in Sullivan County.
- * Forest Resource Educator provided technical assistance and conducted needs assessment of 26 landowners from nine Sullivan County towns in support of their application to NRCS Environmental Quality Incentives Program (EQIP) which provides cost-share dollars for practices that improve and protect forestland. A total of 22 forest landowners applied for \$249,969 in cost-share funds to have long-term stewardship plans developed for land, conduct timber stand improvement, create and enhance wildlife habitat, provide recreational opportunities, create access roads and protect water quality.
- * Forest Resource Educator developed, coordinated and conducted nine forest related workshops and presentations attended by 280 people. Educational topics covered included: information on the Current Use Program, map and compass training, land conservation, forest history, forest ecology, silviculture, stand dynamics, long-term forest stewardship and choosing which trees to cut and which to grow.
- * Forest Resource Educator provided educational opportunities for 44 children in Sullivan County. This included tree identification at the Bluff School in Claremont, Envirothon forestry training at Stevens High School in Claremont and mock interviews for students in the forestry program at Sugar River Valley Regional Technical Center in Newport.
- * Forest Resource Educator assisted over 25 forest-related enterprises, including private foresters, timber buyers and harvesters, sawmills, and Christmas tree growers.
- * Forest Resource Educator served as the Sullivan County Chair of the NH Tree Farm program and coordinated the Tree Farm program in the county. 92 Tree Farmers manage over 45,000 acres in Sullivan County to benefit the long-term productivity of our forest for current and future generations. I also worked closely with the Sullivan County Chapter of the NH Timberland Owners Association to promote long-term forest stewardship and the value of a viable forest-products industry in maintaining our rural quality of life.

Sullivan County NH Convention 2005 / 2006 Directory

District 1 – Cornish, Grantham and Plainfield; **District 2** – Croydon, Goshen, Newport, Springfield and Washington; **District 3** – Sunapee; **District 4** – Claremont Wards 1-3, Lempster and Unity; and **District 5** – Acworth, Charlestown, and Langdon.

<u>Representative Name</u>	<u>District</u>	<u>Ways to contact your delegate ...</u>
Cloutier, John <i>Delegation Chair</i>	4	16 Centennial Street Apt. 2, Claremont NH 03743 E-mail: jocloutier@adelphia.net Tel: 542-6190
Converse, Larry <i>Delegation Vice Chair</i> <i>Executive Finance Committee</i>	4	7 Clover Street, Claremont NH 03743-3027 E-mail: lcallcone@aol.com Tel: 542-2180
Jillette, Arthur G. Jr. <i>Delegation Clerk</i>	2	80 Brickyard Road, Goshen NH 03752 E-mail: agj@theworld.com Tel. 863-2788 Fax. 863-8178
Ferland, Brenda <i>Executive Finance Committee - Chair</i>	5	267 River Road, Charlestown NH 03603 Tel: 826-5034
Donovan, Tom <i>Executive Finance Committee – Vice Chair</i>	4	165 Mulberry St., Claremont NH 03743 E-mail: mrtedd2001@yahoo.com Tel: 542-0435
Houde-Quimby, Charlotte <i>Executive Finance Committee</i>	1	PO Box 95, Meriden NH 03770 E-mail: cquimby@tds.net Tel: 469-3205
Irish, Christopher <i>Executive Finance Committee</i>	4	95 Winter Street, Claremont NH 03743 E-mail: chris.irish@mascomabank.com Tel. 542-9727
Prichard, Stephen G. <i>Executive Finance Committee</i>	1	PO Box 1220, Grantham NH 03753 E-mail: stevecarol@srnet.com Tel: 863-9403
Franklin, Peter	2	PO Box 411, Newport NH 03773 Tel: 863-1923
Gale, Harry S. Jr.	3	PO Box 730, Sunapee NH 03782 E-mail: Hgale66@aol.com Tel: 763-4433
Osgood, Phillip "Joe"	4	19 Whitcomb Lane Claremont NH 03743 Tel. 543-0762
Phinizy, James	5	Box 175, Black North Road, Acworth NH 03601 E-mail: jgphinizy@yahoo.com Tel: 835-6074
Rodeschin, Beverly	2	336 Sunapee St, Newport NH 03773 Tel: 863-1941

Committee Appointments:

- Nursing Home Resident Trust Fund Committee – Rep. Donovan
- Cooperative Extension Committee - Rep. Houde-Quimby
- Solid Waste District Committee – Rep. Franklin
- 5% Monies / Incentive Funds Committee – Rep. Franklin
- Sullivan County Land Management Use Committee – Rep. Ferland (Cloutier alternate)
- Sullivan County Facilities (buildings) Committee – Rep. Converse (Jillette alternate)
- Sullivan County Criminal Justice Coordinating Committee – Rep. Osgood (Prichard alternate)

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

FY 2005 Annual Report

The following pages reflect the minutes of all meetings held by the full Delegation during Fiscal Year 05. The meeting dates shown are:

Sep 27, 2004	Full Delegation FY 05 Fourth Quarter Report Meeting
Dec 8, 2004	Full Delegation Special Meeting o Election of Officers
Jan 28, 2005	Full Delegation Second Quarter Report Meeting
Mar 7, 2005	Full Delegation Special Meeting
Jun 16, 2005	Public Hearing: Presentation of County Commissioners Proposed FY 06 Budget (Draft format)
Jun 28, 2005	Annual Convention: FY 06 Budget Review and Approval (Draft format)

Public can view meeting minutes from the Sullivan County Delegation and Executive Finance Committee at the Sullivan County Commissioners' Office Monday through Friday during regular office hours 8 a.m. – 4 p.m.

Check out the County website at www.sullivancountynh.gov for the County Board of Commissioners meeting minutes. This website also includes a newly added page to view your State / County Delegation representative, how to contact them and, coming soon, will include a link to their meeting minutes, also!

Sullivan County Delegation

Type of Meeting: Sullivan County Full Delegation
Date/Time: September 27, 2004 / 9:30 a.m.
Place: Newport Remington Woodhull County Complex
Jury Assembly Room

Members Present: Reps. Jay Phinizy, Dick Leone, Brenda Ferland, Connie Jones, John Cloutier, Peter Franklin, Dave Allison, Beverly Rodeschin, Gordon Flint

Members Absent: Reps. Peter Burling, Joe and Sandy Harris

Commissioners Present: Don Clarke, Ben Nelson, and Rudy Adler

Other Elected Officials and County Employees Present: Ed Gil de Rubio, Peter Farrand, Dodi Violette, and Mike Prozzo

Meeting was called to order at 9:52 a.m. by the *Chair*, Rep. Phinizy.

Pledge of Allegiance was led by Rep. Rodeschin.

Rep. Phinizy then introduced some special guests including several candidates for county offices state senate, and state rep. They included Unity's Ethel Jarvis, Claremont's Larry Converse, Cornish's Stuart Hodgeman Goshen's Art Gillette, and Langdon's Dave French.

Rep. Ferland moved, Rep. Jones seconded motion to accept the minutes of the July 2, 2003, meeting Motion was approved unanimously by voice vote.

Rep. Ferland moved, Rep. Flint seconded a motion to accept the minutes of the June 29, 2004 meeting.

Discussion ensued on minutes after Rep. Franklin questioned various absent motion in the minutes.

Delegation agreed to recess for 10 minutes at 10:06 a.m. to discuss how to amend June 29, 2004 meeting minutes to resolve Rep. Franklin's concerns Rep. Franklin, Rodeschin, and Leone left the meeting to work out a compromise amendment.

The three Rep. discovered some omissions and suggested some insertions to the June 29, meeting minutes.

Rep. Franklin moved, Rep Leone seconded an amendment to the original motion proposed. Reps. Ferland and Flint motion approved unanimously by voice vote.

Delegation then approved June 29 meeting minutes with the just-approved amendment. Unanimously by voice vote.

Mrs. Jarvis then questioned why a lot of the county delegation meeting minutes for the FY 2003 Annual Report were abbreviated.

Rep. Phinizy responded that complete written and audio records of all county delegation and finance committee minutes are available for public to review said some minutes were abbreviated so as to save printing costs.

Mrs. Jarvis said that if previewing Registry of Deeds records of 150 years ago is important than preserving county delegation meeting minutes of recent years is just as important.

Mr. Gil de Rubio said that including the full versions of delegation meeting minutes would drive up the cost of printing the annual report a lot.

Rep. Phinizy asked Mr. Gil de Rubio and Sharon Johnson-Callum to research the cost of including the entire version of minutes in county reports.

Rep. Ferland, *Finance Committee Chair*, reported that the committee reviewed the year-end financial figures but unanimously agreed not to accept them because they had not been fully reviewed.

The delegation then reviewed the proposed agreement between county management and nursing home employees that has just been approved by Commissioners.

Mr. Gil de Rubio reviewed the proposed agreement, which if approved by the union and delegation, would increase the county budget by \$66,423.

Human Resources Director Peter Farrand also answered questions about the agreement from delegation members.

Mr. Gil de Rubio stated that the current nursing home budget would absorb the \$66,423 increase resulting from the agreement without additional appropriation.

Rep. Ferland then discussed the just-completed audit of county finances from Melanson Heath and Company. Said finance committee didn't accept audit report because it had just received report this morning.

Mr. Gil de Rubio reported that the county tax rate has just been set by N.H. Dept. of Revenue Administration.

Mr. Gil de Rubio then answered question from Rep. Franklin about the amount of the surplus, and how much should be returned to taxpayers.

Rep. Franklin said another \$300,000 be returned to taxpayers from surpluses. But Mr. Gil de Rubio and Rep. Ferland said tax rate has already been set by Dept. of Revenue and it would be very difficult to re-open budget process so as to return surplus.

Rep. Ferland and Comm. Adler said we shouldn't budget on a "whim". Said budget decision were based on what they thought on reliable info at the time what the state should be giving the county for aid.

Comm. Adler said Commissioners had just received audit early this morning upon questioning by Rep. Franklin. Stated that Commissioners hadn't even done exit interview with auditors.

During meeting Sept. 7 letter from Dept. of Revenue Administration Barbara Robinson about county tax rates and how is the individual communities are incorporated was distributed to delegation.

Questions about auditors' report date being completed Aug. 3, 2004.

Rep. Rodeschin moved, Rep Flint seconded a motion to accept the proposed nursing home employees contract between the union and county management. Motion approved on a 9-1 voice vote with Rep. Cloutier in opposition.

Rep. Franklin moved, Rep. Leone seconded a motion that the County Delegation instruct the County Treasurer to close the certificate of deposit in the amount of \$220,000 held in the Sugar River Savings Bank and return the money to the county commissioners to be applied to the amount that is to be raised by taxes for the Fiscal Year 2005 Budget.

Rep. Rodeschin spoke in opposition to the motion.

Rep. Jones expressed concern that the delegation had set aside \$220,000 to be used for capital improvements. But the delegation didn't specifically agree to a list on which capital items would make up the \$220,000 list. Said \$220,000 is tied up in a Certificate of Deposit.

Rep. Ferland said passing of the motion wouldn't result in much property tax savings, and could cause headaches for many of the county's communities.

Rep. Rodeschin complained that the delegation didn't receive a list of which capital items the \$220,000 would be spent as proposed by a special delegation committee at the June 29, 2004 meeting.

Rep. Ferland moved that the question be called. Motion died for a lack of second.

Rep. Franklin and Donovan spoke in high support of the motion.

Rep. Flint moved, Rep. Cloutier seconded a motion to table Rep. Franklin's original motion. Motion failed on a 5-5 tie on a roll call vote.

Rep. Flint moved, Rep. Cloutier seconded a motion to call the question. Motion failed on a 5-5 tie with three absences on a roll call.

County Attorney Mark Hathaway entered meeting at 12:15 p.m. and was questioned by delegation about the legality of returning the \$220,000 to taxpayers.

Rep. Phinizy recessed the meeting at 12:22 p.m. and said the delegation should return at 1:00 p.m.

RECESS

Delegation reconvened at 1:10 p.m. with all members from earlier session in attendance.

Attorney Hathaway said that returning the \$220,000 so as to reduce the tax rate no matter how desirable is not feasible. The \$220,000 in a Non-Capital Reserve Fund Authorized by RSA 351:C. Again repeated his opinion that before \$220,000 can be spent, any expenditure has to be approved by delegation at a duly warned, public meeting.

Rep. Jones reported that Dept. of Revenue Administration staff employee Barbara Robinson had told her that while the delegation could legally take \$220,000 out of the budget and refund it to taxpayers, said such a refund could be awkward to implement and poses a logistic problem to the county's communities. Ms. Robinson suggested \$220,000 could be refunded in the FY 2005 Budget.

Rep. Ferland repeated her opposition to Rep. Franklin's motion to take \$220,000 out of budget and refund money.

Rep. Franklin repeated his support for his motion.

Mr. Gil de Rubio and Comm. Adler expressed support for Atty. Hathaway's opinion. Mr. Gil de Rubio said there is a penalty for early withdrawal of \$220,000, which is in a Certificate of Deposit.

Rep. Rodeschin moved, Rep. Ferland seconded a motion to call the question motion approved by a 9-1-voice vote with Rep. Franklin in opposition.

Rep. Franklin, motion Rep. Leone seconded that the delegation vote to allow the certificate of deposit to mature and in the meantime to research and carry thru the method to return the money including principal and interest to the taxpayers as soon as possible.

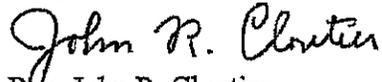
Rep. Donovan moved, Rep. Ferland seconded a motion to table Rep. Franklin's earlier motion. Motion carried on an 8-2 voice vote with Reps. Franklin and Leone in opposition.

Mr. Gil de Rubio distributed a letter from Claremont's Goodwin Community Center Facilities Comm. inviting delegation to attend either one of Sept. 30 meetings of the committee to discuss fundraising probabilities for a new community center.

Comm. Adler updated delegation on county funding of Western Regional Development Corporation.

Rep Donovan moved, Rep. Jones seconded a motion to adjourn at 1:37 p.m.

Respectfully submitted,



Rep. John R. Cloutier
Clerk

JC/ig

Sullivan County Delegation

Type of Meeting: Sullivan County Full Delegation

Date/Time: December 8, 2004 / 9:30 a.m.

Place: Newport Remington Woodhull County Complex
3rd Floor Probate Courtroom

Delegation Members Present: Reps. Jay Phinizy, John Cloutier, Tom Donovan, Peter Franklin, Beverley Rodeschin, Larry Converse, Arthur Jillette and Charlotte Houde--
Quimby

Delegation Members Absent: Reps. Harry Gale, Christopher Irish and Stephen Prichard

Commissioners Present: Donald Clarke

Other County Officials Present: Dodi Violette

Meeting was called to order at 9:31 a.m. by the Chair, Rep. Phinizy.

Rep. Donovan moved Rep. Ferland seconded a motion to adopt the minutes of the Sept. 27, 2004 delegation meeting. Discussion: Rep. Rodeschin objected to voting on minutes that she hadn't yet seen. Sharon Johnson-Callum said the minutes with correction had not yet been printed. Rep. Rodeschin moved, Rep. Donovan seconded on motion to table adoption of the minutes.

Rep. Ferland then discussed emergency replacement of boilers at the House of Corrections as proposed by Mr. Gil de Rubio and the Commissioners and recommended by Finance Committee earlier today.

She then announced that Sullivan County Nursing Home (SCNH) Administrator Bob Hemenway will be retiring in April and that Genesis Corp. will take over management of SCNH.

Mr. Gil de Rubio said Genesis will do a briefing for delegation members early next year. Also he expects no major cost changes will occur in running SCNH as of today.

Mr. Gil de Rubio said contract with Genesis will be for 1 year only with a 90-day termination notice needed for Sullivan County to end contract at any time during that year. He said proposal has been reviewed by *County Attorney* Hathaway, approved by the Commissioners. Said he wasn't sure if delegation would have much input on contract.

Answered several question on contract from Reps. Donovan, Converse, and Phinizy.

Comm. Nelson entered meeting at 9:59 a.m.

Said Mr. Hemenway will be retiring on Jan. 18, but will stay as a part-time consultant to Genesis until April 1, 2005. Mr. Gil de Rubio emphasized that SCNH isn't being privatized but that Genesis will run it as a public -- private partnership. He (*Ed Gil de Rubio*) then left at 10:02 p.m.

Senator Bob Odell entered meeting at 10:02 p.m.

Rep. Ferland then reviewed county finances and recent auditors report with proposed changes. She also requested that delegation members not bother Mr. Gil de Rubio with a lot of questions about finances for the next few weeks because he has some personal issues that are presently occupying his time. Suggested they talk to her or the Commissioners.

Further discussion and questions on auditors' report from Melanson Heath and Company ensued.

Rep. Franklin then briefed delegation on \$220,000 capital reserve funds currently invested a Certificate of Deposit (CD).

Rep. Franklin then further briefed delegation on capital reserve funds, which are setting in a CD until a policy on spending money can be established by delegation.

Rep. Ferland then reviewed a timeline for next year on the proposed FY 2006 Budget, which had been earlier distributed to the delegation.

Rep. Franklin added that county has no Capital Reserve Fund but that \$220,000 in question is part of the General Fund per statute and DRA.

Sen. Odell briefed delegation on his activities in the State Senate on behalf of county budget. He said his priority in the upcoming year will be the state budget the school funding issue and proposed reforms in Medicaid.

Rep. Ferland moved Rep. Donovan seconded a motion to authorize the transfer of emergency funds \$25,000.00 Acct. # 10407-21095 and \$13,600 from vouchers # 003810 and #019368 in Fund to Line Item # 10600-21906 in the General Fund. Rep. Ferland's motion was approved on 8-1 roll call vote with three absences, and one vacancy. (8) Yes: Converse, Cloutier, Donovan, Ferland, Jillette, Houde-Quimby, Phinizy, and Rodeschin. (1) No: Franklin.

Rep. Franklin moved that any money remaining form the \$49,000 appropriated for two replacement boilers be returned to the Emergency Fund Rep. Converse recorded the motions. Motion was approved by a unanimous voice vote.

Delegation then turned to the election of officers for 2004-2006.

For chair, Rep. Ferland nominated Rep. Cloutier seconded by Rep. Donovan. Rep. Converse nominated Rep. Franklin there were no seconds. Rep. Ferland moved, Rep. Donovan seconded a motion to close nominations. Motion was approved unanimously by voice vote and Rep. Cloutier was elected chair.

For Vice Chair: Rep. Phinizy nominated Rep. Converse seconded by Rep. Donovan. Rep. Converse nominated. Rep. Franklin seconded by Rep. Cloutier Rep. Converse was elected by a 6-3 secret ballot vote.

For Clerk Rep. Rodeschin nominated Rep. Jillette for clerk, which was seconded by Rep. Converse. Motion approved unanimously by voice vote.

Executive Finance Committee (EFC) Chair Rep. Donovan moved Rep. Cloutier seconded nominee of Rep. Ferland as EFC Chair. Motion approved unanimously by voice.

Executive Finance Vice Chair (EFVC): Rep. Rodeschin moved, Rep. Ferland seconded a motion to nominate Tom Donovan as EFC Vice Chair. Motion approved unanimously by voice vote.

Then Rep. Ferland nominated Reps. Houde-Quimby, Irish, Prichard, and Converse to be members of the EFC. Rep. Donovan seconded the motion. Discussion: Rep. Houde-Quimby said she definitely wants to serve on the EFC and added that Rep. Prichard would like to serve. Rep. Rodeschin said she was willing to serve on the EFC. Motion was approved unanimously by voice vote.

Rep. Phinizy turned over the preceding of the meeting to the new Chair Rep. Cloutier. Who then turned over duties of Clerk to Rep. Jillette.

Discussion of committee assignments: Who shall be appointed, how appointed, etc. Committees to be appointed to are: Sullivan County Nursing Home Resident Trust Fund, which Donovan volunteered for; County Cooperative Extension; and the Solid Waste Committee.

Old Business: None

New Business: None

Phinizy moved to adjourn. Rep. Donovan seconded to adjourn the regular meeting so the new delegation orientation could proceed.

New Delegation Orientation:

Comm. Clarke will introduce Department heads and elected official will then discuss County Government. Which will be followed by a luncheon at the Ahern Building located in Unity at the Unity Complex.

The following county Department Heads / Elected Officials were present:

Sheriff Prozzo gave out quarterly reports, annual reports and indicated he has a small office employing 12 people and invited new delegates to visit the office.

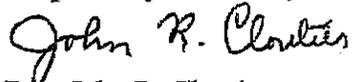
Jan Heighes with Sullivan County Conservation District described programs offered to the county, tree sales each year. Largely funded by county and sales. Meet third Thursday of the month- (Advisory Board).

Seth Wilner Cooperative Extension discussed what Cooperative Extension does Advisory Committee meets second Monday of each month will be hiring a forester.

Sharon describes handouts in newly elected delegate packages.

Meeting Adjourned 11:33 p.m.

Respectfully submitted,



Rep. John R. Cloutier
Clerk

JC/lg

Sullivan County Delegation

Type of meeting: Sullivan County Full Delegation

Date/Time: January 28, 2005 / 10:00 A.M.

Place: Newport Remington Woodhull County Complex
Conference Room

Members Present: Representatives Jay Phinizy, John Cloutier, Peter Franklin, Beverly Rodeschin, Larry Converse, Tom Donovan, Charlotte Houde-Quimby, Christopher Irish, Arthur Jillette Jr., and Stephen Pritchard

Members Absent: Brenda Ferland

Commissioners Present: Don Clark, Ben Nelson, and Ethel Jarvis

Other Elected Officials and County Employees Present: Ed Gil de Rubio, Dodi Violette, Marc Hathaway, and John Allard

Called to Order at 10:00 by the *Chair*, Rep. Cloutier

Rep. Phinizy moved and Rep. Donovan seconded, to adopt the minutes of the September 27 2004 and December 8 2004 meetings. Motion approved unanimously by voice vote.

Executive Finance Committee Report—Report given by Rep. Donovan, as Rep. Ferland had to leave after the Executive Finance Committee Meeting. Rep. Donovan discussed the new financial summary report and it's potential for providing us with more complete information. He gave a general review of the various line items to help Delegation members make sense of the new format and information provided there He noted that the nursing line item for contract nurses would be reduced, as the county will be hiring regular staff in place of Agency Nurses.

Rep. Franklin asked four questions:

1. Where is the \$220K reserve amount in this budget report? Mr. Gil de Rubio indicated that the item is in the treasurer's balance, has been placed in a CD. It is not part of this summary report.
2. If this is the entire budget report why is the \$220K not a part of this report? Mr. Gil de Rubio replied that the \$220K is not part of this budget – it is in the Lake Sunapee Bank.
3. Can the County Commissioners spend the \$220K this year? Mr. Gil de Rubio replied that no, the Commissioners could not spend these funds. However, the Delegation can order the money to be spent a certain way.
4. Is this different than what you told us a few months ago – that the Delegation cannot spend these funds this year? Mr. Gil de Rubio claimed that he did not say that, but rather that the Delegation might be guilty of a misdemeanor if they spent

the money this year. At the last Delegation meeting the DRA was phoned and they said the Delegation could take the funds out of the CD and spend them.

Mr. Converse asked why the per diem nurse budget was allowed to be overspent by \$500K when other nursing service budgets had positive balances? Mr. Gil de Rubio said that this was a mistake, and should not have happened that way. Mr. Allard the new administrator is shutting that door.

Ms. Rodeschin – Asked if the CD had to be cashed in with a penalty. Was told that the CD will be due in January 2005. Yes there probably would be a penalty for early withdrawal. There was further discussion regarding the current status of the CD. Mr. Gil de Rubio indicated that he planned to include the \$220K in next year's budget proposal for whatever purpose the Delegation wished to dispose of it.

There was a motion by Rep. Phinzy, seconded by Rep. Rodeschin that the CD be reinvested for a period not longer than 6 months. Motion passed by voice vote.

Rep. Franklin asked about Auditor's Report. He questioned how the projected figure for the projected surplus was derived. Mr. Gil de Rubio indicated that the auditors report was for previous fiscal year. The figures in current report are estimates. The final figures will come out in the next audit. Will be carried in fund balance (According to Doty)

Rep. Rodeschin – explained how state had to estimate moneys for state aid and often their projections were over and under.

Rep. Phinzy – explained how it's important to watch the budget to avoid carrying too much in certain budget categories. – Need to pare down line items.

Mr. Clark and Mr. Nelson indicated that the surplus is large due to the fact that the State is making late payments for money owed in the past. If there is a surplus of receipts, it does not change the amounts authorized for expenditures. A surplus of receipts is not a bad thing.

Rep. Donovan moved and Rep. Houde-Quimby seconded to accept the finance report. Report accepted by voice vote.

Rep. Cloutier apologized for not having the Pledge of Allegiance at the beginning of the session. Commissioner Jarvis led a belated Pledge of Allegiance.

Rep. Cloutier introduced the County Attorney, Mark Hathaway to speak to the Delegation. Attorney Hathaway graciously offered to defer his time to allow Ms. King and Ms. Stamatius to speak first.

Rep. Cloutier then introduced Sharon King, Registrar of Deeds and Carol Stamatius, former member of the County Delegation who have an issue they wish to discuss with the Delegation. Rep. Cloutier apologized to Ms. King for making her come in to speak with

the Delegation on her leave day. Ms. King wishes to discuss the implications of Ms. Stamaticus' letter regarding Social Security numbers appearing on deeds. She gave a brief overview of the functions of the Registry of Deeds. Her office operates a deed recording system that provides deed copies at her office or over the Internet to those maintaining an account. People can examine deeds but not copy them over the Internet unless they have an account. Her work is to record land records. She deferred further discussion to let Ms. Stamaticus present the issue being discussed.

Ms. Stamaticus explained her interest in the area of privacy. She had previously sent a letter with back-up information to all members of the County Delegation. Her interest is the protection of privacy and the issue of identity theft. She recently became aware that Sullivan County Registry of deeds is publishing on the Internet— documents that contain peoples Social Security Numbers. She raised the question about the legal right of the county to reveal such information. She made a point that SS Numbers are private information as seen by case law. She noted that posting on the Internet is her issue here. She feels that private information like Social Security numbers should be removed. She feels that the website should be shut down until this is done. As an alternative, she suggests that a charge be made to access such data as a way to reduce fishing expeditions. Mr. Phinizy – suggested that a user fee would compromise the need for free access to documents. Mr. Irish – thinks that the risk for identity theft is largely illusionary. Feels that a system to opt out at the request of an individual.

Sharon King – the banks and the IRS can attach SS numbers to documents. The SS# is a vital piece of data – but is not kept on any index held by the Registry. Attempting to redact the information would be an enormous task that would affect the integrity of data. Mr. Irish – identity theft is easy to do now. The Registry data would be a very small portion.

Rep. Phinizy – Could all people looking at the data be identified? Answer – Some but not all at the present time.

There was a discussion of a bill by Rep. Kirk to provide more privacy protections. Sharon King – Registry of Deeds association are against Kirks bill.

Atty. Hathaway – Identity Theft is a very broad term. It is usually an act committed by a friend or relative. The Kirk bill will require a level of labor by the Registry that can slow up or stop documents being registered. One portion of the legislation would put an obligation on the filer to remove personal information. Hathaway opposes any redaction of the records. He would prefer a forward solution that will clean up records as they are created in the future. Sharon King – I am now suggesting to people that they remove private information from any documents they attempt to register.

There was a great deal of discussion of the ways data in the Registry could or could not be protected. Commissioner Nelson – I don't think we can tell the Registrar what to do. Rep. Irish – There are problems with almost every effort to protect privacy.

Rep. Phinizy – Ms King, how do you feel about the LCHIP surcharge proposal? Answer – I am not in favor. The charges would be a burden on the public.

Rep. Cloutier – Would the county be liable for the theft of identity?

Mr. Hathaway. – There is no current liability. The legislation would be problematic in that it would create liability for a public entity.

Mr. Converse – could the Delegation shut down the website?

Mr. Hathaway- Do not believe you can today. But in the future could affect the budget.

Mr. Gil de Rubio was directed to report back to the Delegation regarding the County's insurance liability protection coverage for data published on the website.

10' minute break – Rep. Irish had to leave due to pressing business.

County Manager Report

Mr. Gil de Rubio introduced John Allard – interim administrator provided by Genesis Healthcare. Genesis will submit a game plan for the next 11 months. Rep. Donovan – if there is to be a report coming out – are you at liberty to tell us of some of your recommendations?

Mr. Allard – the recommendations will be an amalgamation of suggestions. Best to wait for the final report.

Rep. Phinizy-Why do we have to have another report now, when we have had two recent reports by the state and Genesis. We did a plan for action and the state has approved our corrective actions. The Genesis report was two years ago. Today they have me on staff full time to validate the findings and recommendations. Why this additional study now?
Mr. Gil de Rubio. – Our concern was where we were going to go over the next 5 years.

Rep. Donovan – How do you look at your staffing plans?

Mr. Allard - To develop a skilled unit to work with Medicare clients.

Mr. Donovan – How will you listen to residents?

Mr. Allard – We are trying to get a system in place to improve communication between residents and staff.

Mr. Donovan – Suggest that you involve families more in the communication process.

Mr. Franklin – I am curious about the direction of the nursing home.

Mr. Allard – We must make the institution fiscally viable.

Mr. Franklin – Is this moving towards privatization?

Mr. Allard – I am unaware of any discussion in this area.

Ms. Rodeschin. – Do we pay for liability insurance? Mr. Gil de Rubio. – Yes
Do we pay Genesis twice for management? Mr. Gil de Rubio – We are paying for other
administrative skills beyond those possessed by the interim administrator.

Mr. Gil de Rubio - Medicaid is going to change. We expect to get us in the black.

Mr. Phinizy – Are the management fees being rolled over to pay for Genesis? I see \$16K
per month paying Genesis. We are now paying \$200K. over for a management fee.
Where is it coming from? Mr. Gil de Rubio – We will be figuring out where the money
will be coming from the current budget and will let you know.

Mr. Franklin – I find the ways you are putting off giving answers to produce a lack of
trust in the members of the Delegation.

Mr. Allard – We are plowing new ground here. I don't think we will have answers as fast
as you wish.

Mr. Franklin – Question about the dollar amounts of the managerial fees being charged
under the contract.

Mr. Allard – managing a nursing home is a very complex operation – I am a generalist
who uses the skills of other people to get the job done. We place persons where they can
bring in the greatest returns to the organization.

Mr. Donovan – I think our responsibility is to take care of the most vulnerable people. I
am worried that there is a push to shop around for those who can bring in the most \$\$ to
the institution.

Mrs. Rodeschin – What are the incentive fees?

Mr. Gil de Rubio – We will be giving a fee for profit sharing.

Mr. Clark – If we increase the population we would pay for the management fee.

Mr. Phinizy – Is there an auto-renew clause in the contract? We need to notify you in
September or 90 days?

Mr. Hathaway – We can void the contract with a 90-day notice period.

Mr. Phinizy – The commissioners can move funds around as they wish?
The Delegation has the authority to restrict the transfer of money between funds.
We are not sure of the total authority of the commissioners to transfer money.
There is law proposed to expand the authority of the commissioners to expend funds
across budget lines more easily than thought previously.

Mr. Hathaway – My recommendation is that any multi-year contract to be approved by the Delegation. There are yet unanswered questions. I feel it is vital this is done.

Mr. Franklin – I have learned that one criterion for judging the success of Genesis is their ability to earn their contract fee. I would like to recommend that the county administrator give frequent reports on where and how the savings will be made.

Mr. Clark – Three objectives. Maintain quality of care. Achieve savings, Increase # of clients.

Mr. De Rubio – We put this contract together at the last minute. We had to move quickly. We had to get it done.

Rep. Prichard – Are we micromanage or overseeing?

Rep. Rodeschin – I think we should move along with the agenda.

Mr. Hathaway – The Linehan case – The Commissioners have far more authority than we previously realized. The convention – can appropriate money and responsible for oversight of the budget. Can require reports on a more frequent basis. Can require authority to transfer funds from line item to line item.

Mr. Phinizy – The contract the Commissioners drew up was a multi-year contract in my opinion.

Mr. Hathaway – the 90-day pull out protects us.

Mr. Franklin – Do the County Commissioners have the right to create a new line item in the budget?

Mr. Hathaway – gave examples of ways the county could change line items.

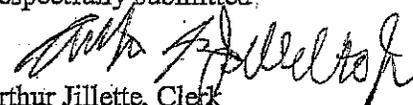
Commissioner Clark – offered comments about the budget process.

Rep. Rodeschin – wants to continue with agenda

Rep. Phinizy asked a Question about \$6.00 per month increase for nursing homes residents' bill proposal. Commissioners present were neutral or in favor of the proposal.

Motion to adjourn - Phinizy moved, Prichard seconded and Delegation adjourned at 1:31 PM

Respectfully submitted,


Arthur Jillette, Clerk

Sullivan County NH
FY 06 Proposed Budget Public Hearing – June 16th, 2005

Time: 7 PM

Place: Newport – Sugar River Valley Regional Technical Center – Lou Thompson
Community Room
Public Hearing Minutes

PREEMPT: This public hearing was aired live and taped by NCTV – Newport Cable. A copy of the tape may be borrowed from the County Commissioners Office, located at 14 Main Street, Newport New Hampshire.

ATTENDEES: Commissioners Donald S. Clarke, Bennie C. Nelson and Ethel Jarvis; County Manager Ed Gil de Rubio; Sheriff Michael Prozzo; County Attorney Hathaway; State-County Delegates present: Rep. John Cloutier, Larry Converse, Arthur Jillette Jr, Brenda Ferland, Jay Phinizy, Beverly Rodeschin, Tom Donovan, Charlotte Houde-Quimby, Stephen Prichard, and Peter Franklin. Other county employees: Sharon Johnson-Callum, Dodi Violette, Janice Bryk. There were other public attendees.

Commissioner Clarke provided opening remarks. Commissioner Clarke briefed over Commissioners' Budget Goals:

1. Stabilize Property Taxes
2. In-depth Study of the Criminal Justice System
3. Study of Land Manager / Buildings
4. Examine New Revenue Sources / Services
5. Continue Grant Programs
6. Invest in the County Infrastructure

County Manager provided comparison between proposed FY 06 budget and FY 05 budget. He discussed difference and percentage of increase. Itemization of increases provided.

County Manager discussed amount to be raised by taxes.

County Manager discussed four-year synopsis of property taxes.

County Manager discussed Revenues, then Expenditures.

County Manager provided PowerPoint presentation.

(Copies of the presentation handouts are on file at the Commissioners Office)

Floor was opened to Questions and Answers, which included:

- Representatives asked if concerns broached at a previous Delegation meeting from a resident's daughter were addressed. Commissioners confirmed yes.

- Rep. Rodeschin requested them to follow up with Peter Goodwin, NH State Courts Bureau, for funding on any capital improvement items for the 3rd floor in the Newport Complex. She asked questions regarding central purchasing, a nursing home item in budget. She discussed housing for female population in Goffstown.
- Rep. Donovan spoke.
- Rep. Franklin spoke.
- Ann Cuadrado and her sister spoke regarding their concern for the decrease of nurses, but he increase in Medicaid beds. They are concerned about the elimination of agency nurses.
- Rep. Houde-Quimby asked questions about the Genesis contract. Commissioner Clarke noted Genesis has provided training for better efficiency, in order to receive and increase of revenue. County Manager spoke briefly.
- Kevin Cooney, Community Alliance, noted that the committees for county, such as buildings and lands should be made public.
- Rep. Franklin asked questions regarding the Genesis budget in the nursing home.
- Rep. Rodeschin spoke briefly.
- Rep. Donovan spoke again, about quality care issues. He spoke about concerns of the elimination of the Unit Aid positions.
- Carla Skinder, Adult Day Care Program, spoke briefly about working with several County Nursing home employees. They will be doing field trips with the Sullivan County Resident Activities Department.
- Rep. Rodeschin spoke again.
- Sheriff Prozzo spoke briefly.
- Attorney Mark Hathaway spoke briefly.
- Rep. Rodeschin asked questions about the workload the County Attorney took on with the State case he processed last year. Attorney noted they worked double shifts, tremendous burden on staff, but that they did not bill the County for work at state level. They continue to put in long hours.
- Rep. Ferland spoke regarding the EFC meetings.

Rep. Ferland distributed a report she created from the Executive Finance Committee meetings, and what they were suggesting to the full Delegation.

8:52 p.m. The public hearing adjourned.

Respectfully submitted,

Arthur Jillette, Clerk
Sullivan County-State Delegation

AJ/s.j-c.

**Sullivan County Annual Convention
June 28, 2005**

**Place: Claremont, New Hampshire
Sugar River Valley Regional Technical Center
(Aired Live and Taped)**

DRAFT Meeting Minutes

DELEGATION ATTENDEES: John Cloutier – *Chair*, Larry Converse – *Vice Chair*, Arthur Jillette Jr. – *Clerk*, Brenda Ferland – *Executive Finance Committee (EFC) Chair*, Tom Donovan – *EFC Vice Chair*, Charlotte Houde-Quimby – *EFC*, Christopher Irish – *EFC*, Stephen G. Prichard – *EFC*, Peter Franklin, Harry S. Gale Jr., Joe Osgood, James Phinizy and Beverly Rodeschin.

COUNTY ELECTED OFFICIALS, DEPARTMENT HEADS AND OTHER EMPLOYEES:
Commissioners Donald S. Clarke – *Chair*, Bennie C. Nelson – *Vice Chair*, Ethel Jarvis – *Clerk*; County Manager – Ed Gil de Rubio; Nursing Home Administrator – Courtney Marshall; DOC Superintendent – Scott Hagar; Facilities & Operations Director – Greg Chanis; Human Services Coordinator – Sherrie Curtis; Conservation District Manager – Janice Heighes; Sullivan County UNH Cooperative Extension Co Office Manager – Seth Wilner; County Attorney – Marc Hathaway; County Treasurer – Mark Pitkin; High Sheriff – Michael Prozzo; Registrar of Deeds – Sharron King; DOC Secretary – Lori Blake; Accounts Payable/Account Clerk I – Dodi Violette; Commissioners Office Administrative Assistant – Sharon Johnson-Callum.

Other Public Attendees:

9:03 Rep John Cloutier, Chairman, called the meeting to order.

Pledge to flag was led by County Commissioner Don Clarke.

Rep. Cloutier had all the delegation members introduce themselves. He then had the County Commissioners and department heads introduce themselves.

Commissioner Clarke then gave a report for the Commissioners. He started out by delivering news regarding the Pro-Share Funds that the County was expecting to receive from the State of NH. , in the amount of \$1,780,171. We got a notice from the state Dept. of Health and Human Services, that they expected a return of \$1,200,000, plus additional funds for over billings etc., leaving a Pro-Share balance to the County of about \$8,000. The Commissioner's budget was built on the assumption that we would be receiving the full amount of this Pro-Share money. The Commissioners and the executive committee met yesterday. They decided to recommend that the budget be set at the same amount as raised last year. This will raise the requested budget to \$9,433,119. Any additional shortfall would be taken from Capital Improvement sections of the budget.

It is the intention of the County Commissioners to fight this tooth and nail. We feel that this request is a flagrant violation of the agreements made when the law was passed last year. There are also disagreements about billing. He read an email from Senator Odell confirming that the "bed tax" was intended entirely for the counties. He referred to the action of the DHSS action to be a "flagrant sucker punch". He will be talking with the NH Association of Counties.

Rep Phinzey "What was the rationale for this request?" Comm. Clarke: It appears that HHS feels we got a windfall we did not deserve.

Rep Gale: What will be our redress over this? Comm. Clarke: I am not sure if the redress will be legal or legislative. I recommend we put these monies aside in a fund until their final destination is figured out.

Rep. Franklin addressed a number of questions to Comm. Clarke. He questioned the dates on the spreadsheet and why the delegates were not notified earlier. County Manager Ed Gil de Rubio gave a listing of the time lines for receipt of the Pro-Share information. Rep. Franklin responded that it appeared that the County Manager had prior knowledge of the situation almost a week ago and was remiss in letting the Commissioners and the Delegation know about it until today. Rep. Franklin questioned the rightness in changing the significant amount of the budget at this late date. Mr. Gil de Rubio responded that it might have been a good move by the finance committee members in the room to give him a heads up on this proposed action. Rep Franklin responded that this information was not brought up to the Legislative Finance Committee and that he still feels that Mr. Gil de Rubio was remiss in not letting the Delegation and the Commissioners know about it earlier. Rep. Prichard spoke in support of the County staff and their efforts to put together a budget, and that he does not feel that they were trying to withhold information. Rep. Gale also spoke along the same lines.

Rep Chris Irish: Proposed that the Convention take a straw poll to see if we support the withholding of the funds until NH State HHS has a strong legal case for it being sent to them.

He made the following motion, following discussion and voted upon word change amendments:

- o **That the Delegation vote to support and instruct the Commissioners to deposit the full Pro-Share Check to the bank account and encourage the other counties to do the same. Seconded by Rep. Prichard. Discussion:** Rep. Donovan: The enemy is not in this room. We have a HHS Commissioner that makes up unilateral rules that drastically change how business is conducted for counties and its' people. The enemy is in Concord. Rep. Prichard recommended that the other Counties be encouraged to follow the suit of Sullivan County, and withhold their Pro-Share Funds as well. Rep. Rodeschin: As a member of the fiscal committee, I was not aware that this was happening. Had I been aware, I would have been in contact with the County Commissioners, and my Division Chairman. Rep. Franklin is correct in that the

County officials have known about this for a week and none of you have contacted me in advance! **Roll Call on motion: Ferland Y, Donovan Y, Quimby Y, Prichard Y, Irish Y, Jillette Y, Converse Y, Rodeschin AB, Phinzy Y, Gale Y, Osgood Y, Franklin Y, Cloutier Y. (12Y, 1 AB)**

Rep. Rodeschin: I have a meeting next Friday over at the NH State HHS in Concord and I would like the County office to supply me with complete written information to take with me.

Rep. Phinzey moved:

- o the Sullivan County Delegation ask the Governor to look into the management of the Department of Health and Human Services and that this delegation ask for the resignation of the Commissioner of Health and Human Services. Seconded by Rep. Houde-Quimby. **Vote: Ferland Y, Donovan Y, Quimby Y, Prichard Y, Irish N, Jillette Y, Converse Y, Rodeschin N, Phinzy Y, Gale N, Osgood N, Franklin Y, Cloutier Y. (10Y, 3N)**

Following discussion it was understood that the Pro-Share funds would be held in an escrow account.

Mark Pitkin, County Treasurer, and Mark Hathaway, County Attorney, arrived and were introduced.

Rep. Franklin requested further details regarding the "errors in billing request" from NH State DHHS. Comm. Clarke explained that these were requests to balance out errors in billing for a variety of patients over the years 2003 and 2004. Rep. Franklin asked if these errors are made in other counties, and was assured that the other counties get similar bill corrections.

Rep. Irish asked that the meeting move forward to the business of the day.

Mr. Gil de Rubio thanked the Executive Finance Committee for six months of hard work under the leadership of Rep. Ferland.

Members of the public were offered an opportunity to speak. None appeared to comment.

Rep Ferland thanked the Executive Finance Committee for six months of hard work.

There are 27 Payrolls this fiscal year. This costs about \$300,000. Other budget increases are due to the following main factors. Health insurance 19% increase, Dental insurance 9% increase, Retirement 6.8% increase. Also about 3% increase for salaries. We will also need to vote on mileage rates.

She then presented the budget in accordance with the attached budget sheets.

Fund 23- Register of Deeds.

Rep Franklin: Were services transferred from the Registry of Deeds? Answer: Payroll accounting was transferred

Fund -24 Grants

Fund 10 -- General Fund

Rep. Rodeschin asked about the County Forester. She asked why UNH is not picking up the cost of the County Forester? Mr. Wilner responded that they are only funding \$25,000 of the Forester salary in the future. Rep Rodeschin noted that she objects that UNH is dropping the full support of the County Forester. It was noted that the budget could be amended by the Delegation.

Rep. Rodeschin: Do the HCBC funds reflect the increases in the state budget? Answer: Yes. It was noted that these questions should wait till the end of this budget section presentation.

Questions:

Rep. Phinizy: Are the nurses at the DOC transferred back and forth from the Nursing Home? Answer: No they are full time. One half time nurse added.

Rep. Osgood -- Under the Sheriffs Dept. asked for clarification. Sheriff: Have 6 FT people. 7 vehicles.

Rep. Osgood: What about the courthouse? Answer: \$118,169. Do the grantees give a report at the end of the year? Answer: Yes. Next year would appreciate an abbreviated report from each grantee next year.

Rep. Franklin: Can you break line two into the various sub-categories?

Of the \$ 9,433,119.00 will be raised from taxes. What are the capital funds? It is the capital reserve fund we set aside. \$223,500. Rep Franklin feels it is not a legal fund. What is the surplus? That is the money told to us by the auditors is surplus. The figure is about \$1,000,000. Rep. Franklin does not see that the figures balance out. Mr. Gil de Rubio: The number should \$10,375,614. Rep. Franklin: I do not feel I got a detailed report as I requested. Rep Franklin: asked questions about retirement amounts. The County Commissioners set a salary figure of \$100,000. Retirement is the same as other employees. Rep Franklin: Is there a policy on the use and maintenance of County Vehicles? Is the county vehicle for personal or official use? Answer: Official.

Rep. Franklin: Were any emergency funds spent this year? Gil de Rubio: Paid for new furnaces. Rep. Franklin: Question about half time position becoming full time.

Rep Franklin: On page 4 PNMI is that for children only? Answer: Yes. Is that all the expense on the Woodhull budget? Answer: Only operating budget. Rep Franklin: What about transfer from operations to human resources? Why the transfer from one fund to the other? Mr. Gil de Rubio we are doing the transfer on the advice of auditors as these services are conducted county wide. Rep Phinizy why did these transfers not come before us in the past? They were transfers in the same budget class in the past. Rep Rodeschin: You are creating a new fund at the direction of the auditors? Answer: Yes. Are you really creating a slush fund? Answer: No. Rep. Franklin I asked for a report of all intra and within budget transfers for the current budget year and did not receive that.

Chair called a five-minute break.

Rep Irish: I feel that Rep. Ferland should be allowed to continue to read off the budget as she has presented it to us. After she is finished, **I am going to move that the bottom line be accepted. And we then have discussion and possible amendments to this bottom line.** We have no right to change the line items of the budget. **I move that we limit debate to the bottom line of this budget and we move forward to the reading of this budget.** Rep. Prichard and Gale: **I second this motion.**

Rep Phinzy – are we voting on three motions or one. Rep. Converse: If we vote on the bottom line then the manager can move funds around as he pleases. I would vote no on this motion. Rep. Irish: The only thing we have a right to vote on is the bottom line! Rep. Rodeschin: We have the right to look at and amend the line item of this budget and arrive at a bottom line which we then vote upon. Rep. Franklin: I believe that Rep. Irish is completely mistaken about the role of the County Convention. Where does RSA 24 limit the right of the County Convention? He cited Daniels v. Hansen where the court states that the county convention sets all aspects of the budget. Rep Ferland: Can we get to the motion that will allow me to finish this budget presentation?

Rep Cloutier: What is the motion?

Rep. Jillette: To allow Rep Ferland to complete the budget presentation without interruption. Vote: Ferland Y, Donovan Y, Quimby Y, Prichard Y, Irish Y, Jillette Y, Converse Y, Rodeschin Y, Phinzy Y, Gale Y, Osgood Y, Franklin N, Cloutier Y. (12Y, 1N)

Rep. Gale – Can the county attorney tell us if we can vote on line items in the budget or only the bottom line?

Rep Ferland continues:

Fund 30. (See written budget) \$1,243,474 total

Fund 40 (Nursing Home) (See Written budget) \$11,239,090.

Fund 42 Capital Improvements (See Written Budget) \$23,129,020

Rep Irish Moved to accept a FY 06 budget of \$24,210,025 of which \$9,433,119 is raised by property tax. Rep Gale seconded. Rep. Irish moved to allow a debate only on the bottom line. Rep Gale: Repeated his question about the bottom line vs. line items. The county attorney said the convention had the authority to consider line items as they built the budget. Rep. Rodeschin: We are the legislative body to approve or disapprove of this budget. Rep. Phinzy: I feel that there are individual items in the budget I must get explained or else I will feel constrained to have them removed from the budget. There was further general discussion of the process of voting on the budget. Rep. Prichard gave the opinion that we should postpone the vote. Rep. Ferland spoke in favor of moving to a vote on the budget. Rep. Donovan: I feel we have a right to ask questions, and we should not vote to limit debate.

Rep. Franklin: I have attempted to get answers from the county in the past and have not received them. Rep. Irish: I feel that the chair needs to make a ruling on how we shall move forward with this motion. If people want to say negative things about County

employees, they should be ruled out of order. Rep. Cloutier: I rule that we move forward with this motion with the understanding that the bottom line of the budget may be amended during the debate. If concerns are raised about County employees, then I will give them a chance to respond. Rep. Ferland I would propose we agree to keep questions to 15 minutes to explain budget line items. Rep. Cloutier – we will move forward with that understanding.

Rep. Phinzy asked for an explanation of the marketing budget items. Rep. Ferland: There are two full time people. One will seek clients at hospitals etc. The other person will evaluate potential clients. These positions are both transfers from other departments. Rep. Franklin: Can we have a copy of the separate report about fund transfers? Answer: You have been sent multiple copies of this report. Rep. Franklin: At best the report cannot be understood. Are the intergovernmental totals for fund 30 to be raised by taxes? Rep. Phinzy: This is a bookkeeping transfer? YES. Rep. Converse: Do we budget for Per Diem Nurses. Mr. Gil de Rubio: There is \$200K in the budget for Per Diem nurses. Rep. Phinzy: How many nurses are on the staff? Do we really have all employed? Mr. Courtney Marshall: We have 3 or 4 unfilled positions. Rep. Rodeschin: How many beds are being put aside for respite care? Is Patty involved? Yes. Rep. Donovan: we are describing a capability to take in clients. Comm. Jarvis: The June 24 report says we have 2.70 vacant RNs, LPN 9.7 vacant, LNA's 2.40 vacant, 9.2 vacant LNA trainees.

Rep Rodeschin moved to:

- **Reduce the delegation budget reduced by \$1,400 to allow only one person to go for training. Amendment was defeated by voice vote.**

Rep Donovan moved to:

- **Reduce the budget by \$200,000, the amount of the Genesis contract for the next year. The actual figure leaves in funds for budget adjustments and training to keep the home operating as an independent entity.** Representative Prichard spoke that he felt this move was premature. I feel that this move will undermine the whole budget process. Rep. Irish: I feel we need to give this process more time, and then decide at a later date if we want to "fire" them. Rep. Rodeschin: I am in favor of keeping the contract for a year. In case you forget, we had a deficit caused by the County Nursing Home for the two years prior to Genesis coming here. I only received one call about the changes at the Nursing Home, and I hope I took care of her concern. Rep. Donovan you said we lost 10 employees. I believe that many of them had an opportunity for further education. I would appreciate your further explanation regarding these employees. Rep. Donovan: The additional 6 months of the contract will complete a year. I feel we have extremely well qualified people working at the Home. If the only issue is Medicaid and money enhancement I think we have the people to do that. Rep. Converse: I note that there has been 24 beds unfilled this past year. If you look around the home you will see problems. Rep. Donovan: I don't feel we need to extend the contract beyond the next six months. Rep. Gale: I am against this amendment. I feel that this is a good way to do business. I feel Genesis is entitled to a reasonable time to show they can solve problems. Rep. Osgood: Genesis is attempting to change bad habits. I am against this motion. Rep.

Houde-Quimby: Genesis took this contract to show how they could perform in other County Homes. We still have 10 agency shifts per week. I support Tom's motion because I think he is on the right track. Rep. Phinzey: I feel that with the funds we pay the manager I feel that I support Tom's motion. Rep. Donovan: Yes the ten aides laid off were offered the training, but many of them are age 60 or older and could not complete the training. I think we owed these people more than that. Rep. Irish: I feel that these people will do us good. I don't see the downside.

Question Called.

Donavan moves to:

- **Reduce the budget to \$24,930,025 in order to delete the contract with Genesis by December 30th. This includes leaving in the budget \$10,000 for the Nursing Home Administrator and \$10,000 for training and other activities. Vote: Ferland N, Donovan Y, Quimby Y, Prichard N, Irish N, Jillette Y, Converse Y, Rodeschin N, Phinzy Y, Gale N, Osgood N, Franklin Y, Cloutier Y. (7Y, 6N)**

Mr. Gil de Rubio: I am not in any condition to propose an alternative budget today. Some discussion about possible alternative meeting date.

Rep. Houde-Quimby proposed a reconsideration of the vote.

Mr. Gil de Rubio: I will call Genesis tomorrow and tell Genesis to hit the road. Rep. Ferland: They will walk in 90 Days. Comm. Clarke: I do not feel this gives Genesis a fair shake. Rep. Rodeschin -- at the public hearing they said they would include the delegation in the negotiations with Genesis. Rep. Franklin: a one-year trial is sufficient. Rep. Gale: The current contract goes until Dec. 30 and have you made a prior arrangement with Genesis to continue until June 30th? Comm. Clarke: They have offered to continue until June 30th. So our new contract would be coexistent with our fiscal year. Rep. Prichard: We cannot do this to these people. We are undermining their authority. Rep. Irish: This move will have a tax impact. Rep. Gale: argued to allow the contract to work out through next June.

- **Question Call in favor by voice vote.**
- **Question of Reconsideration moved to vote. Vote: Ferland Y, Donovan N, Quimby Y, Prichard Y, Irish Y, Jillette Y, Converse N, Rodeschin Y, Phinzy N, Gale Y, Osgood Y, Franklin N, Cloutier Y. (9Y, 4N). Reconsideration Passed.**
- **Vote on Donovan's motion. Vote: Ferland N, Donovan Y, Quimby N, Prichard N, Irish N, Jillette N, Converse Y, Rodeschin N, Phinzy Y, Gale N, Osgood N, Franklin Y, Cloutier N. (4Y, 9N)**
- **Rep. Gale: Attempted to form a motion that would require the commissioners to come back to the delegation before signing a new contract. Seconded by Rep. Rodeschin. Rep. Prichard: I feel that the commissioners have the authority and**

responsibility to make a new contract on their own volition. We should be asking them to include the delegation in any contract negotiations with Genesis. Mr. Gil de Rubio: The delegation WILL BE INVITED to be part of the negotiation process. **Gale and Rodeschin withdrew their motion.**

- **Rep. Osgood seconded by Rep. Irish to call the question on the original budget vote. Roll Call Vote: Ferland Y, Donovan Y, Quimby Y, Prichard N, Irish Y, Jillette Y, Converse Y, Rodeschin Y, Phinzy N, Gale Y, Osgood Y, Franklin N, Cloutier Y. (10Y, 3N)**
- **Budget Vote: Budget bottom line of \$24,210,025 and to raise \$ 9,433,119 in taxes for FY 06. Roll Call Vote: Ferland Y, Donovan N, Quimby N, Prichard N, Irish Y, Jillette N, Converse N, Rodeschin Y, Phinzy N, Gale Y, Osgood Y, Franklin N, Cloutier Y. (6Y, 7N) Budget Failed.**

Rep. Ferland it does not do us any good to delay. Rep. Rodeschin do we need a continuing resolution? Comm. Clark: on Pro-Share we may know the answers sooner or later. The commissioners agreed that if the budget were raised as we set it up we would live with it and delay Capital expenditures if we needed to live without the Pro-Share Funds.

On the basis of that statement Rep. Prichard moved:

- **For reconsideration of the previous vote. Rep. Houde-Quimby: My vote represents lack of trust at the state level. Rep. Phinzy: I will change my vote but I don't believe you will meet those projected revenues. Comm. Clark: I am hopeful we will meet the Genesis projections. Rep. Franklin: This budget will be better known after more information is known. Voice vote to call the question. Roll call vote reconsideration of previous vote. Vote: Ferland Y, Donovan N, Quimby Y, Prichard Y, Irish Y, Jillette Y, Converse N, Rodeschin Y, Phinzy Y, Gale Y, Osgood Y, Franklin N, Cloutier Y. (10Y, 3N)**
- **Back to original Budget vote. Budget bottom Line of \$24,210,025 and to raise \$9,433,119 in property taxes. Vote: Ferland Y, Donovan N, Quimby Y, Prichard Y, Irish Y, Jillette Y, Converse N, Rodeschin Y, Phinzy Y, Gale N, Osgood Y, Franklin N, Cloutier Y. (10Y, 3N)**

Rep. Ferland moved:

- **To reconsider the previous vote. Vote: Ferland N, Donovan Y, Quimby N, Prichard N, Irish N, Jillette N, Converse Y, Rodeschin N, Phinzy N, Gale N, Osgood N, Franklin Y, Cloutier N. (3Y, 10N)**

Meeting then took a half hour break for lunch.

Rep. Phinzey made a motion to:

- **Raise mileage rate to .40 cents per mile. Seconded by Rodeschin. Vote: Jillette Y, Converse N, Rodeschin Y, Phinzy Y, Osgood Y, Franklin Y, Cloutier Y. (6Y, 1N)**

Reps. Gale, Quimby and Prichard arrived.

Motion to:

- **Authorize the County Commissioners to apply for, receive and expend federal and state grants which become available during the course of the year, and also to accept and expend money from any other governmental unit or private source to be used for purposes for which the county may legally appropriate money. Motion by Rep. Phinzy and Seconded by Rep. Osgood. Rep. Franklin said that this should be monitored carefully. Vote: Jillette Y, Converse Y, Rodeschin Y, Phinzy Y, Osgood Y, Franklin N, Cloutier Y. Quimby Y, Gale Y, Prichard Y (9Y, 1N)**

Rep. Phinzy moved and Rep. Franklin seconded the following motion:

- **That the County Commissioners get approval of the Executive Finance Committee before transferring funds in accordance with RSA 24:15.**

Rep. Rodeschin moved and Rep. Prichard seconded the following amendment to the previous vote:

- **The County Convention requires that the County Commissioners obtain written authority of the executive Committee before transferring monies from one fund to another fund or any appropriation or part thereof under RSA 24:15. There was a discussion of inter and intra department transfers and the authority of the Commissioners. Rep. Franklin points out Fund 42 that could require intrafund transfers, as it contains more than a million dollars in funds. Question called and passed on a voice vote. Vote on the Rodeschin- Prichard Amendment. Vote was 8-2 in Favor. Osgood Y, Phinzy Y, Franklin N, Rodeschin Y, Cloutier Y, Converse N, Quimby Y, Prichard Y, Gale Y, Jillette Y.**
- **Vote on the amended motion. Vote was 8-2 in Favor. Osgood Y, Phinzy Y, Franklin N, Rodeschin Y, Cloutier Y, Converse N, Quimby Y, Prichard Y, Gale Y, Jillette Y.**

Rep. Gale asked the Delegation to vote to hold a couple of hearings about the inequities in the manner in how the towns in the Counties are funded. He is concerned about the possibility of succession of Sunapee from the County. Rep. Prichard felt that Sunapee should fund a study to look at the costs and benefits of succession. It was agreed that we would support a couple of meetings perhaps in Newport and Claremont.

The Convention then discussed request from the NH VT Solid Waste Project regarding Rep. Franklin's behavior at the project meetings. Rep. Franklin has asserted his right to participate in the NH District meetings, both public and private to fully participate. Their lawyer feels that the agreement only allows him to participate in JOINT MEETINGS.

The state districts only include town representatives. They are not asking the delegation to take action today. They may be back to us later regarding this. Rep. Franklin spoke in his own defense.

4:14 Rep Rodeschin moved to adjourn the meeting.

Respectfully submitted:

*Arthur Jillette, Clerk
Sullivan County Delegation*

Sullivan County
County Tax Apportionment
Fiscal Year 2004

Town/City	% Proportion of Tax	Dollar Amount of Tax
Acworth	2.0613	194,445
Charlestown	6.1224	577,533
Claremont	17.9001	1,688,537
Cornish	3.4524	325,673
Croydon	1.7138	161,667
Goshen	1.6086	151,737
Grantham	12.4864	1,177,862
Langdon	1.1784	111,156
Lempster	2.2934	216,342
Newport	9.9414	937,785
Plainfield	6.0972	575,156
Springfield	4.1337	389,935
Sunapee	23.5970	2,225,930
Unity	2.4236	228,618
Washington	4.9903	470,743
Totals	100%	9,433,119

*Submitted by:
Mark Pitkin
County Treasurer*

SULLIVAN COUNTY NH

DETAIL OF BONDED INDEBTEDNESS AS OF

JUNE 30, 2005

	Principal Only
N.H. Municipal Bond Bank 5.25% Nursing Home Renovation 1995-2005 <i>(Please note: this page in the FY 04 County Report erroneously reflected this amount as \$570,000, when it should have reflected \$380,000)</i>	\$190,000
N.H. Dept. of Environmental Services 1.188% Sewer Project 2002-2007	\$370,911
Total Bonded Indebtedness as of 6-30-05	\$5,609,911

*Submitted by:
Mark Pitkin
County Treasurer*

REPORT OF TRUST AND CAPITAL RESERVE FUNDS

\$ 17,150.83

Please insert the total of ALL funds here

COUNTY OF
Town/City Of: SULLIVAN COUNTY NH For Year Ended: JUNE 30, 2005

CERTIFICATE

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

Mark A. Pike
County Treasurer
Ethel Jarvis
County Commissioner
Konrad Edouard
State/County Delegate

Signed by the Trustees of Trust Funds

on this date AUG 19, 2005

REMINDERS FOR TRUSTEES

1. INVESTMENT POLICY - RSA 31:32 requires the trustees to adopt an investment policy and review and confirm this policy at least annually.

2. PROFESSIONAL BANKING AND BROKERAGE ASSISTANCE - RSA 31:38-a enables you to have a professional banking or brokerage firm assist you in performing your trustee duties. Refer to the law for further information.

Attributable expenses may be charged against the trust funds involved, however, please be advised the fees can be taken from income only and not from principal.

3. WEB SITE - A trustee handbook can be down loaded from the web site for the Attorney General's Charitable Trust Division. <http://www.state.nh.us/nhdoj/CHARITABLE/char.html>

4. FAIR VALUE - Fold and complete page 4 to disclose the fair value (market value) of principal only. This information may be obtained from financial publications or from your professional banker or broker.

5. CAPITAL RESERVE FUND - Must be kept in a separate account and not intermingled with any other funds of the municipality (RSA 35:9).

6. WHEN and WHERE TO FILE - By March 1 if filing for a calendar year and by September 1 if filing for optional fiscal year. See addresses on page 4 of this form. If you hold funds for the school, the school business administrator will also need a copy fo

FOR DRA USE ONLY

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

FY '05 SULLIVAN COUNTY NURSING HOME TRUST FUND REPORT

DATE OF CREATION	NAME OF TRUST FUND	PURPOSE OF FUND	HOW INVESTED	%	BALANCE BEGINNING YEAR	NEW FUNDS CREATED	PRINCIPAL CASH GAINS/LOSSES	WITHDRAWALS	BALANCE END OF YEAR	BALANCE BEGINNING YEAR	INCOME		EXPENDED		BALANCE END YEAR	GRAND TOTAL PRINCIPAL
											DURING YEAR	DURING YEAR	DURING YEAR	DURING YEAR		
1965	Nursing Home Equipment	Special	Bank	100	\$ 1,039.75	\$ -	\$ -	\$ -	\$ 1,039.75	\$ 1,948.00	\$ 14.66				\$ 1,962.66	\$ 3,002.41
1968	Alix Ungren (CD)	Restricted	Bank	100	\$ 3,000.00	\$ -	\$ -	\$ -	\$ 3,000.00	\$ 2,937.77	\$ 10.30				\$ 2,948.07	\$ 5,948.07
1970	Elsie Hardison (CD)	Restricted	Bank	100	\$ 1,072.52	\$ -	\$ -	\$ -	\$ 1,072.52	\$ 166.44	\$ 59.19	\$ 82.00			\$ 143.63	\$ 1,216.15
1988	SCNH Book Fund (CD)	Restricted	Bank	100	\$ 1,000.00	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,594.37	\$ 15.99				\$ 1,610.36	\$ 2,610.36
1970	Activities Fund	Active	Bank	100						\$ 3,892.97	\$ 1,741.34	\$ 3,837.39			\$ 1,796.92	\$ 1,796.92
1985	SCNH Vending Fund	Special	Bank	100						\$ 1,806.04	\$ 1,297.98	\$ 1,800.00			\$ 1,104.02	\$ 1,104.02
2001	SCNH Resident Store	Active	Bank	100						\$ 545.81	\$ 974.67	\$ 1,200.58			\$ 319.90	\$ 319.90
2004	SCNH Hospice Program	Active	Bank	100						\$ 452.16	\$ 1,997.59	\$ 1,298.75			\$ 1,153.00	\$ 1,153.00

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

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

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

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

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

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

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

Hospice Program: Used for purchases for residents on hospice
 This is to certify that the information contained in this report was taken from official records and is correct to the best of our knowledge and belief.

Date: Aug 19th 2005

Mark A. DeLoe
 Mark Pitkin - County Treasurer

Tom Donovan
 Rep. Tom Donovan - Delegate

Ethel Jarvis
 Ethel Jarvis - Commissioner Clerk

Sullivan County

SUMMARY REVENUE: FY05

Fiscal Year: 2004-2005

From Date: 7/1/2004

To Date: 6/30/2005

Include pre encumbrance

Print accounts with zero balance

Account Number	Description	Budget	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
10.100.04000	SUBSIDIARY REVENUES	(\$9,433,119.00)	(\$9,433,119.00)	(\$9,433,119.00)	\$0.00	\$0.00	\$0.00	0.00%
10.100.04001	INTEREST INCOME & SAVINGS	(\$8,500.00)	(\$62,001.03)	(\$67,560.60)	\$59,060.60	\$0.00	\$59,060.60	-694.83%
10.100.04003	LATE PAYMENT: COUNTY TAXES	\$0.00	(\$1,486.82)	(\$1,486.82)	\$1,486.82	\$0.00	\$1,486.82	0.00%
10.100.04008	INSURANCE REFUND	(\$4,500.00)	(\$717.21)	(\$717.21)	(\$3,782.79)	\$0.00	(\$3,782.79)	84.06%
10.100.04009	PRIOR YEAR SURPLUS	(\$400,000.00)	\$0.00	\$0.00	(\$400,000.00)	\$0.00	(\$400,000.00)	100.00%
10.100.04015	MISCELLANEOUS INCOME	(\$3,600.00)	(\$46,666.40)	(\$47,051.79)	\$43,451.79	\$0.00	\$43,451.79	-1206.99%
10.100.08055	SALE OF TIMBER	(\$6,000.00)	\$0.00	\$0.00	(\$6,000.00)	\$0.00	(\$6,000.00)	100.00%
10.100.08058	LAND RENTAL	(\$5,000.00)	(\$643.40)	(\$1,143.40)	\$643.40	\$0.00	\$643.40	-128.68%
10.404.04005	INCENTIVE MONIES	(\$141,550.00)	(\$70,774.94)	(\$141,549.90)	(\$0.10)	\$0.00	(\$0.10)	0.00%
10.410.09081	EXTRADITION REIMBURSEMENT	(\$3,500.00)	(\$2,459.59)	(\$4,328.36)	\$828.36	\$0.00	\$828.36	-23.67%
10.411.04019	VICTIM/WITNESS PROGRAM	(\$34,000.00)	(\$20,151.57)	(\$35,172.70)	\$1,172.70	\$0.00	\$1,172.70	-3.45%
10.411.04020	VICTIM/WITNESS EDUCATION GRANT	(\$1,000.00)	\$0.00	\$0.00	(\$1,000.00)	\$0.00	(\$1,000.00)	100.00%
10.440.09012	SHERIFFS WRIT FEES	(\$55,000.00)	(\$32,990.85)	(\$55,287.08)	(\$212.92)	\$0.00	(\$212.92)	0.38%
10.440.09013	SHERIFF: MISCELLANEOUS INCOME	(\$22,000.00)	(\$18,640.00)	(\$22,910.67)	\$910.67	\$0.00	\$910.67	-4.14%
10.440.09085	SECURED JUVENILE TRANSPORTS	(\$10,000.00)	(\$6,163.52)	(\$10,922.12)	\$922.12	\$0.00	\$922.12	-9.22%
10.443.09084	BAILIFF REFUND	(\$60,505.00)	(\$37,972.45)	(\$66,014.29)	\$5,509.29	\$0.00	\$5,509.29	-9.11%
10.460.04018	STATE REIMBURSEMENT: COURTS	(\$185,583.00)	(\$92,791.56)	(\$185,583.12)	\$0.12	\$0.00	\$0.12	0.00%
10.490.04006	SECURE JUVENILE XPOR:H.SERV.	(\$2,500.00)	(\$1,203.04)	(\$2,558.52)	\$58.52	\$0.00	\$58.52	-2.34%
10.490.09086	PARENTAL REIMBURSEMENT	(\$15,000.00)	\$0.00	\$0.00	(\$15,000.00)	\$0.00	(\$15,000.00)	100.00%
10.600.06040	COUNTY JAIL INCOME	(\$60,000.00)	(\$41,773.30)	(\$64,574.47)	\$4,574.47	\$0.00	\$4,574.47	-7.62%
10.600.06044	COUNTY JAIL INCOME-COMMISSION	(\$15,000.00)	(\$10,370.72)	(\$15,226.57)	\$226.57	\$0.00	\$226.57	-1.51%
10.600.06045	NHDES SEWER GRANT	(\$14,150.00)	(\$14,114.00)	(\$14,114.00)	(\$1.00)	\$0.00	(\$1.00)	0.01%
10.600.06046	COMMISSION ACCOUNT CLOSED	\$0.00	\$1,928.72	(\$4,958.89)	\$4,958.89	\$0.00	\$4,958.89	0.00%
10.870.08800	WRDC RENT	(\$2,100.00)	(\$175.00)	(\$1,050.00)	(\$1,050.00)	\$0.00	(\$1,050.00)	50.00%
10.995.09900	TRANSFER IN	\$0.00	(\$260,158.61)	(\$260,158.61)	\$260,158.61	\$0.00	\$260,158.61	0.00%
	Fund: GENERAL FUND - 10	(\$10,478,572.00)	(\$10,152,484.29)	(\$10,435,488.12)	(\$43,083.88)	\$0.00	(\$43,083.88)	
22.010.03007	SURCHARGE FEES	\$0.00	(\$15,402.31)	(\$25,023.06)	\$25,023.06	\$0.00	\$25,023.06	0.00%
22.420.02011	REGISTER OF DEEDS: FEES	(\$450,000.00)	(\$364,619.48)	(\$578,945.54)	\$128,945.54	\$0.00	\$128,945.54	-28.65%
22.997.09900	TRANSFER OUT	\$0.00	\$260,250.87	\$260,250.87	(\$260,250.87)	\$0.00	(\$260,250.87)	0.00%
	Fund: REGISTER OF DEEDS - 22	(\$450,000.00)	(\$119,770.92)	(\$343,717.73)	(\$106,282.27)	\$0.00	(\$106,282.27)	
24.202.02160	SAMSHA GRANT	\$0.00	(\$334.40)	(\$334.40)	\$334.40	\$0.00	\$334.40	0.00%
24.225.09900	TRANSFER FROM GF FOR DEFICIT	\$0.00	(\$21,928.69)	(\$21,928.69)	\$21,928.69	\$0.00	\$21,928.69	0.00%
24.345.04300	ENFORCING UNDERAGE DRINKING	(\$30,000.00)	(\$20,399.47)	(\$26,454.92)	(\$3,545.08)	\$0.00	(\$3,545.08)	11.82%
24.445.04500	STATE REIMBURSEMENT DOM. VIOL.	(\$3,000.00)	(\$531.97)	(\$1,337.88)	(\$1,662.12)	\$0.00	(\$1,662.12)	55.40%
24.475.01300	AG EXTENSION PROGRAM	\$0.00	(\$1,551.48)	(\$3,841.92)	\$3,841.92	\$0.00	\$3,841.92	0.00%
24.500.04400	GRANT-NH FISH & GAME LAND IMP.	(\$800.00)	\$0.00	\$0.00	(\$800.00)	\$0.00	(\$800.00)	100.00%
24.525.05100	HOMELAND SECURITY:HOMELAND I	(\$98,000.00)	(\$143,869.31)	(\$158,330.43)	\$60,330.43	\$0.00	\$60,330.43	-61.56%
24.526.05100	WNHSOU	\$0.00	(\$13,205.66)	(\$26,057.16)	\$26,057.16	\$0.00	\$26,057.16	0.00%
24.545.05500	REIMBURSEMENT-COPS GRANT	(\$30,093.00)	(\$20,622.27)	(\$20,622.27)	(\$9,470.73)	\$0.00	(\$9,470.73)	31.47%
24.645.06500	OUTSIDE DETAIL	(\$10,477.00)	(\$24,301.78)	(\$62,719.02)	\$52,242.02	\$0.00	\$52,242.02	-498.64%
24.725.02000	EMERGENCY PLANNING	(\$1,000.00)	\$0.00	\$0.00	(\$1,000.00)	\$0.00	(\$1,000.00)	100.00%
24.745.07500	REIMBURSEMENT-DRUG TASK FORCE	(\$33,280.00)	(\$17,028.43)	(\$31,155.18)	(\$2,124.82)	\$0.00	(\$2,124.82)	6.38%
24.943.04400	STRENGTHENING FAMILIES PROG 3	(\$20,000.00)	(\$29,679.77)	(\$32,579.77)	\$12,579.77	\$0.00	\$12,579.77	-62.90%
24.944.04600	S.CTY INTERVENTION PROG.2(CJ)	(\$30,000.00)	(\$36,317.00)	(\$36,317.00)	\$6,317.00	\$0.00	\$6,317.00	-21.06%
24.945.04800	LADAC PROGRAM 1	(\$65,000.00)	(\$41,545.87)	(\$40,613.20)	(\$24,386.80)	\$0.00	(\$24,386.80)	37.52%
24.946.04600	NEWPORT ENRICHMENT REV.	(\$83,970.00)	(\$37,212.66)	(\$61,647.88)	(\$2,322.12)	\$0.00	(\$2,322.12)	2.77%
24.946.04601	NET:INCENTIVE FUND REVENUE	\$0.00	(\$1,250.00)	(\$3,452.26)	\$3,452.26	\$0.00	\$3,452.26	0.00%
24.946.04602	TEEN CENTER RENT	\$0.00	(\$1,400.00)	(\$1,800.00)	\$1,800.00	\$0.00	\$1,800.00	0.00%
24.946.04603	TEEN CENTER DONATIONS	\$0.00	(\$473.00)	(\$1,992.00)	\$1,992.00	\$0.00	\$1,992.00	0.00%
24.946.05000	CHAPTER 21C IN KIND SERVICE	(\$112,008.00)	(\$50,265.06)	(\$109,502.62)	(\$2,505.38)	\$0.00	(\$2,505.38)	2.24%

Sullivan County

SUMMARY REVENUE: FY05

Fiscal Year: 2004-2005

From Date: 7/1/2004 To Date: 6/30/2005

Include pre encumbrance Print accounts with zero balance

Account Number	Description	Budget	Range To Date	YTD	Balance	Encumbrance	Budget Balance % Bud
24.997.09900	MHCO TRANSFER IN (FFA)AUDIT ACCT. Fund: GRANTS - 24	\$0.00 (\$517,628.00)	(\$92.26) (\$462,009.08)	(\$92.26) (\$660,778.86)	\$92.26 \$143,150.86	\$0.00 \$0.00	\$92.26 \$143,150.86 0.00%
40.097.03013	MHCO TRANSFER FROM GEN.FUNDA	\$0.00	(\$1,642,848.00)	(\$1,642,848.00)	\$1,642,848.00	\$0.00	\$1,642,848.00 0.00%
40.097.04008	INSURANCE REFUND	\$22,446.00	\$2,764.59	\$2,764.59	(\$25,210.59)	\$0.00	(\$25,210.59) 112.32%
40.097.05019	NURSING HOME AUDIT ACCOUNT	\$0.00	(\$104,021.88)	(\$104,021.88)	\$104,021.88	\$0.00	\$104,021.88 0.00%
40.097.05021	INCOME STATE WELFARE	\$5,625,343.00	(\$2,849,433.25)	(\$4,968,212.39)	(\$657,130.61)	\$0.00	(\$657,130.61) 11.68%
40.097.05022	INCOME FROM PRIVATE	\$854,100.00	(\$771,466.38)	(\$1,483,668.11)	\$629,568.11	\$0.00	\$629,568.11 -73.71%
40.097.05023	PRIVATE INSURANCE REVENUE	\$1,000.00	\$0.00	(\$8,325.00)	\$7,325.00	\$0.00	\$7,325.00 -732.50%
40.097.05024	CAFETERIA INCOME	\$11,000.00	(\$690.19)	(\$1,274.24)	(\$9,725.76)	\$0.00	(\$9,725.76) 88.42%
40.097.05026	MISCELLANEOUS INCOME	\$100.00	(\$650.00)	(\$659.48)	\$559.48	\$0.00	\$559.48 -559.48%
40.097.05028	MEDICARE PART A REVENUE	\$0.00	\$17,336.03	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
40.097.05030	RENT INCOME	\$21,000.00	(\$13,191.59)	(\$21,241.59)	\$241.59	\$0.00	\$241.59 -1.15%
40.097.05030	LAUNDRY REVENUE: SONH	\$67,520.00	(\$41,834.24)	(\$65,264.64)	(\$2,255.36)	\$0.00	(\$2,255.36) 3.34%
40.097.05031	RESPIRE CARE: PRIVATE	\$1,800.00	\$56,042.27	\$56,042.27	(\$57,842.27)	\$0.00	(\$57,842.27) 3213.46%
40.097.05033	ADMINISTRATIVE SERVICES	\$11,715.00	\$0.00	(\$30.02)	(\$11,684.98)	\$0.00	(\$11,684.98) 99.74%
40.097.05034	MEALS REIMBURSEMENT	\$149,468.00	(\$94,221.17)	(\$163,425.06)	\$13,957.06	\$0.00	\$13,957.06 -9.34%
40.097.05036	PRIOR YEAR SURPLUS	\$200,000.00	\$0.00	\$0.00	(\$200,000.00)	\$0.00	(\$200,000.00) 100.00%
40.097.05037	RESPIRE CARE: HOBC	\$28,800.00	(\$720.00)	(\$10,044.00)	(\$18,756.00)	\$0.00	(\$18,756.00) 65.13%
40.097.05038	PROPORTIONMENT SHARE FUND	\$1,200,000.00	(\$8,060.77)	(\$8,060.77)	(\$1,191,939.23)	\$0.00	(\$1,191,939.23) 99.33%
40.097.05039	MEDICAID ASSESSMENT	\$716,000.00	(\$1,943,478.51)	(\$2,929,899.34)	\$2,213,899.34	\$0.00	\$2,213,899.34 -309.20%
40.097.05040	MEDICARE PART B PT REVENUE	\$130,150.00	(\$85,683.69)	(\$218,159.53)	\$88,009.53	\$0.00	\$88,009.53 -67.62%
40.097.05041	MEDICARE PART B OT REVENUE	\$92,650.00	\$5,350.00	\$0.00	(\$92,650.00)	\$0.00	(\$92,650.00) 100.00%
40.097.05042	MEDICARE PART B SPEECH REVENUE	\$1,800.00	\$0.00	\$0.00	(\$1,800.00)	\$0.00	(\$1,800.00) 100.00%
40.097.05050	MEDICARE PART A: ROOM RATE RE	\$300,000.00	(\$241,237.72)	(\$398,659.12)	\$98,659.12	\$0.00	\$98,659.12 -32.89%
40.097.05051	MEDICARE PART A: PT REVENUE	\$104,500.00	\$13,600.00	(\$16,600.00)	(\$87,900.00)	\$0.00	(\$87,900.00) 84.11%
40.097.05052	MEDICARE PART A: OT REVENUE	\$120,500.00	\$23,800.00	(\$24,200.00)	(\$96,300.00)	\$0.00	(\$96,300.00) 79.92%
40.097.05053	MEDICARE PART A: SPEECH REV.	\$3,000.00	\$450.00	(\$50.00)	(\$2,950.00)	\$0.00	(\$2,950.00) 98.33%
40.097.05054	MEDICARE PART A: XRAY REVENUE	\$1,398.00	\$0.00	\$0.00	(\$1,398.00)	\$0.00	(\$1,398.00) 100.00%
40.097.05055	MEDICARE PART A: LAB REVENUE	\$1,973.00	\$620.16	(\$2,534.73)	\$561.73	\$0.00	\$561.73 -28.47%
40.097.05056	MEDICARE PART A: AMBULANCE RE	\$1,500.00	\$0.00	\$0.00	(\$1,500.00)	\$0.00	(\$1,500.00) 100.00%
40.097.05057	MEDICARE PART A: PHARMACY REV	\$33,792.00	\$12,697.96	(\$24,534.68)	(\$9,257.32)	\$0.00	(\$9,257.32) 27.40%
40.097.06045	NHDES SEWER GRANT	\$60,173.00	(\$60,174.00)	(\$60,174.00)	\$1.00	\$0.00	\$1.00 0.00%
	Fund: NURSING HOME - 40	\$9,761,728.00	(\$7,725,049.78)	(\$12,093,079.72)	\$2,331,351.72	\$0.00	\$2,331,351.72
Grand Total:		(\$21,207,928.00)	(\$18,459,294.07)	(\$23,533,064.43)	\$2,325,136.43	\$0.00	\$2,325,136.43

End of Report

Sullivan County

SUMMARY EXPENSE: FY05

Fiscal Year: 2004-2005

From Date: 7/1/2004 To Date: 6/30/2005

Include pre encumbrance Print accounts with zero balance

Account Number	Description	Budget	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
10.400.00000	COMMISSIONERS OFFICE	\$235,579.00	\$172,854.12	\$246,847.35	(\$11,268.35)	\$0.00	(\$11,268.35)	-4.78%
10.401.00000	TREASURER	\$4,976.00	\$2,861.31	\$4,656.87	\$319.13	\$0.00	\$319.13	6.41%
10.402.00000	AUDITOR	\$40,000.00	\$1,346.00	\$38,846.00	\$1,154.00	\$0.00	\$1,154.00	2.89%
10.403.00000	COUNTY MANAGER	\$125,699.00	\$74,911.54	\$129,243.08	(\$3,544.08)	\$0.00	(\$3,544.08)	-2.82%
10.404.00000	INCENTIVE	\$141,550.00	\$80,150.00	\$127,094.60	\$14,455.40	\$0.00	\$14,455.40	10.21%
10.405.00000	PAYROLL OFFICE	\$73,729.00	\$46,128.52	\$74,999.60	(\$1,270.60)	\$0.00	(\$1,270.60)	-1.72%
10.406.00000	CONSERVATION DISTRICT	\$47,434.00	\$30,362.06	\$50,659.05	(\$3,225.05)	\$0.00	(\$3,225.05)	-6.80%
10.410.00000	COUNTY ATTORNEY	\$293,065.00	\$166,985.87	\$265,670.97	\$27,384.03	\$0.00	\$27,384.03	9.35%
10.411.00000	VICTIM/WITNESS PROGRAM	\$54,202.00	\$36,255.99	\$56,070.07	(\$1,368.07)	\$0.00	(\$1,368.07)	-3.45%
10.440.00000	SHERIFFS DEPARTMENT	\$438,046.00	\$238,582.43	\$455,986.51	(\$18,940.51)	\$0.00	(\$18,940.51)	-4.32%
10.442.00000	DEPUTY SHERIFFS PAYROLL	\$0.00	\$407.86	\$407.86	\$0.00	\$0.00	(\$407.86)	0.00%
10.443.00000	DEPUTY SHERIFFS BAILIFFS	\$60,505.00	\$36,056.15	\$63,018.48	(\$2,513.48)	\$0.00	(\$2,513.48)	-4.15%
10.450.00000	MEDICAL REFEREE	\$23,800.00	\$7,881.40	\$9,442.75	\$1,157.25	\$0.00	\$1,157.25	59.99%
10.460.00000	COURT HOUSE	\$131,995.00	\$39,457.36	\$64,106.69	\$67,888.31	\$0.00	\$67,888.31	51.43%
10.475.00000	COOPERATIVE EXTENSION SERVICE	\$205,328.00	\$147,691.79	\$204,536.16	\$791.82	\$0.00	\$791.82	0.39%
10.490.00000	HUMAN SERVICES	\$4,414,701.00	\$2,636,914.87	\$3,327,624.66	\$1,087,076.34	\$1,000.00	\$1,086,076.34	24.60%
10.491.00000	LONG TERM CARE COORDINATOR	\$0.00	(\$479.76)	(\$479.76)	\$0.00	\$0.00	\$479.76	0.00%
10.497.00000	WOODHULL COUNTY COMPLEX	\$76,406.00	\$54,353.75	\$64,260.51	\$12,145.49	\$0.00	\$12,145.49	15.90%
10.520.00000	HUMAN RESOURCES	\$32,928.00	\$19,435.01	\$27,667.01	\$5,260.99	\$0.00	\$5,260.99	15.98%
10.550.00000	OPERATION OF PLANT	\$95,796.00	\$59,472.39	\$83,421.39	\$12,374.61	\$0.00	\$12,374.61	12.92%
10.600.00000	DEPARTMENT OF CORRECTION	\$2,291,842.00	\$1,470,455.47	\$2,277,184.71	\$14,657.29	\$50.00	\$14,607.29	0.64%
10.700.00000	FACILITIES	\$8,960.00	\$4,105.88	\$7,251.98	\$1,708.02	\$0.00	\$1,708.02	19.06%
10.861.00000	COUNTY GRANTS	\$125,000.00	\$71,704.00	\$124,204.00	\$796.00	\$0.00	\$796.00	0.64%
10.870.00000	ECONOMIC DEVELOPMENT AGENCY	\$0.00	\$5,000.00	(\$9,000.00)	\$9,000.00	\$0.00	\$9,000.00	0.00%
10.900.00000	INTEREST LONG TERM NOTES	\$28,500.00	\$15,111.68	\$15,111.68	\$13,388.32	\$0.00	\$13,388.32	46.98%
10.980.00000	DELEGATION	\$5,000.00	\$4,969.14	\$5,297.59	(\$297.59)	\$0.00	(\$297.59)	-5.95%
10.997.00000	TRANSFER IN/OUT	\$0.00	\$1,664,776.69	\$1,664,776.69	(\$1,664,776.69)	\$0.00	(\$1,664,776.69)	0.00%
10.999.00000	DEPT	\$0.00	(\$15,135.83)	(\$15,135.83)	\$0.00	\$0.00	\$15,135.83	0.00%
	Fund: GENERAL FUND - 10	\$8,954,841.00	\$7,073,215.69	\$9,364,770.69	(\$409,929.69)	\$1,050.01	(\$410,979.70)	
22.420.00000	REGISTER OF DEEDS	\$328,083.00	\$186,764.89	\$330,543.44	(\$2,460.44)	\$0.00	(\$2,460.44)	-0.75%
	Fund: REGISTER OF DEEDS - 22	\$328,083.00	\$186,764.89	\$330,543.44	(\$2,460.44)	\$0.00	(\$2,460.44)	
24.345.00000	ENFORCING UNDERAGE DRINKING LA	\$30,000.00	\$19,750.58	\$26,442.53	\$3,557.47	\$0.00	\$3,557.47	11.86%
24.445.00000	DOMESTIC VIOLENCE GRANT	\$3,000.00	\$353.24	\$1,368.95	\$1,631.05	\$0.00	\$1,631.05	54.37%
24.475.00000	COOPERATIVE EXTENSION SERVICE	\$0.00	\$2,160.44	\$3,841.92	(\$3,841.92)	\$0.00	(\$3,841.92)	0.00%
24.525.00000	HOMELAND SECURITY: AHERN BLDG	\$98,000.00	\$91,177.74	\$158,330.37	(\$60,330.37)	\$0.00	(\$60,330.37)	-61.56%
24.528.00000	WHSOU	\$0.00	\$7,041.75	\$26,057.25	(\$26,057.25)	\$0.00	(\$26,057.25)	0.00%
24.545.00000	COPS GRANT	\$30,093.00	\$11,396.47	\$16,889.47	\$13,203.53	\$0.00	\$13,203.53	43.88%
24.645.00000	HIGHWAY SAFETY/OUTSIDE DETAIL	\$10,477.00	\$35,439.81	\$62,719.02	(\$52,242.02)	\$0.00	(\$52,242.02)	-498.64%
24.700.00000	FACILITIES	\$800.00	\$0.00	\$0.00	\$800.00	\$0.00	\$800.00	100.00%
24.725.00000	EMERGENCY PLANNING	\$1,000.00	\$0.00	\$0.00	\$1,000.00	\$0.00	\$1,000.00	100.00%
24.745.00000	DRUG TASK FORCE AGENT	\$33,280.00	\$27,359.44	\$33,288.14	(\$8.14)	\$0.00	(\$8.14)	-0.02%
24.943.00000	STRENGTHENING FAMILIES PROG 3	\$20,000.00	\$34,484.15	\$28,813.47	(\$8,813.47)	\$0.00	(\$8,813.47)	-44.07%
24.944.00000	S.CITY INTERVENTION PROG 2	\$30,000.00	\$22,750.00	\$35,750.00	(\$5,750.00)	\$0.00	(\$5,750.00)	-19.17%
24.945.00000	LADAC/WORKFORCE GRANT	\$65,000.00	\$38,120.40	\$56,570.67	\$8,429.33	\$0.00	\$8,429.33	12.97%
24.946.00000	NEWPORT ENRICHMENT	\$83,970.00	\$35,096.21	\$77,655.65	\$6,314.35	\$0.00	\$6,314.35	7.52%
24.947.00000	CLAREMONT TEEN RESOURCE CENTI	\$112,008.00	\$57,544.22	\$96,205.78	\$15,802.22	\$0.00	\$15,802.22	14.11%
	Fund: GRANTS - 24	\$517,628.00	\$382,674.45	\$623,933.22	(\$106,305.22)	\$0.00	(\$106,305.22)	
30.550.00000	DEPT	\$0.00	(\$107.26)	(\$107.26)	\$107.26	\$0.00	\$107.26	0.00%
	Fund: INTERGOVERNMENTAL - 30	\$0.00	(\$107.26)	(\$107.26)	\$107.26	\$0.00	\$107.26	

Sullivan County

SUMMARY EXPENSE: FY05

Fiscal Year: 2004-2005

From Date: 7/1/2004

To Date: 6/30/2005

Include pre encumbrance

Print accounts with zero balance

Account Number	Description	Budget	Range To Date	YTD	Balance	Encumbrance	Budget Balance	% Bud
40.087.00000	DEPT	\$0.00	\$217,820.19	\$279,410.89	(\$279,410.89)	\$0.00	(\$279,410.89)	0.00%
40.492.00000	MARKETING	\$78,913.00	\$38,049.26	\$49,217.13	\$29,695.87	\$0.00	\$29,695.87	37.63%
40.500.00000	ADMINISTRATION NURSING HOME	\$1,143,787.00	\$1,148,378.12	\$1,318,497.14	(\$174,710.14)	\$0.00	(\$174,710.14)	-15.27%
40.510.00000	DEPRECIATION	\$0.00	\$332,615.29	\$332,615.29	\$332,615.29	\$0.00	\$332,615.29	0.00%
40.520.00000	HUMAN RESOURCES	\$131,710.00	\$77,712.66	\$130,926.19	\$783.81	\$0.00	\$783.81	0.60%
40.530.00000	DIETARY	\$1,358,279.00	\$782,959.90	\$1,370,489.77	(\$12,210.77)	\$0.00	(\$12,210.77)	-0.90%
40.540.00000	NURSING	\$5,067,637.00	\$3,433,546.26	\$5,502,157.51	(\$434,520.51)	\$0.00	(\$434,520.51)	-8.57%
40.541.00000	NURSING ON-CALL	\$772,885.00	\$560,942.53	\$980,994.37	(\$208,109.37)	\$0.00	(\$208,109.37)	-26.93%
40.550.00000	OPERATION OF PLANT	\$669,568.00	\$553,023.83	\$708,586.27	(\$40,040.00)	\$0.00	(\$40,040.00)	-5.83%
40.560.00000	LAUNDRY & LINEN	\$302,190.00	\$211,029.05	\$325,204.05	(\$23,014.05)	\$0.00	(\$23,014.05)	-7.62%
40.570.00000	HOUSEKEEPING	\$589,890.00	\$333,395.49	\$567,932.95	\$21,957.05	(\$0.01)	\$21,957.05	3.72%
40.580.00000	PHYSICIAN & PHARMACY	\$19,600.00	\$22,852.90	\$28,321.29	(\$8,721.29)	\$0.00	(\$8,721.29)	-44.50%
40.585.00000	MEDICARE PART A	\$97,021.00	\$91,345.94	\$147,220.70	(\$50,199.70)	\$0.00	(\$50,199.70)	-51.74%
40.586.00000	MEDICARE PART B	\$112,835.00	\$106,260.58	\$160,775.70	(\$47,940.70)	\$0.00	(\$47,940.70)	-42.49%
40.591.00000	PHYSICAL THERAPY	\$7,000.00	\$3,438.87	\$5,092.10	\$1,907.90	\$0.00	\$1,907.90	27.26%
40.592.00000	OCCUPATIONAL THERAPY	\$6,000.00	\$2,454.86	\$4,619.03	\$1,380.97	\$0.00	\$1,380.97	23.02%
40.593.00000	RECREATIONAL THERAPY	\$292,322.00	\$161,630.35	\$262,539.52	\$29,782.48	\$0.00	\$29,782.48	10.19%
40.594.00000	SOCIAL SERVICES	\$135,081.00	\$98,457.94	\$155,606.85	(\$20,525.85)	\$0.00	(\$20,525.85)	-15.20%
40.596.00000	DENTAL SERVICE	\$21,612.00	\$12,504.02	\$19,706.06	\$1,905.94	\$0.00	\$1,905.94	8.82%
40.970.00000	PRINCIPAL AND INTEREST ON BOND	\$517,964.00	(\$177,919.36)	\$22,055.64	\$495,908.36	\$0.00	\$495,908.36	95.74%
40.999.00000	DEPT	\$0.00	(\$58,750.75)	(\$58,750.75)	\$58,750.75	\$0.00	\$58,750.75	0.00%
	Fund: NURSING HOME - 40	\$11,324,294.00	\$7,952,747.93	\$12,313,217.70	(\$988,923.70)	(\$0.05)	(\$988,923.65)	
42.475.00000	COOPERATIVE EXTENSION SERVICE	\$2,800.00	(\$2,800.00)	\$0.00	\$2,800.00	\$0.00	\$2,800.00	100.00%
42.497.00000	WOODHULL COUNTY COMPLEX	\$0.00	\$3,500.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
42.500.00000	ADMINISTRATION NURSING HOME	\$40,000.00	(\$47,552.41)	\$0.00	\$40,000.00	\$0.00	\$40,000.00	100.00%
42.530.00000	DIETARY	\$11,664.00	(\$1,301.30)	\$0.00	\$11,664.00	\$0.00	\$11,664.00	100.00%
42.540.00000	NURSING	\$23,566.00	(\$6,821.35)	\$0.00	\$23,566.00	\$0.00	\$23,566.00	100.00%
42.550.00000	OPERATION OF PLANT	\$3,000.00	\$0.00	\$0.00	\$3,000.00	\$0.00	\$3,000.00	100.00%
42.560.00000	LAUNDRY AND LINEN	\$450.00	(\$389.98)	\$0.00	\$450.00	\$0.00	\$450.00	100.00%
42.570.00000	HOUSEKEEPING	\$1,602.00	\$0.00	\$0.00	\$1,602.00	\$0.00	\$1,602.00	100.00%
42.600.00000	DEPARTMENT OF CORRECTION	\$0.00	\$1,509.11	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
42.998.00000	DEPT	\$0.00	\$73,886.58	\$73,886.58	(\$73,886.58)	\$0.00	(\$73,886.58)	0.00%
	Fund: CAPITAL IMPROVEMENTS - 42	\$83,082.00	\$20,030.65	\$73,886.58	\$9,195.42	\$0.00	\$9,195.42	
Grand Total:		\$21,207,928.00	\$15,615,326.35	\$22,706,244.37	(\$1,498,316.37)	\$1,049.96	(\$1,499,366.33)	

End of Report

SULLIVAN COUNTY, NEW HAMPSHIRE

Management Letter

For the Year Ended June 30, 2005

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To the Board of Commissioners
Sullivan County
Newport, New Hampshire

We have audited the financial statements of Sullivan County, New Hampshire, as of and for the year ended June 30, 2005, and have issued our report thereon dated July 29, 2005. As part of our audit, we made a study and evaluation of the County's system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purposes of such evaluations are to establish a basis for reliance on the system of internal accounting control in determining the nature, timing, and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements.

The management of Sullivan County, New Hampshire is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by them are required to assess the expected benefits and related costs of control procedures. The objectives of such a system are to provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with required authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may still occur without being detected. Also, projection of any evaluation of the system to future periods is subject to the risks that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design

or operation of the internal control structure that, in our judgment, could adversely affect the County's ability to record, process, summarize and report financial data in a manner that is consistent with the assertions of management in the financial statements. These issues are noted as reportable conditions in the table of contents and in the comment headings.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce, to a relatively low level, the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe the reportable conditions described above are material weaknesses.

Our study and evaluation was not designed for the purpose of expressing an opinion on the internal accounting control and would not necessarily disclose all weaknesses in the system. However, as a result of our study and evaluation, and in an effort to be of assistance to the County, we are submitting for your consideration comments and recommendations intended to improve operations and internal accounting control.

After you have an opportunity to consider our findings and recommendations, we shall be pleased to discuss them further with you. We would like to thank the County officials and staff for the cooperation and courtesy given to our firm during the course of the engagement.

Melanson, Heath + Company, P.C.

Nashua, New Hampshire
July 29, 2005

CURRENT YEAR RECOMMENDATIONS:

1. Improve Oversight Over Nursing Home Receivables (Reportable Condition)

During our audit, we found that Nursing Home receivables were not in agreement with, nor had not been reconciled to, the general ledger throughout the year. This resulted from certain billings and adjustments that had not been reported by the Nursing Home to the business office for recording to the general ledger.

In addition, we found that receivables were not being reviewed for collectibility during fiscal year 2005. As part of the annual audit, the Nursing Home bookkeeper provided us with write-offs of receivables, totaling approximately \$ 272,000, leaving approximately \$ 233,000 of receivables that are over one year old.

We recommend that Nursing Home receivables be reconciled to the general ledger on a monthly basis and that they be monitored during the year for collectibility. We recommend that these procedures be overseen by someone other than the individuals performing these procedures. Further, we recommend that uncollectible receivables be determined and approved by someone outside the billing, collections, and general ledger functions and that an allowance for uncollectible accounts be estimated and recorded at least at year end.

The implementation of these procedures will improve controls over receivables and provide the Nursing Home with more reliable financial information necessary to manage operations and cash flow.

2. Improve Year-End Processing Procedures

As part of its year-end closing process with the new general ledger software, the County rolled forward all open purchase orders (encumbrances) by recording an expenditure and an offsetting payable. However, because encumbrances are not considered expenditures under Generally Accepted Accounting Principles, this resulted in overstated expenditures. This was

subsequently corrected by reversing the expenditures and reclassifying them as a reserve for encumbrances.

Further, some of the items that were rolled forward as encumbrances were actually payables for goods or services received or rendered as of June 30, 2005. No distinction between encumbrances and payables were made in the list generated and rolled forward. The treatment of payables and encumbrances for financial statements prepared under Generally Accepted Accounting Principles is significantly different; payables are reported as expenditures; encumbrances are reserves against fund balance.

We recommend that the County review its year-end processing procedures so that payables and encumbrances are properly reported under Generally Accepted Accounting Principles.

STATUS OF PRIOR YEAR RECOMMENDATIONS:

3. Improve Controls Over Various Cash Accounts (Reportable Condition)

Prior Year Comment

During the fiscal year 2004 audit, we noted that there were various cash accounts which were not currently tracked in the County's general ledger, including a Registry checking account, a Sheriff's grant checking account, various Nursing Home trust accounts, and a capital reserve account. The previous year's audit management letter identified this situation as "a lack of segregation of duties" because most of these accounts were administered by elected officials and others, with no oversight from the Treasurer or Administrative Office. As a result, there was an increased risk that errors or irregularities could occur and go undetected.

We recommended that all County cash accounts be brought under the control of the Treasurer, and that all related activity be reported in the County's general ledger. This would improve oversight, accountability, and control over these accounts, thereby minimizing the risk of errors or irregularities occurring.

Current Year Status

The County is now including the capital reserve cash account in the general ledger. The following accounts, however, are still not included in the general ledger, and are not under control of the County Treasurer:

- Registry Copy Account
- Nursing Home Resident Account
- Nursing Home Equipment Fund
- Nursing Home Alix Ungren Fund
- Nursing Home Elsie Hardison Fund
- Nursing Home Book Fund
- Nursing Home Activity Fund
- Nursing Home Resident Store Account
- Nursing Home Vending Account
- Nursing Home County Home Fund
- Cops Grant Account
- Sheriff's Department Account
- CDBG Project Account
- Alix Ungren Fund

Further Action Required

We continue to recommend that all County cash accounts be brought under the control of the Treasurer, and that all related activity be reported in the County's general ledger.

4. Revise Various Accounting Procedures

In the prior year, we noted that although most critical information was included in the County's general ledger at year end, various accounting practices followed either did not conform with generally accepted accounting practices or resulted in inefficient practices. Our prior year observations and recommendations follow:

Prior Year Comment

- A. **Record Budgeted Transfers:** Each year when the budget is authorized and tax rate is set, the overall County budget balances, however, budgeted revenues do not match the budgeted appropriately for individual funds (e.g., the Nursing Home Enterprise Fund, the Registry Special Revenue Fund, and the General Fund). The differences represent budgeted surplus/deficits of the Registry/Nursing Home that impact the General Fund's tax rate. The County historically has not actually moved money between funds to record these budgeted transfers. As a result, the general ledger reflected large cumulative interfund balances due between funds.

We recommended that when the tax rate is set, budgeted surplus/deficits for the Registry and Nursing Home be recorded as actual transfers between funds. This would result in improved accountability of each fund, and compliance with generally accepted accounting principles.

Current Year Status

This recommendation has not been addressed.

Further Action Required

We recommend the County work with their outside consultants to establish standard accounting entries to record transfers between funds in the general ledger.

Prior Year Comment

- B. **Avoid Posting Directly to Fund Balance Accounts:** In the prior year, we noted that transactions were posted directly to fund balance accounts, and that a "prior year revenue" account was recorded in the revenue report. Generally accepted accounting principles do not permit such transactions, which also complicate the audit and MS-45 preparation process.

We recommended the County preclude from posting directly to fund balance accounts and using "prior year revenue" accounts. This would simplify the accounting records.

Current Year Status

This comment has been resolved.

Further Action Required

None.

Prior Year Comment

- C. Reconcile General Ledger to Appropriation Report: During the fiscal year 2004 audit, we noted that the County used an appropriation report to track and control activity for Fund 24 grants, and for the Capital Improvements Fund. We also noted, however, that the ending balances in the appropriation reports did not correspond to the general ledger at June 30, 2004. This could result in errors or inaccurate information being used as a basis of control over these funds.

We recommended the general ledger fund balance in these funds be reconciled with appropriation report balances on a monthly basis. This would improve checks and balances to assure that both the general ledger and appropriation reports reflect accurate balances.

Current Year Status

This comment has been resolved.

Further Action Required

None.

Prior Year Comment

- D. Revise Method of Recording Budget Transfers: During fiscal 2004 the Commissioners authorized a transfer from several available appropriation balances to establish a capital reserve fund. To accomplish this, we noted that instead of reducing the appropriations from the funding sources (i.e., amending the budget), that actual expenditures were charged to these accounts. This resulted in misleading budget reports, and could complicate future budgets that rely on fiscal 2004 expenditures as a base.

We recommended that future budget transfers be recorded by reducing the appropriation amount from the funding sources, and increasing the appropriation amount for the proposed use. This would result in more accurate expenditure reports.

Current Year Status

This issue has been resolved.

Further Action Required

None.

Prior Year Comment

- E. Segregate Year-End Disbursements By Year: In the beginning of a new fiscal year (July), the County processes bills related to both the previous year and the new year. We noted that these disbursements are combined in the vendor check runs processed in July. This complicates the year-end cut-off process, as well as the audit.

We recommended July bills be segregated into separate check runs by fiscal year. This would simplify the processing of year-end activity and help assure a proper cut-off occurs.

Current Year Status

This issue remains unchanged.

Further Action Required

We continue to recommend segregating check runs that relate to different fiscal years.

Prior Year Comment

- F. Close Year-End Surplus/Deficit in Registry Fund: Because there is no legal purpose to retain a separate fund balance in the Registry Special Revenue Fund, we recommended that the year-end balance (other than equipment reserves) be closed to the General Fund. This would result in more accurate amounts reported in the General Fund general ledger.

Current Year Status

This comment was not addressed as of June 30, 2005, however, we understand that beginning in fiscal year 2006, balances will be closed to the general fund.

Further Action Required

We recommend that the County implement this recommendation in fiscal year 2006.

Prior Year Comment

- G. Reconcile Miscellaneous Ledger Balances: During fiscal year 2004, we noted various general ledger accounts that reflected no current year activity, and for which there was no support. We also noted that various non-enterprise funds included general ledger balances for capital assets and long-term debt. Generally accepted accounting principles do not permit long-term assets and liabilities to be accounted for in such funds.

We recommended that on a quarterly basis, all general ledger accounts be reconciled to support, and all inactive accounts be evaluated for closure. We also recommended that capital assets and related debt no longer be recorded in the non-enterprise funds. This would result in a more accurate general ledger.

Current Year Status

Capital assets and related debt were removed from non-enterprise funds during fiscal year 2005. However, various general ledger balance sheet accounts had balances that were carried from fiscal year 2004 (mostly Nursing Home).

Further Action Required

We again recommend that on at least a quarterly basis, all general ledger balance sheet accounts be reviewed and reconciled to support.

5. Void Printer Alignment Checks

Prior Year Comment

In the prior year, we noted that when checks were printed, there were a few checks that were not issued at the beginning of the run because they were used for the check printer alignment. We understand the County saved these checks to be used as manual checks at a later date. As a result, the check sequence of checks clearing the bank was not always chronological. This resulted in a poor audit trail, and complicated the cash reconciliation process.

We recommended the County void all unused "printer alignment" checks immediately. This would provide an improved audit trail and simplify the bank reconciliation process.

Current Year Status

During fiscal year 2005 the County implemented a new general ledger accounting system. This new system does not require printer alignment checks. As a result, check sequences are now chronological.

Further Action Required

None.

6. **Maintain Log of Checks Used**

Prior Year Comment

In the prior year, we noted that the County did not maintain a log of issued or voided checks. The purpose of such a log is to maintain the sequential integrity of checks used. A log which lists all checks issued and voided provides additional assurance that all checks are accounted for and reduces the risk that checks will be used inappropriately without being detected.

We recommended the County establish a log to track all checks issued and voided. This would provide additional control over cash disbursements.

Current Year Status

During the current year audit, we noted that the County maintained a log of all checks.

Further Action Required

None.

7. Improve Year-End Reporting at the Nursing Home

Prior Year Comment

As part of our fiscal year 2004 audit of the Nursing Home Enterprise Fund, it was necessary to make the following adjustments:

- Write-off bad debts identified by the Nursing Home.
- Adjust resident cash, and the offsetting liability to residents, to the correct balance at June 30, 2004.
- Adjust restricted cash to reconciled balances.
- Adjust inventory to agree with physical count.
- Adjust payroll accruals.
- Adjust accounts payable.
- Reverse billings for July 2004, posted to FY 2004.
- Reclassify expenses to fixed assets and record depreciation.

As a result of the above adjustments, the Nursing Home's fiscal year 2004 audited financial statements were significantly different than their internal year-end financial reports.

We recommended that in the future, these adjustments be made part of the Nursing Home's year-end closing entries, rather than being left to the annual audit. Also, adjustments such as bad debt write-offs should be made throughout the year and all balance sheet accounts should be regularly reviewed, and adjustments made, as needed. This would provide the Nursing Home with more accurate financial information in a timely manner.

Current Year Status

The adjustments noted above that were made during fiscal year 2004 were repeated during the fiscal year 2005 audit.

Further Action Required

We continue to recommend that the Nursing Home address the issues noted above so that accurate financial information is provided to the County in a timely manner.

8. Improve Segregation of Duties Over Inmate Account

Prior Year Comment

In the prior year, we noted that the County Correctional Facility maintained a checking account on behalf of inmates to be used for personal toiletries, etc. We noted that the secretary at the facility, who was also responsible for recording all activity and reconciling the account, was an authorized check signer. This resulted in a lack of segregation of duties.

We recommended that the secretary be removed as an authorized check signer, and that copies of bank statements and reconciliations be provided to the Treasurer on a monthly basis. This would improve oversight and controls, thereby reducing the risk of errors or irregularities occurring and going undetected.

Current Year Status

We understand that the secretary at the County Correctional Facility is no longer an authorized check signer.

Further Action Required

None.

SULLIVAN COUNTY, NEW HAMPSHIRE

Annual Financial Statements

For the Year Ended June 30, 2005

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Sullivan County
Newport, New Hampshire

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sullivan County, New Hampshire, as of and for the year ended June 30, 2005, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Sullivan County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sullivan County, as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, appearing on the following pages, is not a required part of the basic financial statements but is supplementary information required by the *Governmental Accounting Standards Board*. We have applied certain limited procedures, which consisted principally of inquiries of management

regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Nashua, New Hampshire
July 29, 2005

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Sullivan County, we offer readers this narrative overview and analysis of the financial activities of Sullivan County for the fiscal year ended June 30, 2005.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

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

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be

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

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

Because the focus of governmental funds is narrower than that of the governmentwide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the governmentwide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

Proprietary funds. Proprietary funds are maintained as follows:

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

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

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the governmentwide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that are essential to a full understanding of the data provided in the governmentwide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by the *Governmental Accounting Standards Board*.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$ 8,031,645 (i.e., net assets), an increase of \$798,651 in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$1,706,112, an increase of \$1,046,958 in comparison with the prior year, as restated.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$ 703,010, an increase of \$ 341,851 in comparison with the prior year.
- Total long-term debt (i.e., bonds payable) at the close of the current fiscal year was \$ 560,910, a decrease of \$(556,559) in comparison to the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed governmentwide financial data for the current and prior fiscal years. All amounts are presented in thousands.

	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Current and other assets	\$ 2,126	\$ 2,433	\$ 1,783	\$ 1,869	\$ 3,909	\$ 4,302
Capital assets	<u>2,674</u>	<u>2,803</u>	<u>4,017</u>	<u>4,176</u>	<u>6,691</u>	<u>6,979</u>
Total assets	4,800	5,236	5,800	6,045	10,600	11,281
Long-term liabilities outstanding	186	277	224	720	410	997
Other liabilities	<u>527</u>	<u>1,891</u>	<u>1,631</u>	<u>1,160</u>	<u>2,158</u>	<u>3,051</u>
Total liabilities	713	2,168	1,855	1,880	2,568	4,048
Net assets:						
Invested in capital assets, net	2,489	2,515	3,526	3,199	6,015	5,714
Unrestricted	<u>1,598</u>	<u>553</u>	<u>419</u>	<u>966</u>	<u>2,017</u>	<u>1,519</u>
Total net assets	\$ <u>4,087</u>	\$ <u>3,068</u>	\$ <u>3,945</u>	\$ <u>4,165</u>	\$ <u>8,032</u>	\$ <u>7,233</u>

CHANGES IN NET ASSETS

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Revenues:						
Charges for services	\$ 944	\$ 952	\$ 9,194	\$ 9,730	\$ 10,138	\$ 10,682
Operating grants	736	696	60	60	796	756
County tax	9,433	9,337	-	-	9,433	9,337
Investment income	68	21	-	-	68	21
Other	268	39	-	-	268	39
Total revenues	<u>11,449</u>	<u>11,045</u>	<u>9,254</u>	<u>9,790</u>	<u>20,703</u>	<u>20,835</u>
Expenses:						
General government	664	718	-	-	664	718
County Attorney	322	234	-	-	322	234
Commissioners office	247	221	-	-	247	221
Public safety	809	781	-	-	809	781
Corrections	2,243	2,310	-	-	2,243	2,310
County Nursing Home	-	65	11,176	10,341	11,176	10,406
Health and welfare	3,852	4,457	-	-	3,852	4,457
Cooperative extension	260	290	-	-	260	290
Register of Deeds	<u>331</u>	<u>345</u>	<u>-</u>	<u>-</u>	<u>331</u>	<u>345</u>
Total expenses	<u>8,728</u>	<u>9,421</u>	<u>11,176</u>	<u>10,341</u>	<u>19,904</u>	<u>19,762</u>
Change in net assets before transfers	2,721	1,624	(1,922)	(551)	799	1,073
Transfers in (out)	<u>(1,702)</u>	<u>(1,491)</u>	<u>1,702</u>	<u>1,491</u>	<u>-</u>	<u>-</u>
Increase (decrease) in net assets	1,019	133	(220)	940	799	1,073
Net assets - beginning of year	<u>3,068</u>	<u>2,935</u>	<u>4,165</u>	<u>3,225</u>	<u>7,233</u>	<u>6,160</u>
Net assets - end of year	<u>\$ 4,087</u>	<u>\$ 3,068</u>	<u>\$ 3,945</u>	<u>\$ 4,165</u>	<u>\$ 8,032</u>	<u>\$ 7,233</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$ 8,031,645, an increase of \$798,651 from the prior year, as restated.

The largest portion of net assets \$6,015,163 reflects our investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of unrestricted net assets \$2,016,482 may be used to meet the government's ongoing obligations to citizens and creditors.

Governmental activities. Governmental activities for the year resulted in an increase in net assets of \$1,018,788. Key elements of this increase are as follows:

	<u>Governmental Activities</u>
Excess of general fund revenues over budget	\$ 280,161
Budgetary appropriations unspent by departments	461,690
Use of fund balance as a funding source	(400,000)
Current encumbrances in excess of prior year encumbrances (timing difference)	728,865
Other	(51,928)
Total	\$ <u>1,018,788</u>

Business-type activities. Business-type activities (Nursing Home) for the year resulted in a decrease in net assets of \$(220,137). Most of this decrease is attributed to the repayment of Proshare funds.

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, governmental funds reported combined ending fund balances of \$1,706,112, an increase of \$1,046,958 in comparison with the prior year. Key elements of this increase are as follows:

	<u>Governmental Funds</u>
Excess of general fund revenues over budget	\$ 280,161
Budgetary appropriations unspent by departments	461,690
Use of fund balance as a funding source	(400,000)
Current encumbrances in excess of prior year encumbrances (timing difference)	728,865
Other	(23,758)
Total	\$ <u>1,046,958</u>

The general fund is the chief operating fund. At the end of the current fiscal year, unreserved fund balance of the general fund was \$ 703,010. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance at June 30, 2005 represents 9 percent of total general fund expenditures.

The fund balance of the general fund increased by \$1,070,716 during the current fiscal year. Key factors in this change are as follows:

	General Fund
Excess of general fund revenues over budget	\$ 280,161
Budgetary appropriations unspent by departments	461,690
Use of fund balance as a funding source	(400,000)
Current encumbrances in excess of prior year	
Encumbrances (timing difference)	<u>728,865</u>
Total	<u>\$ 1,070,716</u>

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

Unrestricted net assets of the enterprise funds at the end of the year amounted to \$ 418,508, a decrease of \$(547,515) in comparison with the prior year. Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

E. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets for governmental and business-type activities at year end amounted to \$6,690,164 (net of accumulated depreciation), a decrease of \$(289,021) from the prior year. This investment in capital assets includes land, buildings and improvements, and machinery and equipment.

Long-term debt. At the end of the current fiscal year, total bonded debt outstanding was \$ 560,910, all of which was backed by the full faith and credit of the government.

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

REQUESTS FOR INFORMATION

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

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

SULLIVAN COUNTY, NEW HAMPSHIRE

STATEMENT OF NET ASSETS

JUNE 30, 2005

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current:			
Cash and short-term investments	\$ 2,122,296	\$ 200	\$ 2,122,496
Receivables:			
Departmental and other	2,000	1,518,254	1,520,254
Intergovernmental	175	-	175
Internal balances	(139,854)	139,854	-
Prepaid expenses	142,058	-	142,058
Inventory	-	22,371	22,371
Noncurrent:			
Restricted cash	-	102,715	102,715
Capital assets, net of accumulated depreciation	<u>2,673,655</u>	<u>4,016,509</u>	<u>6,690,164</u>
TOTAL ASSETS	4,800,330	5,799,903	10,600,233
LIABILITIES			
Current:			
Accounts payable	163,854	707,040	870,894
Accrued liabilities	256,709	341,668	598,377
Due to residents	-	91,968	91,968
Current portion of long-term liabilities:			
Bonds payable	70,473	490,437	560,910
Capital leases payable	35,949	-	35,949
Noncurrent:			
Capital leases payable, net of current portion	78,142	-	78,142
Accrued compensated absences	<u>108,138</u>	<u>224,210</u>	<u>332,348</u>
TOTAL LIABILITIES	713,265	1,855,323	2,568,588
NET ASSETS			
Invested in capital assets, net of related debt	2,489,091	3,526,072	6,015,163
Unrestricted	<u>1,597,974</u>	<u>418,508</u>	<u>2,016,482</u>
TOTAL NET ASSETS	\$ <u>4,087,065</u>	\$ <u>3,944,580</u>	\$ <u>8,031,645</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2005

	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:						
General government	\$ 663,461	\$ 141,884	\$ -	\$ (486,405)	\$ -	\$ (486,405)
County Attorney's office	321,715	4,328	-	(317,387)	-	(317,387)
Commissioners' office	246,847	-	-	(246,847)	-	(246,847)
Public safety	809,023	237,901	-	(353,269)	-	(353,269)
Corrections	2,242,718	14,114	-	#####	-	#####
Health and welfare	3,852,196	333,962	-	#####	-	#####
Cooperative extension	260,050	3,842	-	(256,208)	-	(256,208)
Register of Deeds	331,593	-	-	272,376	-	272,376
Total Governmental Activities	8,727,603	736,031	-	#####	-	#####
Business-Type Activities:						
Nursing Home	11,175,782	60,174	-	-	(1,921,736)	#####
Total Business-Type Activities	11,175,782	60,174	-	-	(1,921,736)	#####
Total	\$ 19,903,385	\$ 796,205	\$ -	#####	(1,921,736)	#####
General Revenues:						
County Tax				9,433,119	-	9,433,119
Investment income				67,561	-	67,561
Miscellaneous				266,966	-	266,966
Transfers, net				#####	1,701,599	-
Total general revenues and transfers				8,066,047	1,701,599	9,767,646
Change in Net Assets				1,018,788	(220,137)	798,651
Net Assets:						
Beginning of year				3,068,277	4,164,717	7,232,994
End of year				\$ 4,087,065	\$ 3,944,580	\$ 8,031,645

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2005

	General	Register of Deeds	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and short-term investments	\$ 1,993,500	\$ 128,796	-	\$ 2,122,296
Accounts receivable	2,000	-	-	2,000
Intergovernmental receivable	-	-	175	175
Due from other funds	-	-	198,904	198,904
Other assets	<u>142,058</u>	<u>-</u>	<u>-</u>	<u>142,058</u>
TOTAL ASSETS	<u>\$ 2,137,558</u>	<u>\$ 128,796</u>	<u>\$ 199,079</u>	<u>\$ 2,465,433</u>

LIABILITIES AND FUND BALANCES

Liabilities:				
Accounts payable	\$ 139,192	\$ 6,363	\$ 18,299	\$ 163,854
Accrued liabilities	231,056	22,359	3,294	256,709
Due to other funds	<u>335,435</u>	<u>3,323</u>	<u>-</u>	<u>338,758</u>
TOTAL LIABILITIES	705,683	32,045	21,593	759,321
Fund Balances:				
Reserved for encumbrances	728,865	-	-	728,865
Unreserved:				
Undesignated, reported in:				
General fund	703,010	-	-	703,010
Special revenue funds	<u>-</u>	<u>96,751</u>	<u>177,486</u>	<u>274,237</u>
TOTAL FUND BALANCES	<u>1,431,875</u>	<u>96,751</u>	<u>177,486</u>	<u>1,706,112</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,137,558</u>	<u>\$ 128,796</u>	<u>\$ 199,079</u>	<u>\$ 2,465,433</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

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

JUNE 30, 2005

Total governmental fund balances	\$ 1,706,112
<ul style="list-style-type: none">• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,673,655
<ul style="list-style-type: none">• Long-term liabilities, including bonds payable, capital leases payable, and accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(<u>292,702</u>)
Net assets of governmental activities	\$ <u>4,087,065</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2005

	General	Register of Deeds	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
County taxes	\$ 9,433,119	\$ -	-	\$ 9,433,119
Charges for services	277,625	603,969	62,719	944,313
Intergovernmental	159,992	-	576,039	736,031
Investment income	67,561	-	-	67,561
Miscellaneous	266,966	-	-	266,966
Total Revenues	<u>10,205,263</u>	<u>603,969</u>	<u>638,758</u>	<u>11,447,990</u>
Expenditures:				
Current:				
General government	578,946	-	-	578,946
County Attorney's office	265,671	-	-	265,671
Commissioners' office	246,847	-	-	246,847
Public safety	520,413	-	324,987	845,400
Corrections	2,284,437	-	-	2,284,437
Health and welfare	3,578,444	-	294,996	3,873,440
Cooperative extension	255,195	-	3,842	259,037
Register of Deeds	-	330,543	-	330,543
Debt service	15,112	-	-	15,112
Total Expenditures	<u>7,745,065</u>	<u>330,543</u>	<u>623,825</u>	<u>8,699,433</u>
Excess (deficiency) of revenues over expenditures	2,460,198	273,426	14,933	2,748,557
Other Financing Sources (Uses):				
Operating transfers in	275,387	-	-	275,387
Operating transfers out	(1,664,869)	(260,251)	(51,866)	(1,976,986)
Total Other Financing Sources (Uses)	<u>(1,389,482)</u>	<u>(260,251)</u>	<u>(51,866)</u>	<u>(1,701,599)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	1,070,716	13,175	(36,933)	1,046,958
Fund Equity, at Beginning of Year	361,159	83,576	214,419	659,154
Fund Equity, at End of Year	<u>\$ 1,431,875</u>	<u>\$ 96,751</u>	<u>\$ 177,486</u>	<u>\$ 1,706,112</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2005

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 1,046,958

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

Capital purchases	145,181
Depreciation	(274,667)

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

Repayments of debt	103,665
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- In the statement of activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.

8,062

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

(10,411)

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 1,018,788

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

GENERAL FUND

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

FOR THE YEAR ENDED JUNE 30, 2005

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues and Other Sources:				
County taxes	\$ 9,433,119	\$ 9,433,119	\$ 9,433,119	\$ -
Charges for services	285,005	285,005	277,625	(7,380)
Intergovernmental	155,665	155,665	159,992	4,327
Investment income	8,500	8,500	67,561	59,061
Miscellaneous	196,283	196,283	266,966	70,683
Transfers in	121,917	121,917	275,387	153,470
Other sources	400,000	400,000	400,000	-
Total Revenues and Other Sources	10,600,489	10,600,489	10,880,650	280,161
Expenditures and Other Uses:				
General government	692,831	692,831	639,924	52,907
County Attorney's office	293,065	293,065	265,671	27,394
Commissioners' office	235,579	235,579	247,647	(12,068)
Public safety	498,551	498,551	520,413	(21,862)
Corrections	2,262,202	2,300,802	2,297,987	2,815
Health and welfare	4,681,251	4,681,251	4,245,093	436,158
Cooperative extension	255,562	255,562	257,195	(1,633)
Transfers out	1,656,448	1,642,848	1,664,869	(22,021)
Reserve	25,000	-	-	-
Total Expenditures and Other Uses	10,600,489	10,600,489	10,138,799	461,690
Excess (deficiency) of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ 741,851	\$ 741,851

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

PROPRIETARY FUND

STATEMENT OF NET ASSETS

JUNE 30, 2005

	Business-Type Activities Enterprise Fund
	<u>Nursing Home</u>
<u>ASSETS</u>	
Current:	
Cash and short-term investments	\$ 200
Accounts receivable, net of contractual allowances	1,518,254
Internal balances	139,854
Inventory	<u>22,371</u>
Total current assets	1,680,679
Noncurrent:	
Restricted cash	102,715
Capital assets, net of accumulated depreciation	<u>4,016,509</u>
Total noncurrent assets	<u>4,119,224</u>
TOTAL ASSETS	5,799,903
<u>LIABILITIES</u>	
Current:	
Accounts payable	707,040
Accrued and other liabilities	341,668
Due to residents	91,968
Current portion of long-term liabilities:	
Bonds payable	<u>490,437</u>
Total current liabilities	1,631,113
Noncurrent:	
Compensated absences	<u>224,210</u>
Total noncurrent liabilities	<u>224,210</u>
TOTAL LIABILITIES	1,855,323
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	3,526,072
Unrestricted	<u>418,508</u>
TOTAL NET ASSETS	\$ <u>3,944,580</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2005

	Business-Type Activities Enterprise Fund <u>Nursing Home</u>
Operating Revenues:	
Charges for services	\$ 9,154,165
Miscellaneous	<u>39,707</u>
Total Operating Revenues	9,193,872
Operating Expenses:	
Personnel services	5,843,892
Contractual services	1,029,903
Therapy services	232,183
Supplies and office expense	203,922
Medical expenses	75,814
Utilities	321,177
Depreciation	332,615
Payroll and other taxes	433,617
Food	439,512
Repairs and maintenance	41,533
Employee benefits	1,951,480
Telephone	17,947
Miscellaneous	648
Insurance	49,437
Medicine	<u>180,046</u>
Total Operating Expenses	<u>11,153,726</u>
Operating Income (Loss)	(1,959,854)
Nonoperating Revenues (Expenses):	
Intergovernmental revenue	60,174
Interest expense	<u>(22,056)</u>
Total Nonoperating Revenues (Expenses), Net	<u>38,118</u>
Income (Loss) Before Transfers	(1,921,736)
Transfers:	
Operating transfers in	<u>1,701,599</u>
Change in Net Assets	(220,137)
Net Assets at Beginning of Year	<u>4,164,717</u>
Net Assets at End of Year	<u>\$ 3,944,580</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

PROPRIETARY FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2005

	Business-Type Activities Enterprise Funds
	<u>Nursing Home</u>
<u>Cash Flows From Operating Activities:</u>	
Receipts for services provided	\$ 8,681,494
Miscellaneous receipts	39,707
Payments for personnel and related costs	(7,606,049)
Payments for goods and services	<u>(2,665,018)</u>
Net Cash Provided By (Used For) Operating Activities	(1,549,866)
<u>Cash Flows From Noncapital Financing Activities:</u>	
Operating transfers in	1,701,599
Receipts from internal balances	470,142
Intergovernmental grant	<u>60,174</u>
Net Cash (Used For) Noncapital Financing Activities	2,231,915
<u>Cash Flows From Capital and Related Financing Activities:</u>	
Acquisition and construction of capital assets	(173,080)
Principal payments on bonds	(486,913)
Interest expense	<u>(22,056)</u>
Net Cash (Used For) Capital and Related Financing Activities	<u>(682,049)</u>
Net Change in Cash and Short-Term Investments	-
Cash and Short Term Investments, Beginning of Year	<u>200</u>
Cash and Short Term Investments, End of Year	<u>\$ 200</u>
<u>Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:</u>	
Operating income (loss)	\$ (1,959,854)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	332,615
Changes in assets and liabilities:	
Accounts receivable	(472,671)
Inventory	10,298
Other assets	12,098
Accounts payable	348,243
Accrued and other liabilities	<u>179,405</u>
Net Cash Provided By (Used For) Operating Activities	<u>\$ (1,549,866)</u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2005

	Agency Funds
<u>ASSETS</u>	
Cash and short-term investments	\$ <u>13,933</u>
Total Assets	13,933
<u>LIABILITIES AND NET ASSETS</u>	
Other liabilities	<u>13,933</u>
Total Liabilities	<u>13,933</u>
<u>NET ASSETS</u>	\$ <u><u>-</u></u>

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of Sullivan County, New Hampshire (the County) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

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

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government wide financial statements.

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

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Generally, all other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental funds:

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

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

and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue, proprietary, and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type is included under investment income.

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

E. Investments

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

F. Interfund Receivables and Payables

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

G. Inventories

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

H. Capital Assets

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

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

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

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

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

I. Compensated Absences

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

J. Long-Term Obligations

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

K. Fund Equity

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

L. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Stewardship, Compliance and Accountability

A. Budgetary Information

The County follows the following procedures establishing the budgetary data reflected in the basic financial statements:

- Prior to May 1st, the County departments submit to the County Commissioners a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- Hearings are conducted by the County Commissioners prior to the County's budget meeting to discuss the proposed budget.
- The budget is legally enacted by the County Delegation prior to September 1st.
- Appropriations for certain projects and specific items not fully expended at the fiscal year end are carried forward as continued appropriations to the new fiscal year in which they supplement the appropriations of that year.
- The budgets for all departments and operations of the County are prepared under the direction of the County Commissioners.

Original appropriations are acted upon by the County Delegation vote.

- A copy of the budget is published in the Annual Report of Sullivan County, New Hampshire.

B. Budgetary Basis

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

C. Budget/GAAP Reconciliation

The budgetary data for the general fund is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations of the general fund are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

<u>General Fund</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Revenues/Expenditures (GAAP basis)	\$ 10,205,263	\$ 7,745,065
Other financing sources/uses (GAAP basis)	<u>275,387</u>	<u>1,664,869</u>
Subtotal (GAAP Basis)	10,480,650	9,409,934
Record use of fund balance	400,000	-
Record current year appropriation carryforwards	<u>-</u>	<u>728,865</u>
Budgetary basis	\$ <u>10,880,650</u>	\$ <u>10,138,799</u>

D. Deficit Fund Equity

The following funds had deficits as of June 30, 2005:

Domestic Violence Grant	\$ (90)
Drug Task Force	(2,814)
Total	\$ (2,904)

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

3. Cash and Short-Term Investments

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. RSA 48:16 limits "deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus. The County does not have a deposit policy for custodial credit risk.

As of June 30, 2005, \$1,374,239 of the County's bank balance of \$ 3,548,638 was exposed to custodial credit risk as uninsured, uncollateralized, and collateral held by pledging bank's trust department not in the County's name.

4. Allowance for Doubtful Accounts

The Nursing Home has elected to record bad debts using the direct writeoff method. Generally accepted accounting principles require that the allowance method be used to reflect bad debts. Management has reviewed receivables at June 30, 2005 and has determined that no allowance is necessary.

5. Intergovernmental Receivables

This balance represents reimbursements requested from Federal and State agencies for expenditures incurred in fiscal 2005.

6. Interfund Fund Receivables/Payables

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the June 30, 2005 balances in interfund receivable and payable accounts:

Due From

Due To

<u>Fund</u>	<u>Other Funds</u>	<u>Other Funds</u>
General Fund	\$ -	\$ 335,435
Special Revenue Funds:		
Registry of Deeds	-	3,323
Grants	198,904	-
Enterprise Funds:		
Nursing Home	<u>139,854</u>	<u>-</u>
Total	\$ <u>338,758</u>	\$ <u>338,758</u>

7. Capital Assets

Capital asset activity for the year ended June 30, 2005 was as follows (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 4,285	\$ 101	\$ -	\$ 4,386
Equipment and vehicles	885	44	-	929
Land improvements	<u>312</u>	<u>-</u>	<u>-</u>	<u>312</u>
Total capital assets, being depreciated	5,482	145	-	5,627
Less accumulated depreciation for:				
Buildings and improvements	(1,855)	(151)	-	(2,006)
Equipment and vehicles	(691)	(62)	-	(753)
Land improvements	(133)	(62)	-	(195)
Total accumulated depreciation	<u>(2,679)</u>	<u>(275)</u>	<u>-</u>	<u>(2,954)</u>
Governmental activities capital assets, net	\$ <u>2,803</u>	\$ <u>(130)</u>	\$ <u>-</u>	\$ <u>2,673</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 7,616	\$ 18	\$ -	\$ 7,634
Equipment	1,752	113	-	1,865
Vehicles	<u>107</u>	<u>42</u>	<u>-</u>	<u>149</u>
Total capital assets, being depreciated	9,475	173	-	9,648
Less accumulated depreciation for:				
Buildings and improvements	(3,616)	(261)	-	(3,877)
Equipment	(1,575)	(66)	-	(1,641)
Vehicles	(108)	(5)	-	(113)
Total accumulated depreciation	<u>(5,299)</u>	<u>(332)</u>	<u>-</u>	<u>(5,631)</u>
Business-type activities capital assets, net	\$ <u>4,176</u>	\$ <u>(159)</u>	\$ <u>-</u>	\$ <u>4,017</u>

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

Governmental Activities:	
General government	\$ 73
Public safety	79
Public welfare	2
Department of Corrections	118
Cooperative extension	<u>3</u>
Total depreciation expense- governmental activities	\$ <u>275</u>
Business-Type Activities:	
Nursing Home	\$ <u>332</u>
Total depreciation expense- business-type activities	\$ <u>332</u>

8. Accounts Payable

Accounts payable represent additional 2005 expenditures paid after June 30, 2005.

9. Anticipation Notes Payable

The following summarizes activity in notes payable during fiscal year 2005:

	Balance Beginning of Year	New Issues	Maturities	Balance End of Year
Revenue anticipation	\$ <u>-</u>	\$ <u>2,750,000</u>	\$ <u>2,750,000</u>	\$ <u>-</u>

10. Long-Term Debt

A. General Obligation Bonds

The County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business type activities. General obligation bonds currently outstanding are as follows:

	Serial Maturities Through	Interest Rate(s)%	Amount Outstanding as of June 30, 2005
<u>Governmental Activities:</u>			
Sewer Project (19%)	04/01/06	1.1875%	\$ <u>70,473</u>
Total Governmental Activities:			\$ <u>70,473</u>

	Serial Maturities Through	Interest Rate(s)%	Amount Outstanding as of June 30, 2005
<u>Business-Type Activities:</u>			
Sewer Project (81%)	04/01/06	1.1875%	\$ 300,437
Capital Improvements	08/15/05	5.483%	<u>190,000</u>
Total Business-Type Activities:			<u>\$ 490,437</u>

B. Future Debt Service

The annual principal payments to retire all general obligation long-term debt outstanding as of June 30, 2005 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2006	\$ <u>70,473</u>	\$ <u>837</u>	\$ <u>71,310</u>
Total	\$ <u>70,473</u>	\$ <u>837</u>	\$ <u>70,473</u>
<u>Business-Type</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2006	\$ <u>490,437</u>	\$ <u>8,556</u>	\$ <u>498,993</u>
Total	\$ <u>490,437</u>	\$ <u>8,556</u>	\$ <u>498,993</u>

C. Changes in General Long-Term Liabilities

During the year ended June 30, 2005, the following changes occurred in long-term liabilities (in thousands):

	Total Balance <u>7/1/04</u>	<u>Additions</u>	<u>Reductions</u>	Total Balance <u>6/30/05</u>	Less Current Portion	Equals Long-Term Portion <u>6/30/05</u>
<u>Governmental Activities</u>						
Bonds payable	\$ 140	\$ -	\$ (70)	\$ 70	\$ (70)	\$ -
Other:						
Capital leases	148	-	(34)	114	(36)	78
Accrued employee benefits	<u>98</u>	<u>10</u>	<u>-</u>	<u>108</u>	<u>-</u>	<u>108</u>
Totals	\$ <u>386</u>	\$ <u>10</u>	\$ <u>(104)</u>	\$ <u>292</u>	\$ <u>(106)</u>	\$ <u>186</u>
<u>Business-Type Activities</u>						
Bonds payable	\$ 978	\$ -	\$ (488)	\$ 490	\$ (490)	\$ -
Other:						
Accrued employee benefits	<u>229</u>	<u>-</u>	<u>(5)</u>	<u>224</u>	<u>-</u>	<u>224</u>
Totals	\$ <u>1,207</u>	\$ <u>-</u>	\$ <u>(493)</u>	\$ <u>714</u>	\$ <u>(490)</u>	\$ <u>224</u>

11. Capital Lease Obligations

The County is the lessee of certain equipment under capital leases expiring in various years through 2008. Future minimum lease payments under the capital leases consisted of the following as of June 30, 2005:

2006	\$ 42,431
2007	42,431
2008	<u>42,431</u>
Total minimum lease payments	127,293
Less amount representing interest	(<u>13,202</u>)
Present Value of Minimum Lease Payments	\$ <u>114,091</u>

12. Restricted Net Assets

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

Permanent fund restricted net assets are segregated between nonexpendable and expendable. The nonexpendable portion represents the original restricted principal contribution, and the expendable represents accumulated earnings which are available to be spent based on donor restrictions.

13. Reserves of Fund Equity

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

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

14. Commitments and Contingencies

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

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

15. Pension Plan

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

A. Plan Description

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

B. Funding Policy

Sheriff's deputies and correctional office plan members and all other employee plan members are required to contribute 9.3% and 5%, respectively, of their annual covered salary and the County is required to contribute at an actuarially determined rate. The current rate for sheriff's deputies and correctional officers is 7.87% of annual covered payroll. The current rate for all other employees is 5.90% of annual covered payroll. The contribution requirements of plan members are fixed by statute. The County's contributions to NHRS for the years ended June 30, 2005, 2004, 2003 were \$ 387,562, \$225,751, and \$220,186, respectively, equal to the required contributions for each year.

16. Self Insurance

The County participates in the New Hampshire Municipal Association Health Insurance Trust Self-Funding Plus Program (Program) which provides medical health benefits to its eligible employees and their eligible dependents. The Program is self-funded and amounts collected from premiums, net of claims paid on behalf of participants, are maintained in a separate cash account and are reflected on the balance sheet as general fund "restricted cash". Claims relating to the year ended June 30, 2005, which have not been paid, have been recorded as a liability as of June 30, 2005. The County is insured above a stop-loss amount of approximately \$ 75,000 on individual and aggregate claims as of June 30, 2005.

Workers Compensation

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

17. Risk Management

The County is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County and other municipalities and other qualified political subdivisions of New Hampshire are members of the Public Risk Management Exchange (Primex³), a Trust organized to provide property and liability insurance coverage to its members. The County pays an annual premium to Primex³ for its property and liability insurance coverage. The premium paid in 2005 was \$94,051.

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