



2008 Annual Report

Year Ending December 31, 2008

Rockingham County Commissioners:

Maureen Barrows, Chair
Katharin K. Pratt, Vice Chair
C. Donald Stritch, Clerk

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ELECTED OFFICERS

Commissioners

Maureen Barrows, Chair
Katharin K. Pratt, Vice-Chair

C. Donald Stritch, Clerk
mail@co.rockingham.nh.us

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County Attorney

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High Sheriff

J. Daniel Linehan

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Register of Deeds

Cathy Ann Stacey

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Treasurer

David Ahearn

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DEPARTMENT STAFF

Department of Corrections

Albert J. Wright, Superintendent
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Engineering & Maintenance

Jude A. Gates

Director of Facilities, Planning, and IT
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Finance Office

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Human Services

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Long Term Care Services

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117 North Road, Brentwood, NH
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Assisted Living Facility

Nancy L. Lang, Director

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REPRESENTATIVES TO THE GENERAL COURT

District 1: Candia, Deerfield,
Northwood, Nottingham
Frank G. Case
Maureen R. Mann
Susi Nord
John Reagan
Richard H. Snow

District 2: Raymond
Franklin C. Bishop
Robert W. Forsing
Lawrence M. Kappler

District 3: Auburn, Londonderry
Alfred P. Baldasaro
Sharon M. Carson
Dudley D. Dumaine
Frank R. Emio
James F. Headd
Karen K. Hutchinson
Robert E. Introne
Betsy McKinney
Sherman A. Packard

District 4: Salem, Windham
Jason M. Bedrick
Ronald J. Belanger
David J. Bettencourt
David C. Dalrymple
Anthony R. DiFruscia
Robert J. Elliott
Marilinda J. Garcia
Mary E. Griffin
Russell F. Ingram
Charles E. McMahon
Mark A. Pearson
Anne K. Priestley
Kevin K. Waterhouse

District 5: Derry
Robert M. Fesh
John P. Gleason
Kenneth H. Gould
Paul Hopfgarten
George N. Katsakiores
Phyllis M. Katsakiores
Howie Lund
Linda J. McCarthy
Daniel W. McKenna
James B. Rausch
Rick L. Wickson

District 6: Atkinson
James M. Garrity
George D. Winchell

District 7: Chester, Danville,
Sandown
Gene P. Charron
John E. Devine
Charlotte A. Lister
Elisabeth N. Sanders

District 8: Hampstead, Kingston,
Plaistow
Kevin L. Camm
John W. Flanders Sr.
Joseph A. Guthrie
Norman L. Major
David A. Welch
Roger G. Wells
Kenneth L. Weyler

District 9: Epping, Fremont
C. Pennington Brown
Daniel C. Itse
Ronald J. Nowe

District 10: Brentwood
Don Petterson

District 11: East Kingston, Newton
Mary M. Allen
Kimberley S. Casey

District 12: Newfields, Newmarket
Dennis F. Abbott
Doreen Howard
Marcia G. Moody

District 13: Exeter, North Hampton,
Stratham
Judith E. Day
Eileen C. Flockhart
John W. Henson
James E. Kennedy
Matthew J. Quandt
Carl G. Robertson
Kathleen D. Russell

District 14: Hampton Falls,
Kensington, Seabrook, South Hampton
Benjamin E. Moore
Mark F. Preston
Everett A. Weare
James B. Webber

District 15: Hampton
Susan R. Kepner
Thomas M. McGuirk
Bennett F. Moore
Christopher F. Nevins
Nancy F. Stiles

District 16: Newington, Portsmouth
Jacqueline A. Cali-Pitts
Paul McEachern
Terie Norelli
Laura C. Pantelakos
James F. Powers
Christopher W. Serlin
James R. Splaine

District 17: Greenland
Michael G. Marsh

District 18: New Castle, Rye
David A. Borden
Otto F. Grote

Delegation Officers

Norman L. Major
Chair

Mary E. Griffin
Vice-Chair

David A. Welch
Clerk

Executive Committee

James B. Rausch
Chair

Laura C. Pantelakos
Vice-Chair

David A. Welch
Clerk

ROCKINGHAM COUNTY COMMISSIONERS

Maureen Barrows, Chair

Katharin K. Pratt, Vice-Chair

C. Donald Stritch, Clerk

As Rockingham County Commissioners, it is our duty to provide essential services to the taxpayers of Rockingham County in the most efficient, cost effective manner.

The County has been cited on numerous occasions as one of the best locations to call home and establish a thriving business. Portsmouth was recently identified by Money Magazine as the fifth best place to live in the United States. This has been accomplished by providing residents with outstanding opportunities in education, strategic business location, a skilled labor force, and an excellent quality of life. The New Hampshire Office of Energy and Planning estimated the population of the county to be 295,525 and the trend continues to show population growth.

A discount card program was launched in 2008 to help our residents with the high price of prescription drugs was. Rockingham County is making free prescription drug discount cards available under a program sponsored by the National Association of Counties. Caremark Rx Incorporated administers the discount card program and offers a toll free number for assistance with the program along with a website. The cards may be used by all county residents, regardless of age, income, or existing health coverage, and are accepted by most pharmacies in Rockingham County. Cards have been distributed and available for pickup through town offices, head start offices, community action agencies, senior centers, and distributed to patrons of nursing homes, adult day care centers, visiting nurses agencies, and for download at the county website.

We continue alternatives to reduce the pre-trial population at the jail by using the Supervised Community Release from Incarceration Program (SCRIP) and an adult diversion program. Both initiatives are having a positive impact. We are providing contracted services to the New Hampshire Department of Corrections for the Academy Program, which is a diversion program for felons.

Finances are in order and Moody's rating service has once again awarded Rockingham County the highest short term borrowing rating available however Moody's has expressed concern about the long term effects on county finances of the cost shifting by the State of New Hampshire to the counties. The Commissioners continue to work diligently against increasing unfunded mandates by the legislature.

District 1 Commissioner Pratt	District 2 Commissioner Barrows	District 3 Commissioner Stritch
<u>Serving:</u> Danville, East Kingston, Greenland, Hampton, Hampton Falls, Kensington, Kingston, New Castle, Newington, Newton, North Hampton, Plaistow, Portsmouth, Rye, Seabrook, South Hampton, Stratham	<u>Serving:</u> Atkinson, Brentwood, Epping, Exeter, Fremont, Hampstead, Newfields, Newmarket, Raymond, Salem, Sandown	<u>Serving:</u> Auburn, Candia, Chester, Deerfield, Derry, Londonderry, Northwood, Nottingham, Windham

DEPARTMENT OF CORRECTIONS

Albert J. Wright, Superintendent

Through the continued use of alternative programs the average daily count was limited to a 1% increase. This was accomplished by processing prisoners into home confinement, electronic monitoring, supervised pre-trial release, STAR Program, and the Academy Program. The average daily population in jail during the year was 332 inmates. Electronic monitoring daily population was 26.

<u>Admissions</u>	<u>2008</u>	<u>2007</u>
Male Inmates	3,340	3,365
Female Inmates	718	699
Total	4,058	4,064

Many detainees wait lengthy periods of time before the disposition of their case is resolved at Rockingham County Superior Court. We have been successful with diverting some prisoners from jail through the use of the Supervised Community Release from Incarceration Program.

The amount of female inmates continues to increase slightly along with the length of stay due to the nature of charges, bail amount, and sentencing time. Strafford County and Hillsborough County house our female prisoners. The Women's State Prison in Goffstown has no space available for county prisoners.

Inmate Hours: The Nursing Home and Maintenance Department received a total of 39,824 inmate hours. 8 towns received over 11,000 inmate work hours. This doesn't account for the inmate hours involved within the Corrections Facility and special projects for the Sheriff's Office and County Attorney.

Project Community: During 2008 the Community Work Program completed numerous painting and landscaping projects throughout the county communities.

V.I.N.E. Victim Notification System: This program was initiated in 1998 to allow a victim of a crime to register for automated notification upon the release of a prisoner from the Rockingham County Corrections Facility. When the perpetrator of a crime has been released the victim is called through a computer generated alert system. There are currently 205 victims registered. The system dealt with 1,565 calls to and from victims. We continue to receive many calls thanking the department for this service and positive feedback from domestic violence protective agencies.

Work Release Program: 47 inmates participated in the program with a success rate of 91%.

Chapel: Non-denominational services are conducted weekly for all prisoners along with weekly prayer meetings by the Chaplain and volunteers. A Higher Ground, ALPHA, and Purpose Driven Life are a few of the additional religious programs offered to prisoners on a weekly basis. During the last holiday season several local churches shared their musical talents with sing-along, choir services, and instruments for the inmate population.

Human Services & Inmate Programs: Our GED Program had 91 inmates who signed up and attended various classes and 15 earned their GED Certificates. The education program is supported by volunteer tutors and the partnership of Vocational Rehabilitation and Work Opportunities Unlimited in preparation for post-release services.

Sex Offender Accountability Program: There were 28 inmates involved in this program. This is a contracted service that refers attendees to continue services in community based treatment programs upon release. Rockingham County is the only facility in New Hampshire that provides a program of this nature.

HIV & AIDS: AIDS Response of the Seacoast continues to fund a counselor to meet with inmates and provide education, counseling regarding choices, consequences, and testing information. 82 inmates participated in this opportunity. AIDS Response of the Seacoast was awarded a grant to continue the service and offer confidential testing.

Celebrate Recovery: This new program is a Christian twelve step program addressing issues such as substance abuse, smoking, overeating, and gambling.

Pre-Release: Pre-release planning assisted many inmates in attempting to break down barriers when released to include assistance with driver and non driver identification, medical care, prescription procurement, psychological treatment, housing, and transportation. We have partnered with community service agencies to participate in a WRAP Group to help find solutions to the problems inmates face when re-entering society.

Academy Program: This State of New Hampshire grant funded program designed to target young adults with substance abuse or treatment issues. Participants are generally facing felony level sentences for non-violent offenses. There were 28 active participants in 2008 and 27 graduates to date.

Targeting Success: The computer driven program focuses on preparation for release including lessons for goal setting, job hunting, job interview, resume building, and financial planning.

Victim Impact: During 2008 five sessions were conducted and 32 inmates completed the three week course. The goal of this program is to develop a measure of empathy and reduce recidivism.

Employee Recognition: During the year we celebrated Correctional Employees Week and held four promotion ceremonies to recognize the advancement of officers through the ranks. With the retirement of several two long term employees, a number of supervisory positions became available with several correctional officer positions.

Volunteers: A volunteer recognition event was held in April to acknowledge the over one hundred and fifty volunteers who assist in education, counseling, bible study, and musical presentations to name a few talents.

Electronic Monitoring: 65 individuals have participated in the Electronic Monitoring program, with 35 successfully completed, 2 failures, and currently 28 are participating. This program has been a great success.

Supervised Community Release from Incarceration Program (SCRIP): This program is coordinated between Corrections and the Sheriff's Office. The goal of the program is to assist in the reduction of pre-trial detainees who are non-violent with strong ties to the community. Defendants and inmates are court ordered into the program and monitored by a Deputy Sheriff. It offers the court an option in lieu of incarceration for defendants with medical complications or special needs while maintaining supervision out on bail.

Medical: Our inmate medical care is contracted to Prime Care Medical Incorporated who specializes in prison health care. A renewed 5 year contract was developed and signed in 2005. Corrections and our Medical Department earned reaccreditation in 2008 from the National Commission on Correctional Health Care. This is a credit to the hard work of these professionals.

Conclusion: I would like to express my sincerest gratitude to the Rockingham County Board of Commissioners, Representative John Flanders, Chair of the Jail Subcommittee, members of the Jail Subcommittee, all members of the Delegation for their guidance and support during the past year, along with my administrative team, Business Office Manager Louise Turner, AnnMarie Nelson, Major John Blomeke, Captain Stephen Church, and Lieutenant's Ren Horne and Shawn Fogarty. Thank you to all department directors, elected officials, and their staff for their assistance and cooperation throughout the year. Last but not least, my appreciation and recognition goes out to all Department of Corrections staff, a group of professionals who are in the front lines every day.

Intake Distribution

Town	Number	Town	Number	Town	Number	Sheriff	Number
Atkinson	17	Hampstead	35	Northwood	37	Hillsborough	6
Auburn	30	Hampton	274	Nottingham	9	Rockingham	1061
Brentwood	40	Hampton Falls	29	Plaistow	71	Strafford	3
Candia	34	Kensington	36	Portsmouth	345	<u>Agency</u>	<u>Number</u>
Chester	11	Kingston	78	Raymond	116	NH State Police	185
Danville	33	Londonderry	90	Rye	26	NH State Prison	3
Deerfield	30	Newcastle	2	Salem	377	NH Parole	138
Derry	241	Newfields	6	Sandown	21	Immigration	30
East Kingston	13	Newington	18	Seabrook	76	Self Turn In	37
Epping	62	Newmarket	59	South Hampton	0	US Marshal	9
Exeter	184	Newton	36	Stratham	52		
Fremont	27	North Hampton	21	Windham	28		
Greenland	22						

Summary of Charges

Acts Prohibited	58	Fed/Immigration Chgs	58	Overnight Hold	368
Administrative Transfer	7	Felon-Firearm Possession	38	Perjury	2
Aggravated F. S. Assault	63	Felon-Sexual Assault	24	Pornography	4
Assault 1 st /2 nd Degree	16/74	Forgery	89	Possession	
Assault Simple	433	Fugitive from Justice	104	Controlled Drugs	386
Arson	3	Fraud. use Credit Card	34	Intent to Sell	27
Bail Jumping/Revoked	25/72	Habitual Offender	76	Prohibitive Sale	13
Burglary	112	Harassment	15	Prostitution	1
Changing # on Firearm	1	Hindering Apprehension	52	Protective Custody	517
Conduct After Accident	36	Indecent Exposure	7	Prowling	15
Conspiracy	7	Issuing Bad Check	33	Receiving Stolen Property	161
Contempt of Court	91	Interfere with Custody	9	Reckless Conduct/Oper.	71/12
Criminal Liability	22	Kidnapping	1	Resist Arrest	149
Criminal Mischief	108	Lewdness	1	Robbery	34
Criminal Restraint	5	Military Deserter	2	Riot	1
Criminal Threat/Trespass	120/81	Motor Vehicle		Sale-Controlled Drugs	68
Cruelty to Animals	1	Violation	27	Shoplifting	174
Disobey a Police Officer	61	Unauthorized Usage	6	Stalking	5
Disorderly Conduct	100	Murder-1st Degree	1	State Prison Transfers	8
Domestic Violence	5	Murder-2nd Degree	3	Theft/Deception/Unauth.	267/26/13
DWI Sentence/Pre-trial	196/229	Negligent Homicide	1	Transport Controlled Drugs	6
Endangerment of Child	21	Non Payment of Fine	1	Unlawful Poss.-Alcohol	81
Escape	1	Non Support	48	Unlawful Use-Weapon	4
Fail-Reg.-Sex Offender	18	Obstruction-Crime Report	5	Violation-Parole/Protective	435/120
False Imprisonment	3	Operating-Rev./Susp	279	Warrants	144
False Report to Police	54	Operating-without Lic.	6	Witness Tampering	8
False Scrips	10	Open Container	12	Total Charges	6,087

COUNTY ATTORNEY'S OFFICE

James M. Reams, County Attorney

Rockingham County Attorney James Reams is pleased to submit the 2008 Annual Report for the Rockingham County Attorney's Office. The office continuously strives to seek justice and improve the quality and efficiency of processing cases within the confines of a delicate balance of resources. The County Attorney wishes to thank the County Delegation for their continued support of the mission of the Office and looks forward to continuing to improve justice for the citizens of this County.

"The mission of the Rockingham County Attorney's Office is to improve the quality of life for the citizens of Rockingham County by seeking justice professionally, effectively and efficiently."

The County Attorney is a constitutional officer whose duties and responsibilities have been defined by the common law and various statutes. The County Attorney is the chief law enforcement official in Rockingham County. In the absence of the Attorney General, the County Attorney performs all the duties of the Attorney General's office for the County. He has the responsibility for and exercises general supervisory control over the enforcement and prosecution of the criminal laws of the State.

The County continues to grow at a rate that is well above the rate at which the rest of the State is growing. The threats to our communities are likewise increasing. The laws regarding criminal law, criminal procedure, search and seizure and permissible investigative techniques is increasingly complex. The County Attorney has an important responsibility to provide general oversight, guidance and training to the 38 law enforcement agencies in the County. The responsibility is not only to ensure that the community is protected from criminals and that cases are successfully prosecuted, but also to ensure that all of our citizens' rights are scrupulously protected.

The year 2008 was a challenging one for the County Attorney's Office. We prosecuted and obtained convictions in some very significant cases.

State vs. Montour: Leonard Montour of Manchester was sentenced to 15 to 30 years in the NH State Prison. Montour was convicted in November, 2008 on two counts of Aggravated Felonious Sexual Assault, four counts of Felonious Sexual Assault and two counts of Sexual Assault. The above charges stem from incidents that occurred in Auburn, Manchester, Litchfield and Hooksett, NH. The Rockingham County, Merrimack County, as well as the Hillsborough County charges were all consolidated for trial in Rockingham County. The victim in this case was 14 at the time the assaults started in the summer of 2005 and continued through the holidays of 2006-2007. The defendant was given a significant prison term.

State vs. Mendola: In January, 2008, Katherine Mendola of New Ipswich was convicted and sentenced to 10-20 years at the NH State Prison on one felony charge of Criminal Solicitation to Commit Murder. Mendola solicited an undercover agent of the State Police to cause the death of another person, specifically her former attorney's spouse with whom she was obsessed with and wanted the wife out of the picture. The defendant was videotaped by the undercover agent while she was driving to a remote location in Northwood. During their conversation, Mendola makes it clear that she wants the spouse killed and that she wants it to look like a hunting accident. Additionally, she provides US currency to the agent as payment for the murder and if the "hit" goes well, she has other people she would like the hit man to kill for her. Defense counsel filed a Notice of Defense of Entrapment alleging that the defendant was encouraged to do so by a person acting in cooperation with law enforcement officials. At the same time, defense counsel filed a Notice of Defense of Insanity but months later withdrew the notice.

In addition, for the tenth straight year, the County Attorney's Office set a record for the number of new cases Indicted. We reviewed, prepared and presented 2651 cases for review by the Grand Jury.

Since 1999, when County Attorney Reams first took office, the number of cases handled by the County Attorney's office has dramatically increased. A strict comparison of the actual number of True Bills returned by the Grand Jury reveals a leap from 1254 in 1998 to 2615 in the year 2008, an increase of 209%. Simply comparing these numbers cannot accurately reflect the increased workload handled by this office. Some might suggest that the numbers could be skewed by "overcharging" certain types of cases. This is not done in Rockingham County. The County Attorney exercises great restraint and consideration when making charging decisions. The County Attorney prefers to track the workload by comparing the number of "case files" opened. A file may have numerous charges, but will involve one investigation and one defendant.

CRIME STATISTICS FOR MATTERS FILED IN SUPERIOR COURT: There is no totally accurate way to measure how "busy" a prosecution office is. However, there are a number of statistics that I measure to give indicators of the volume of work:

- Indictments have increased from 1254 in 1998 to 2615 in 2008.
- 1050 cases were scheduled for trial by the Superior Court in 2008, down from 1116 in 2003 due to the Court not scheduling jury trials for 11 weeks throughout 2008.
- 582 defendant's closed files were reopened in 2008 covering approximately 1306 reopened charges. The County Attorney's prosecution database was also upgraded in early 2006 enabling us to keep better statistics pertaining to reopened cases. These cases are not counted in the "active" cases. Reopened cases generally require prosecutors to respond to post conviction motions for a variety of requests and to appear at related hearings (Probation Violations). The Court has adopted a liberal policy with regard to accepting and scheduling hearings for these types of pleadings which is increasingly time consuming for the staff.
- Duty calls from police departments after hours were 320 in 2008, which means each night the attorneys handled police calls.
- Victim/Advocates had 10,571 contacts with the victims and witnesses during 2008, which is down from 2007. But, two Advocates took maternity leave in 2008.
- Our two part-time investigators handled 322 cases.
- The Attorney General has mandated that County Attorneys handle many of the Petitions for Writ of Habeas Corpus filed by prisoners require our prosecutors to attend hearings at the prison in Concord and at the Coos County Court for matters involving prisoners held in the Berlin facility.
- Under the new Act that became effective January 1, 2007, prosecutors may file a civil commitment petition for recommitment when a sex offender's prison sentence ends and the offender is believed to be a threat to public safety. Pursuant to RSA 135-E:1, an offender can potentially qualify for a five-year minimum civil commitment in a secure psychiatric facility. The County Attorney's prosecutors reviewed 16 Sexually Violent Predator Notifications received from the Department of Corrections in 2008.

PROSECUTORS: The County Attorney and his Deputy oversee a staff of 34 in the Superior Court office, including 18 Assistant County Attorneys. The Assistant County Attorneys are divided into teams covering three geographic regions of the county, created by the County Attorney.

The County Attorney continues to be proactive in providing assistance during the earliest stages of a case. Prosecutors are available to answer questions from law enforcement regarding investigations and charging decisions 24 hours a day (320 Duty Calls were handled in 2008). All prosecutors are periodically scheduled to be "on-call" at night and on weekends. Prosecutors are "exempt" employees who do not receive overtime or other consideration for this added duty. The prosecutors recognize that this is an important function that results in better investigations, better prosecutions, and protection of the rights of the citizens of the county. On an average of every night, prosecutors answer calls from police departments.

In addition to these duties, and as noted above, the prosecutors carry an average of over 125 felony cases at all times. By way of contrast, please note that the Public Defenders have a contract with the State that provides for a maximum *weighted* caseload of 55 cases, including misdemeanors and other duties. Our heavy workload places significant stress on the entire staff.

DISTRICT COURT: While the County Attorney is responsible for criminal prosecution in his County, police departments have traditionally prosecuted their own cases at the District Court level in New Hampshire. The County Attorney's Office provides assistance to departments when requested and occasionally for short periods when departments have been without personnel. The County Attorney has assumed complete responsibility for District Court prosecution under circumstances where the individual department or municipality reimburses the county for the associated cost of providing that service. This is done because the County Attorney does not provide district court prosecutors for all of the towns in Rockingham County.

The Plaistow District Court prosecutor position was created in 2003 with 6 towns having entered a contract with the County Attorney's Office to provide a Prosecutor for the towns. In 2004, the County Attorney's Office was given the authority to hire an administrative employee to assist in the prosecutorial duties of the Plaistow District Court and this position was filled. In 2008, 1932 complaints were handled by the prosecutor which represents 1225 cases.

Additionally, in 2007, the Exeter District Court prosecutor position was created with 2 towns having entered the contract, Exeter and Fremont. Thus far, the departments are very happy and the contract appears to be a success.

The County Attorney provides prosecution for certain towns in the Candia District Court area including Nottingham and Candia. This office handled a total of 428 misdemeanor cases filed in the Candia District Court. The County Attorney previously prosecuted cases for Epping and Northwood. Those towns have opted to hire attorneys on a part time basis to act as their prosecutors.

VICTIM/WITNESS COORDINATORS: The County Attorney's Office has three full-time Victim/Witness Coordinators. The Coordinators work primarily on victim cases. They provide information and assistance to people affected by crimes with compassion and professionalism. Coordinators guide victims through the criminal justice process and work to ensure that the victim's rights are protected in accordance with RSA 21-m:8. Each of the Victim/Witness Coordinators averaged over 402 telephone conferences and more than 57 office conferences with victims and witnesses of crime each month.

One of the 3 advocates continues to be partially grant funded through the Violence Against Women Act. This grant limits the types of cases that this advocate may work on. The County has been fortunate to keep this grant for so many years. However, it is now a decreasing amount. It is important to maintain the level of services demanded by the Victims Bill of Rights. With the increasing caseload, it will be necessary to add an additional full time advocate in the near future.

INVESTIGATORS: The investigators reviewed approximately 322 cases during 2008. In addition, the investigators handled 13 complaints against individual Police Departments, performed background checks for prospective employees, and also fielded numerous walk-in contacts during 2008.

The investigators review all cases involving victims. Other duties of the investigators include but are not limited to assisting law enforcement agencies in follow-up investigations, locating missing witnesses and conducting some interviews.

SUPPORT STAFF: The support staff at the County Attorney's Office consists of an Office Administrator, File Intake Manager, Receptionist, five Administrative Legal Assistants, four Legal Assistants and one Paralegal. The support staff is responsible for duties such as transcribing, drafting, filing and mailing various legal correspondence and pleadings, coordinating and scheduling monthly Grand Jury proceedings, as well as assembling all felony files for review by the Prosecutors.

- The support staff generated approximately 6,475 trial subpoenas in 2008 and processed approximately 678 cases involving multiple items of trial evidence.
- Additionally, the office received 25 requests for Interstate Agreement on Detainers (IAD's), 9 requests for Governor's Warrants and the County Attorney approved 79 Out-of-State Arrest transports.
- The Reception Office averaged an astounding 32,178 incoming telephone calls this year.

MEDICAL EXAMINERS: In every case of a medicolegal death, the Medical Examiner, or an Assistant Deputy Medical Examiner is required to respond and conduct an examination. Assistant Deputy Medical Examiners (ADME) conducted 183 scene investigations and 265 phone consults this year. We rely on local funeral homes to provide removal and transportation services. It is anticipated that these expenses may continue to rise slightly. However, legislation is centralizing the Medical Examiners Office and administering the ADME's. This relieves the county of the burden and creates a superior system.

CHILD ADVOCACY CENTER OF ROCKINGHAM COUNTY: Our Child Advocacy Center is the first established in New Hampshire. The Child Advocacy Center now provides child friendly forums for multidisciplinary interviews at sites in both Portsmouth and Derry. The Child Advocacy Center was Rockingham County's response to the legislature's mandate that agencies investigating child abuse work cooperatively to minimize the impact on the child. A second Child Advocacy Center site located in Derry was opened in 2003.

The Child Advocacy Center is a non-profit entity that is staffed and funded through grants and fundraising efforts. The County Attorney is on the board of directors and has representatives on the advisory board of the Child Advocacy Center. The model has been so successful that a legislative committee has recommended that our model be implemented statewide. The Governor and Attorney General have supported this model and have made matching funds available to enable the other counties to establish Child Advocacy Centers of their own.

Prosecutors attended 134 interviews at the Child Advocacy Center in 2008. The process is time consuming for the attorneys, but is critical to successful resolutions to these types of cases. As the Court docket becomes more demanding, it will be difficult to keep pace with covering these interviews. In many of the jurisdictions across the country, prosecutors are rotated through full time assignments at their Child Advocacy Centers. Proper coverage for the Child Advocacy Center will be essential for continued success.

FUTURE CHALLENGES AND OPPORTUNITIES

The budget of the court system presents the most significant challenges to the efficient management of our caseload. As the court reduces jury trials and reduces or does not replace staff, it has a tremendous burden on both the County Attorney's Office and the jail.

Legislators looking to cut prison costs ask about the use of alternative sentencing as a cheaper way to accomplish the goals of the Criminal Justice system. However, the cuts over the years have made it difficult for courts and others to provide basic service and the alternative sentences are very labor intensive. Thus the cuts limit our ability to do the alternatives.

In closing, I want to commend the entire staff of the Rockingham County Attorney's Office. They are dedicated and compassionate professionals who are committed to the mission of this office. They have and will continue to do what it takes to get the job done. The citizens of this county can be assured that the staff of this office serves them well.

I would also like to thank the Commissioners as well as the entire legislative delegation sitting as the County Convention for their support in equipping the Rockingham County Attorney's Office with the staff and tools necessary to handle the continuing challenges that crime presents to Rockingham County.

ENGINEERING AND MAINTENANCE SERVICES

Jude Gates, Director of Facilities, Planning, and Information Technology

Our Mission is to provide, safely and efficiently, all of the infrastructure services that contribute to quality of life for our residents, safety of the personnel in the Correctional facility, and maximum productivity of the employees. Operations are structured with an eye to the long term good of the County. We focus on preventive maintenance to foster equipment and facility longevity, and to maximize stability in expenditures. We exercise land management strategies consistent with our responsibility for stewardship of the natural resources.

In addition to the day to day operations and maintenance of the facilities, the following projects were conducted and/or overseen by Engineering & Maintenance Services in 2008.

- Americans with Disabilities Act (ADA) Compliant signage was installed in the nursing home. This project is also valuable to emergency response personnel.
- Flooring was replaced in selected areas of the nursing home and jail.
- Energy efficient lighting was installed in the Blaisdell building resident rooms.
- Replacement of ceilings and installation of energy efficient lighting was done in the dietary area of the nursing home.
- The roof on the Blaisdell building was replaced. The new roof is better insulated, contributing to our efforts at energy savings.
- An automatic door for security and energy efficiency was installed at the Underhill building of the nursing home.
- Upgraded video equipment was installed at the House of Corrections.
- The parking lot at the House of Corrections was replaced.
- The exterior brick on the Administration building was repaired and restored.
- Fire alarm system upgrades on the Complex progressed to a new addressable system in the Administration building.
- Implementation of digital television (DTV) systems in both the nursing home and the House of Corrections. This was a seamless transition to digital television and saved money by disconnecting several cable connections.
- The Information Technology division is responsible for supporting and maintaining the Rockingham County Complex computer network, software applications, desktop computers, and telephone systems.
 - Upgraded and expanded the use of the imaging system for human resources and medical records.
 - New firewalls and redundant Internet connections to support finance and nursing home applications were installed.
 - Implementation of a new contract for telecommunication services with an estimated savings of \$5,000 yearly.
- The Energy Management Program undertaken in 2003 continues to be a success. The audited energy savings in 2008 were in excess of \$242,000; daily water usage continues to be approximately 20,000 less per day. We continue to explore all opportunities for conservation and savings.

Every member of Engineering & Maintenance Services contributes to our success and the achievement of our Mission. While we are, almost by definition, “behind the scenes,” the work of this department touches on every resident, staff and visitor every day. I truly appreciate the dedication and hard work that goes into this task.

HUMAN RESOURCES DEPARTMENT

Martha S. Roy, Director

During the past year the Human Resources Department conducted many training programs for employees. An Administrative Professional Training day was held in the spring, and the continuing Supervisors' Academy Series took place at morning meetings throughout the year. The Healthy Lunch Lecture Series was continued in 2008, offering employees several opportunities to enjoy a health conscious lunch with a wellness topic lecture. In a joint effort with the Engineering and Maintenance Services Department, a series of computer training courses were held in the spring, with topics ranging from Introduction to Windows to Power Point.

Each year as our healthcare costs rise double digits we seek ways to minimize the impact to the taxpayers, employees and retirees. Employer sponsored Wellness programs have gained momentum as a way to positively impact this cost. Rockingham County developed a Wellness Program this year that included encouraging employees to take a health risk assessment, blood glucose check, body mass index review and a meeting with our Wellness nurse to review any health risks the employee might have as well as plan goals to improve their health when needed. It also included incentives for employees to participate in a walking program and reimbursement for attending a gym or other exercise/health education class. Furthermore, we completed a full review of our program to determine what would make it more effective moving forward.

The County continued with the Harvard Pilgrim network of health care providers using Health Plans Incorporated as our self-insured health insurance plan third party administrator. Delta Dental continued as our self-insured dental plan administrator and network in 2008.

The Human Resources Department updates and maintains the County's job descriptions and provides all entrance and exit interviews to County employees which introduces them to the current County benefits as well as Personnel Policies and Procedures. Training is provided to all employees with regard to applicable state and federal law as well. Support is provided for personnel issues and facilitation is supplied to the Employee Advisory Committee, Joint Loss Management Program (Safety) Committee, and County Management Team. All employee personnel files for each County department are maintained in the Human Resources Department.

We welcome any suggestions to better serve the County.

HUMAN SERVICES DEPARTMENT

Diane D. Gill, Director

The Department of Human Services was responsible for an appropriated budget of \$18,040,016 for the funding of services to residents of nursing homes, the elderly or disabled, and court-ordered services for juveniles and their families.

The Intermediate Nursing Care (INC) line of the budget represents the most costly portion of this department's budget. INC funds nursing home care for Medicaid-eligible residents of private nursing homes, as well as the Rockingham County Nursing Home, with costs split – fifty percent federal share, 25 percent state share and 25 percent county share. The average number of Medicaid recipients receiving nursing home care is 530 per month.

With the passage of House Bill 2, effective July 1, 2008 the counties gained 100% liability for the non-federal share of the cost of Medicaid recipients of Intermediate Nursing Care and Home and Community Based Services (HCBC). The State of New Hampshire assumed liability for court-ordered services to juveniles, Provider Payments, Medicare Part D, Old Age Assistance and Aid to the Permanently and Totally Disabled.

Some elderly persons prefer to remain at home, or in a setting less acute than a nursing facility. Medicaid-eligible elderly and chronically ill adults may choose to receive services in their own homes or in mid-level care facilities. The average monthly caseload for HCBC clients was 380 persons.

Rockingham County paid expenses of court-ordered services for 405 juveniles on a monthly basis. These juveniles and their families were involved in the court process through abuse or neglect petitions, Children in Need of Services or Delinquency cases. . After July 1, 2008 the county no longer had liability for court-ordered juvenile expenses. This department collected \$522,787.95 from parents to reimburse the state and county for court-ordered services for their children. The Division for Children, Youth and Families took over the process of collecting parental reimbursement on January 1, 2009.

In order to reduce the number of juvenile court cases, counties receive prevention funds from the State of New Hampshire, Division for Children, Youth and Families, called the 6% Incentive Funds. Rockingham County granted \$765,360 to community programs that provide services to prevent children and families from becoming involved in the juvenile justice system, or to provide judges with alternatives to costly placements or services.

I would like to express my appreciation to the Board of Commissioners for their guidance and assistance to this department. I would also like to recognize the excellent staff of this department for their service on behalf of the families of Rockingham County.

LONG TERM CARE SERVICES

Steven Woods, Administrator/Long Term Care Services Director

The year 2008 was full of changes and setting new goals while continuing to provide the highest quality care to our nursing home residents, assisted living and adult medical day clients - which is our entrusted mission.

I would be remiss in not acknowledging the people and departments that ensured our steady course throughout the entire year. A strong team approach assures consistency and the most efficient means of delivering the care services to our residents. We have staff at all levels and in all departments that are committed to RCNH and show that by excellent work records and employment longevity that rivals any facility in the State. Staffing remains agency-free again this year which adds to our quality of care.

We continue to enjoy the Employee of the Month program whereby staff nominate and recognize their co-workers with pictures on the wall, a cake baked by our talented Dietary department, balloons brought up by our OT/Recreation department, small cash gift, a recognition award as well as the coveted special parking space for a month are all part of the fun. Please join me in recognizing:

January: Kathy Hayes, Nursing

February: James Gould Environmental Services

March: Midge Piwowarczyk, Environmental Services

April: Prem Pulami, Nursing

May: Cindi Lewandowski, Occupational Therapy

June: Arline Janvrin, Administration

July: Cynthia Gesel, Nursing

August: Jim Ryan, Food Services

September: Anita Gilbert, Environmental Services

October: Cindy Earl, Nursing

November: Ed Levesque, Environmental Services

December: Lisa Caron, Nursing

The new clinical software (PointClick) is up and running. The financial component continues to be worked on for full implementation. Landmark Health Solutions continues to assist in the education and training of our staff to improve our clinical reimbursements from Medicare, Medicaid as well as streamlining our Admissions process. Our belief is that through improved clinical reimbursement programs and improvements in technology, revenues to the County will also be improved, which enhance our quality of care and services. We started the transition to touch screen kiosks on the nursing units to allow more accurate clinical documentation that auto populates the MDS and will result in enhanced revenues.

We also continued with the "e-Discharge" program with Exeter Hospital to better access referral information to assist in admissions from our local hospital.

Our annual Medicare/Medicaid State Survey was conducted in July 2008. Once again Rockingham County Nursing Home stands out as one of the best nursing homes in the State of New Hampshire. Rockingham County Nursing Home also ranked as a 5 star facility in the new program unveiled by CMS to better help consumers find quality long term care facilities. Our Adult Medical Day program and Assisted Living also did extremely well in their state survey processes.

Our annual Under the Tent was conducted in September in the front entrance courtyard. This is an important and mandatory in-service program for all staff which is conducted on a yearly basis. This program reinforces necessary knowledge and skills. The event had a fun sports theme that made the event fun and positive for everyone.

Another initiative that we started in 2008 was the oral health program enhancement. Since 1979 we have been providing dental services to our residents and are in the process of applying for grant monies to enhance our staff's oral care technique with overall improvement of residents' oral/systemic health along with renovations to our dental office. This project will continue well into 2009 and beyond and will serve as a role model for all nursing homes in the state when completed.

Nancy Lang, Director of the Ernest P. Barka Assisted Living continues to provide wonderful services to the very appreciative and happy clients she serves.

Helen Kolifrath, Adult Medical Day Program Director continues to bring new life to this program while continuing to improve the daily census. She has worked diligently with her team in explaining the services provided in that program throughout the entire county.

I am proud of Rockingham County Long Term Care Services and the strong community reputation that it deserves. I look forward with excitement to the year ahead. I am especially proud of the people I work with every day – colleagues who work with loyalty and high standards – because of them I am honored to be a part of this incredible team.

The support and guidance of our County Commissioners: Chair Maureen Barrows, Vice Chair Katharin Pratt, and Clerk C. Donald Stritch has been invaluable. We are grateful for their dedication, interest, and caring all year long.

2008 NURSING HOME CENSUS

Daily Average Census – 223
Highest Census 226 / Lowest Census 217

Admissions	83	Discharges	104
Home	13	Hospital Admit>Returns	25
Hospital	37	Discharged to another facility	2
Nursing Home	18	Discharged to Assisted Living	6
Psych Hospital	1	Discharged home	1
Group Home	0	Expired while in Hospital	6
Rehabilitation	6	Deaths	64
Assisted Living	8		
Total Admissions	<u>83</u>	Total Discharges	<u>104</u>
Average Age of Residents	85		
Average Age of Death	88		
Average Age of Admission	80		
Average Length of Stay		2 yrs. – 4 mos. – 12 days	

THE ERNEST P. BARKA ASSISTED LIVING COMMUNITY

Nancy L. Lang, Director

Here we are 2008 and five years have passed since the Ernest P. Barka Assisted Living Community's first resident walked through our door. We continue to hold and maintain a long waiting list of Rockingham County Residents that are interested in coming to Assisted Living. People are now putting their names on the list long before they are ready to be assured of a place in this very active community.

We have tried a new venture in 2008, by utilizing the double rooms for two ladies that are not related or even know each other until the time they are introduced here. This program has been quite successful to date and has increased our census numbers.

As the winter snow storms subsided we began plans for our fifth anniversary, which was an Open House on April 13, 2008. The attendance was overwhelming with families and friends that we have made since 2003. Guests enjoyed great food, live music and an atmosphere that rekindled old friendships.

The enthusiasm and interest for the Ernest P. Barka Assisted Living Community is mind boggling as everywhere you go people talk about this facility and the quality of care and happiness of all who live here. Praise and gratitude to the Rockingham County Commissioners for their interest and dedication to the elderly of the Rockingham County.

2008 special events included: pool tournament, cowboy barbecue, cocktail party, dinner dance with a live band, pajama breakfast, mystery ride, and several breakfast and lunch trips to local restaurants are only a few of the activities that our residents enjoy. We presently are fortunate to have with us two ordained ministers, two published authors, three nurses, two former employees of Rockingham County Nursing Home, and many other professional career folks.

Our big purchase for the year was a popcorn machine as seen at fairs. The residents, with the help of a volunteer, make and sell bags of popcorn to help purchase activities supplies.

As the year comes to end, we are looking forward to celebrating a 100th birthday party with one of our residents and the donation of a refurbished player piano with over 300 rolls of music.

Once again I could not conclude this report without acknowledging the outstanding, dedication of the staff of the Ernest P. Barka Assisted Living. Our staff continues to maintain a loving, caring and supportive home while providing excellent care. Our staff also interacts with families and friends of all our residents and appreciates their support and generosity.

I would like to thank the Board of Rockingham County Commissioners for their support and continued interest in the assisted living community. A heartfelt thanks to Steven Woods, Director of Long Term Care Services, Jude Gates Director of Maintenance and the staff of Rockingham County Nursing Home, especially the Dietary and Environmental Services Departments for all the support and help they have provided Assisted Living throughout 2008.

Daily Census Average for 2008: 40

Average Age of Resident: 83

Deaths in 2008: 4

Residents Admitted to Rockingham County Nursing Home: 7

Residents Transferred to Other Facility: 1

REGISTRY OF DEEDS
Cathy Ann Stacey, Register

As I complete my seventh term as Register of Deeds I will take this opportunity to express my continued appreciation to the residents of Rockingham County for their continued support and confidence in me as their elected County Register of Deeds. It continues to be my pleasure to serve and I pledge to continue on my vision to make the Registry of Deeds records more accessible to the public as well as continued fiscal responsibility in the budgeting of this office.

I am saddened by the level of foreclosure activity which has affected a substantial number of homeowners in our County. During 2008 we saw a total of 823 recorded foreclosures and 2261 property liens and attachments. This is a definite reflection of the economic challenges facing many Americans.

The total County revenue collected by the Registry of Deeds in the 2008 calendar year was \$3,187,312.25. This figure reflects a nineteen percent reduction over 2007 revenues; however, it was properly anticipated through the budget process.

<u>2008 Revenue Collected</u>	
State Transfer Tax	\$25,656,332.00
4% RETT commission	\$ 1,025,515.28
State LCHIP tax	\$ 411,350.00
4% LCHIP commission	\$ 16,454.00
Copies/Faxes	\$ 356,468.18
Recording Fees	<u>\$ 1,788,874.79</u>
Total Revenue	<u>\$ 3,187,312.25</u>

Total Documents Recorded: 58,486

The following chart reflects annual transactions reported to each municipality within Rockingham County.

Atkinson	2123	Greenland	1736	Newington	595
Auburn	1692	Hampstead	3421	Newton	1696
Brentwood	1662	Hampton F	873	Northwood	1772
Candia	1204	Hampton	6866	Plaistow	2365
Chester	1446	Kensington	766	Portsmouth	4066
Danville	1421	Kingston	2133	Raymond	3736
Deerfield	1480	Londonderry	7079	Rye	2343
Derry	9607	New Castle	371	Salem	9747
E Kingston	1102	Newfields	718	Seabrook	2872
Epping	2555	Nottingham	1588	S Hampton	270
Exeter	4548	N Hampton	1651	Sandown	905
Fremont	1310	Newmarket	2163	Stratham	2555
				Windham	6507

In closing I offer my sincere thanks to the employees of the Rockingham County Registry of Deeds who continue to maintain a high level of efficiency and dedication to this office. They are an outstanding group of individuals.

SHERIFF'S OFFICE
J. Daniel Linehan, High Sheriff

STATISTICS

Active Warrants – Superior & Family Court

Warrants in NCIC	421	
Warrants non-NCIC (Equity, Family Division, Cost Containment)	179	
Wanted Persons serving time in other states	68	
Total	<u>682</u>	-2.4%
Wanted Persons beyond extradition limits (included above)	144	

Active Warrants - District Court

Wanted Persons residing in Rockingham County	<u>167</u>	+28.46%
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Grand Total **835** **+0.7%**

Arrests – Superior Court Warrants

Criminal Warrants	477	
Civil Warrants	113	
Electronic Bench Warrants	51	
Recalls	240	
Total	<u>881</u>	+7.8%

Arrests – District Court Warrants

Arrests	28	
Not found	153	
Recalls after warning notice	340	
Recalls after person learned of deputy seeking their arrest	349	
Total	<u>870</u>	-5.4%

Total Warrants Cleared - All Courts

1,751 +1%

Total Warrant Activity - All Courts

2,586 +0.5%

Transports

Transports for other agencies	4,913	-6.4%
Involuntary Emergency Admissions	365	
Juvenile transports	375	
All other transports	4,262	
Total	<u>9,915</u>	-5%

Deputy Sheriffs initiated 88 criminal reports, stopped 1,100 motorists for moving violations, assisted 120 motorists, and covered 9 motor vehicle accidents. The Patrol Division deputies served 15,818 civil process documents, a 10.23% increase from 2007.

Fugitive Extraditions By State

Alabama	1	Maryland	1	South Dakota	1
Connecticut	7	New Jersey	3	Vermont	3
Colorado	1	New York	10	Virginia	1
Florida	5	North Carolina	2	Washington	1
Georgia	1	Ohio	1	West Virginia	1
Maine	31	Pennsylvania	1	TOTAL	193
Massachusetts	120	South Carolina	1		

Deputy Sheriffs brought fugitives back in all but 10 instances.

Dispatch Center Service Calls

2003: 88,697
2004: 86,956
2005: 89,188
2006: 91,519
2007: 93,629
2008: 90,744

The Dispatch Center provides 24-hour service for 24 Police Departments and 16 Fire Departments. The Center is also the primary communications point for the Seabrook Nuclear Power Plant Radiological Emergency Response Plan (RERP), and the Pease International Tradeport's Emergency Response Plan. In 2008 the Communications Center handled 816,696 incoming telephone calls and provided public safety services throughout two major weather events.

BUSINESS OFFICE REPORT

I) Revenues received: \$1,051,675
II) Appropriations Expended: 4,381,106
III Appropriations Not Expended: 392,405

EXPENDITURES % offset by REVENUES : 24%

Revenue Breakdown

Sheriff
Civil Process Service Fees: \$445,773
Outside/Road Details Contracts : 130,376
Salary Reimbursement= \$116,195.87
Administrative Fee= \$14,180
Superior Court Bailiffs : 293,544
Transports: 117,009
New Hampshire State Grants : 27,642
OEM Radio System Upgrade=\$13,783
DOJ Project Safe Neighborhood=\$5,999
OEM RERP Training/Staging/Drill=\$4,725
OEM RERP Communications=1,450
PS&TC Training=1,000
Highway Safety DWI Patrols=685
Miscellaneous revenue : 2,331
\$1,016,675

Dispatch
NHOEM RERP Salary Reimbursement **\$35,000**

Net Department Appropriations

Sheriff's Office \$3,014,321
Dispatch/Communications 1,350,894
Radio/Electronic Services 97,037
Outside/Road Detail Contracts 311,259
\$4,773,511

UNH COOPERATIVE EXTENSION

Claudia Boozer-Blasco, County Office Administrator

The mission of the University of New Hampshire Cooperative Extension is to provide New Hampshire citizens with research-based education and information, enhancing their ability to make informed decisions that strengthen youth, families and communities, sustain natural resources, and improve the economy. Your Rockingham County office brings this commitment to you by providing educational programs within your community. Examples of our efforts in 2008 to extend education to Rockingham County residents include the following:

- Over 1,000 youth and adult volunteers participated in 4-H Youth Development clubs, after school programs, special events, and related community coalitions.
- Over 6,764 adults and youth were reached 129 programs in nutrition, healthy lifestyles, food safety, parenting, life skills, money management and media awareness programs.
- More than 2,500 growers, schools, parks and recreations and landscapers received information and technical assistance on best management practices in growing crops, athletic fields and landscape. Another 500 attended workshops on farm business management and marketing directly to consumers. Food production and food security were among the hot topics.
- Over 4,984 face-to-face and media contacts were made through the Master Gardner program involving 2,494 volunteer hours.
- Hundreds of communities, private landowners, and public and private conservation partners received information and assistance to help conserve open space lands.
- The Extension Forester inspected seven Tree Farms totaling 979 acres, provided technical forestry assistance to 49 landowners totaling 3,440 acres, and made 28 referrals to private, licensed NH foresters. He also conducted 11 workshops with 316 participants.
- Commercial fishermen and researchers collaborated on successful open aquaculture and cooperative research projects producing economic benefits for the fishing and shore-side support industries.
- The statewide UNH Cooperative Extension Info Line (1-877-398-4769) responded to 1,226 calls from Rockingham County residents on questions in home gardening, forestry and wildlife, nutrition, food safety, food preservation, family finance, and youth development.

Our Rockingham County Extension Advisory Council provides input on needs assessment, program development, and evaluation. The Advisory Council included 12 Rockingham County citizens, County Commissioner Kate Pratt, and New Hampshire Representative Kim Casey of East Kingston, New Hampshire. The Chair of the Council for 2007-2008 was Susan Turner from Portsmouth. The Extension Educators and staff thank the Board of Commissioners and the County Delegation members for their continued support.

ROCKINGHAM COUNTY DELEGATION
Public Hearing: Commissioners Proposed 2008 Budget
Thursday, January 24, 2008 at 7:00 p.m.
Hilton Auditorium, Rockingham County Nursing Home, Brentwood NH

The Chairman of the Rockingham County Delegation held a Public Hearing on Thursday, January 24, 2008 at 7:00 p.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood, NH. The purpose of the meeting was to conduct a Public Hearing on the Commissioner's Proposed 2008 Budget.

Rep. James B. Rausch, Chairman of the Rockingham County Executive Committee, called the Public Hearing to order at 7:08 p.m. in the excused absence of Rep. Norman L. Major, Chairman of the Rockingham County Delegation.

Chairman Rausch recognized Rep. Gene Charron who delivered the Invocation.

Chairman Rausch recognized Rep. John Flanders who led the Pledge of Allegiance.

Chairman Rausch reviewed the ground rules regarding the procedures for the public to speak noting that he would entertain questions and comments from the public after each individual department's budget proposal was read.

Chairman Rausch recognized Commissioner Katharin Pratt, who provided an overview of the Jail Union Contract Cost Items. A spreadsheet outlining the cost items were provided to the members of the Executive Committee. Commissioner Pratt noted that Mr. Flagar, Union Negotiator, was present to answer any questions. Chairman Rausch called for questions. There were none.

Chairman Rausch recognized Commissioner Katharin Pratt who provided an overview of the Commissioners 2008 Proposed Budget. Commissioner Pratt reviewed the budget highlights. She noted that the overall budget has a 2.7 percent increase. She outlined the items that are significant in this year's budget proposal, such as the second year of the employee pay plan, health insurance rates, and mandates from the state.

Chairman Rausch recognized Rep. Mary Griffin, Vice-Chair of the Delegation, to read the Commissioners Proposed 2008 budget proposals, by department, as follows:

Rockingham County 2008 Commissioner's Budget Proposal

- Rockingham County Delegation – 79,333 (4.5 percent increase)
- Treasurer – 33,954, (0.0 percent increase)
- County Attorney – 2,710,558 (6.1 percent increase)
- District Court – 193,973 (62.3 percent increase)
- Medical Examiner – 55,601 (-0.9 percent decrease)
- Sheriff's Department – 4,745,256 (2.2 percent increase)
- Registry of Deeds – 1,393,381 (-1.5 percent decrease)
- Commissioners – 171,828 (1.0 percent increase)
- General Government – 2,780,382 (0.6 percent increase)
- Projects – 475,000 (-17.4 percent increase)
- Grants – 1,300,000 (-13.3 percent increase)
- Finance – 874,038 (21.8 percent increase)
- Engineering & Maintenance – 4,143,203 (9.1 percent increase)
- IT – 331,347 (1.9 percent increase)
- Human Services – 18,040,799 (9.7 percent increase)
- Jail – 9,282,167 (0.6 percent increase)
- UNH Cooperative Extension – 556,285 (3.3 percent increase)
- Human Resources – 398,600 (5.6 percent increase)
- Non-County Specials – 291,000 (6.8 percent increase)
- Long-Term Care Services – 24,008,356 (2.6 percent increase)
- Total Revenues – 65,348,071 (1 percent increase)

Chairman Rausch called for further questions and comments. There were none.

Rep. Flanders made a motion to adjourn the Public Hearing. Rep. Belanger seconded the motion. The Public Hearing was adjourned at 7:32 p.m.

Respectfully submitted,
Cheryl A. Hurley
Delegation Coordinator

Rep. David A. Welch, Clerk
Rockingham County Delegation

MINUTES
ROCKINGHAM COUNTY DELEGATION ANNUAL MEETING
Tuesday, February 19, 2008, 6:00 p.m.
Hilton Auditorium, Rockingham County Nursing Home, Brentwood, NH

The members of the Rockingham County Delegation met on Tuesday, February 19, 2008 at 6:00 p.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood, NH. The purpose of the meeting was to approve the 2008 County budget, and approve the Jail Union Cost Items.

Rep. Norman L. Major, Chairman, called the meeting to order at 6:00 p.m.

Rep. Ron Nowe delivered the Invocation.

Rep. John Flanders led the Pledge of Allegiance.

Rep. David A. Welch, Clerk, conducted the roll call. Clerk Welch reported a total of 49 members present at the time the roll was called.

Chairman Major declared that a quorum was present.

Members in attendance were: Rep. Norman L. Major, Chairman; Representatives Allen, Baldassaro, Belanger, Cali-Pitts, Carson, Case, Casey, Charron, Dalrymple, Devine, Elliott, Emiro, Fesh, Flanders, Flockhart, Garrity, Gleason, Gould, Griffin, Headd, Henson, Howard, Ingram, Itse, Kappler, G. Katsakiores, P. Katsakiores, Kennedy, Kepner, Lister, Lund, Moody, Benjamin Moore, Bennett Moore, Nevins, Nord, Nowe, Pantelakos, Priestley, Rausch, Reagan, Robertson, Sanders, Serlin, Snow, Splaine, Stiles, Waterhouse, Weare, Welch, Weyler, and Winchell.

Excused: Rep. Guthrie and Forsing.

Also Present: Commissioners Barrows, Pratt, Stritch; Theresa Young, Finance Officer; Kathy Nikitas, Finance; Steven Woods, Long Term Care Administrator; Mary Jane Toth, Long Term Care; Jude Gates, Engineering & Maintenance; Frank Stoughton, IT/Telecommunications; Superintendent Albert Wright,

Department of Corrections; Louise Turner, Anne Marie Nelson, Department of Corrections; Attorney James Reams, County Attorney's Office; Captain Joe Akerley, Sheriff's Office; Sheriff Daniel Linehan, High Sheriff; Joe Akerley, Sheriff's Department; Martha Roy, Human Resources Director; Lynn Garland, UNH Cooperative Extension; Cathy Stacey, Register of Deeds; Diane Gill, Human Services Director; Cheryl A. Hurley, Delegation Coordinator.

Chairman Major reviewed the ground rules for the meeting.

Clerk Welch noted two newly appointed members of the Delegation – Representatives Nevins and Mann.

Chairman Major recognized Rep. James Garrity, who was elected to serve on the Executive Committee due to Rep. Guthrie's recent resignation.

Rep. Cali-Pitts made a motion to recognize Rep. Guthrie for his service to the Executive Committee. Rep. Belanger seconded the motion. The motion was approved by a voice vote.

The first order of business was the review and approval of the Jail Union Contract Cost Items. Chairman Major called upon Commissioner Pratt who reviewed the details of the cost items outlined in the spreadsheet included in the Delegation packet. Chairman Major called for questions. There were none.

Chairman Major recognized Rep. Rausch, Chairman of the Executive Committee, who read the following motion:

In accordance with RSA 273-A:3, I move that the Rockingham County Convention approve the cost items as recommended by the Executive Committee and reflected in the document titled 2007union.xls.

Cost Items for the fiscal year ending 6/30/2008 total approximately \$3,883,628. Cost items for fiscal years 2008/2009 and 2009/2010 total approximately \$4,300,608 and \$4,497,365 respectively.

Rep. Pantelakos seconded the motion. Chairman Major called for questions. Rep. Cali-Pitts questioned the contract terms and if the contract included any retroactive compensation. Commissioner Pratt noted that it is a 4-year contract, and there is no retroactive compensation. Rep. Carson questioned the high increases. Commissioner Pratt noted that they are accumulative. Rep. Baldassaro also questioned. There were no further questions. The motion was approved by a voice vote.

Commissioner Pratt provided an overview of the 2008 budget highlights. She noted that the budget presented is the recommendations of the Executive Committee. A lengthy discussion ensued regarding the overall increased costs to the budget.

Chairman Major recognized Rep. Gene Charron, Chairman of the Salary Subcommittee, who made a motion to approve Resolution 1-2008 presented as follows:

RESOLUTION 1 - 2008

Be it resolved that the Rockingham County Convention accept the position listing as presented with the total number of authorized positions for 2008 being 688 and that there will be no new positions created nor will there be any re-grading of positions or increase of number of positions, other than those budgeted, without approval of the Executive Committee.

It is understood that the Executive Committee need not approve any personnel change proposed by the County that results in placing the authorized position in the same or lower grade. Further, that the County must notify the Executive Committee at each quarterly meeting of any changes that may have been processed in order to provide an update to the accepted position listing.

In addition, it is understood that part-time employment pools are approved in the Human Resources Department, Nursing Home, Finance Office, County Attorney's Office, Jail, Sheriff's Department, UNH Cooperative Extension and that the pools be used for on-call coverage when necessary. In no case will any on-call employee be eligible for any benefit or permanent employment status. This does not preclude any department from obtaining temporary help from outside vendors to cover employment leave.

Rep. Belanger seconded the motion. Rep. Cali-Pitts questioned the language. Commissioner Pratt explained. The motion was approved by a voice vote.

Chairman Major recognized Rep. Gene Charron, Chairman of the Salary Subcommittee, who made a motion to approve Resolution 2-2008 presented as follows:

RESOLUTION 2 – 2008

Be it resolved that the Rockingham County Convention, upon the recommendation of the Executive Committee, recommend approximately \$519,713 for increases related to the new pay plan incorporated into the 2008 budget. In addition, the mileage reimbursement rate continues to mirror the Federal rate for 2008.

Rep. Flanders seconded the motion. Rep. Charron requested that the chair recognize him for an amendment. Rep. Charron referred to the Executive Committee Meeting held on February 8, 2008, and the report from the consultant regarding the new pay plan and salary survey. He noted confusion on his part, which supports his

amendment to recommend a 1.5 percent adjustment to the pay plan. A lengthy discussion ensued. Chairman Major called for further questions. There were none. The motion failed.

Chairman Major recognized Rep. Charron for the original motion on the floor to approve Resolution 2-2008 as presented. Rep. Henson seconded the motion. The motion was approved by a voice vote.

Chairman Major recognized Rep. Gene Charron, Chairman of the Salary Subcommittee, who made a motion to approve Resolution 3-2008 presented as follows:

RESOLUTION 3 – 2008

All of the policies of the County personnel system shall apply to the Rockingham Delegation employee(s) with the understanding that all references for necessary actions, approvals or exceptions in reference to Delegation employee(s) reside with the Officers of the Delegation in lieu of the Commissioners. Authorization requires the majority of the 5 officers. The officers include the Chairmen of the Delegation and Executive Committee, the Vice-Chairmen of the Delegation and Executive Committee and the Delegation Clerk.

It is further agreed that all references for any “O/DD” actions, approvals or exceptions resides with the Chairmen of the Delegation and the Executive Committee in lieu of the “O/DD”. Finally, any policies deemed appropriate and not specified or covered under the personnel system may be adopted by the Officers of the Delegation.

Rep. Stiles seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Gene Charron, Chairman of the Salary Subcommittee, who made a motion to approve Resolution 4-2008 presented as follows:

RESOLUTION 4 - 2008

I move that \$33,980 be appropriated for salary payments for the Delegation Coordinator.

Rep. Waterhouse seconded the motion. Chairman Major called for questions. Rep. Kepner questioned if there is a job description for the position. Rep. Welch responded yes. Rep. Lund questioned the cost with benefits. Ms. Young responded \$46,000 which includes the per-diem payment for the representatives. There were no further questions. The motion was approved by a voice vote.

Chairman Major recognized Rep. Gene Charron, Chairman of the Salary Subcommittee, who made a motion to approve Resolution 5-2008 presented as follows:

RESOLUTION 5 - 2008

Be it resolved that the Rockingham County Convention approve the following benefits as described below and approval of all benefits as outlined in the 2008 summary of salary and benefits *for those employees listed in the position listing, other than the union eligible. The Delegation Coordinator will receive benefits in accordance with personnel policies adopted for this position.*

COUNTY CONTRIBUTION % (FULL-TIME EMPLOYEES)

Health Benefits (Self-Insured)

<u>Membership</u>	<u>PPO</u>
Single	80%
2-Person	80%
Family	80%

Part-time employees contribute on a pro-rated basis.

Dental Benefits

Full-Time - 100% of all memberships

Part-Time - Pro-rated basis

Workers Compensation and Unemployment: Worker's Compensation is funded at 28.5% of the assigned risk rate per the recommendation of the Executive Committee. Unemployment funding recommended at \$5.00 per position in 2008.

Short-Term Disability: Short-Term Disability, a benefit adopted in 2000, is an accident and illness benefit, and is funded for a 26-week duration. Part-time employees contribute on a pro-rated basis.

Longevity

The Longevity benefit is as follows:

<u>Years</u>	<u>Payments</u>
5	\$150
10	\$300
15	\$450
20	\$750
25	\$1,000

Dependent Care: The Dependent Care flexible spending account is a benefit adopted in 2000 that will save the County Social Security and Medicare, if applicable, for every salary dollar that the employee puts into the account.

Medical Spending Account: The Medical Spending Account is a \$4,000 employee funded benefit that will save the County Social Security and Medicare, if applicable, for every salary dollar that the employee puts into the account.

Rep. Waterhouse seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. James B. Rausch, Chairman of the Executive Committee, who moved the following budget lines, by department, for approval:

Delegation: Rep. Rausch made a motion to approve \$84,174 for the Delegation Office budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Treasurer: Rep. Rausch made a motion to approve \$33,954 for the Treasurer's Office budget. Rep. Belanger seconded the motion. Chairman Major called for questions. Rep. Nowe questioned if the Treasurer was present at the meeting. It was noted that he was not present. Ms. Young updated the members regarding the county's borrowing ratings. Commissioner Pratt noted that the county's exceptional ratings are attributed to the fine work of Ms. Young, Finance Officer. Chairman Major called for further questions. There were none. The motion was approved by a voice vote.

County Attorney: Rep. Rausch made a motion to approve \$2,680,421 for the County Attorney's Office budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

District Court: Rep. Rausch made a motion to approve \$195,688 for the District Court budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Medical Examiner: Rep. Rausch made a motion to approve \$55,601 for the Medical Examiner's budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Sheriff's Department: Rep. Rausch made a motion to approve \$4,773,511 for the Sheriff's Office budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Registry of Deeds: Rep. Rausch made a motion to approve \$1,390,893 for the Deeds Office budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Commissioners: Rep. Rausch made a motion to approve \$171,736 for the Commissioners Office budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

General Government: Rep. Rausch made a motion to approve \$2,780,382 for the General Government budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Projects: Rep. Rausch made a motion to approve \$475,000 for the Projects budget and the 2008 Projects List on page 45. Rep. Belanger seconded the motion. Chairman Major called for questions. Chairman Major called for further questions. There were none. The motion was approved by a voice vote.

Grants: Rep. Rausch made a motion to approve \$1,300,000 for the Grants budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Finance: Rep. Rausch made a motion to approve \$873,087 for the Finance Office budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Engineering/Maintenance: Rep. Rausch made a motion to approve \$4,154,713 for the Engineering/Maintenance budget. Rep. Belanger seconded the motion. Chairman Major called for questions. Rep. Kappler commended Ms. Gates for what he referred to as a low budget increase given the high cost of fuel. The motion was approved by a voice vote.

IT: Rep. Rausch made a motion to approve \$331,182 for the IT budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Human Services: Rep. Rausch made a motion to approve \$18,040,016 for the Human Services budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Jail: Rep. Rausch made a motion to approve \$9,556,230 for the Jail budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

UNH Cooperative Extension: Rep. Rausch made a motion to approve \$555,681 for the UNH Cooperative Extension budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Human Resources: Rep. Rausch made a motion to approve \$398,340 for the Human Resources budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Non-County Specials: Rep. Rausch made a motion to approve \$288,750 for the Non-County Specials budget. Rep. Nowe seconded the motion. Chairman Major called for questions. Rep. Cali-Pitts requested an explanation regarding the subcommittee's proposal vs. the Commissioner's proposal. A lengthy discussion ensued.

There being no further questions, the motion was approved by a voice vote.

Long Term Care Services: Rep. Rausch made a motion to approve \$23,943,143 for the Long Term Care Services budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Rausch who made a motion to approve Resolution 6-2007 presented as follows:

RESOLUTION 6 – 2008

Whereas: The County Convention has the power to raise county taxes and to make appropriations for the use of the county; and

Whereas: The County Commissioners are responsible for the day to day operation of the county; and

Whereas: The Executive Committee of the County has the authority to review the expenditures of the county after the adoption of the County budget; and

Whereas: From time to time it may be necessary to transfer funds appropriated for one purpose to augment appropriations for another; and

Whereas: The Commissioners and the Delegation are partners in oversight of the County budget;

Therefore be it Resolved: That pursuant to RSA 24:14, I, the County Convention hereby authorize a line item budget that the County Commissioners obtain prior written approval from the Executive Committee before transferring to or from any line once the aggregate over-expenditure in any line item reaches \$1,000. The County Commissioners are required to identify the line items whose appropriations will be reduced to cover the over-expenditure and obtain written approval from the Executive Committee before transferring to or from any line item. In any event, no department shall over-spend their department's bottom line, nor shall they split expenditures among budget lines in order to avoid a line item transfer without the Executive Committee's approval.

Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Rausch who made a motion to approve Resolution 7-2008 presented as follows:

RESOLUTION 7 – 2008

The Finance Office has the authority to make periodic transfers from appropriate budget lines to insure that the health and buyout benefit lines properly reflect the status of the accounts during the year.

Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Rausch who made a motion to approve Resolution 8-2008 presented as follows:

RESOLUTION 8 – 2008

All amounts appropriated for the Non-County Specials to be paid on a quarterly basis subject to the approval of the majority of the Board of County Commissioners.

Further, all agencies are required to submit a quarterly financial review describing activities for the prior quarter and their relationship to county funds distributed. These reports shall be submitted to the Rockingham County Finance Office prior to any distribution of subsequent quarterly payments.

Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Rausch who made a motion to approve Resolution 9-2008 presented as follows:

RESOLUTION 9 - 2008

Be it resolved that no audit study shall be conducted nor expenditure of such authorized without the prior approval of the Executive Committee.

Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Rausch who made a motion to approve Resolution 10-2008 presented as follows:

RESOLUTION 10 - 2008

That the Rockingham County Convention, in accordance with RSA 24:13, authorize \$72,082,501 in appropriations and \$636,492 in reserves and encumbrances for the use of the County during 2008. That \$40,037,695 be raised in new county taxes, that \$25,559,806 be accepted as an estimate of revenues from other sources, and that \$7,121,492 is accepted as fund balance for a total of \$72,718,993 in resources.

Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Rausch who made a motion to approve Resolution 11-2008 presented as follows:

RESOLUTION 11 -2008

Be it resolved that the departmental budget requests be included with the Commissioners recommended budget proposals.

Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Other Business

Rep. Kappler commented regarding subcommittee involvement suggesting that correspondence be sent reminding them of their charge.

Rep. Cali-Pitts referred to unfinished business from the salary subcommittee relative to position regrades. Commissioner Pratt noted that this will be accomplished prior to the Executive Committee's First Quarter Meeting in April. Rep. Cali-Pitts further questioned if there is money in the budget to accommodate the regrades, if recommended. Commissioner Pratt responded yes.

Rep. Dalrymple thanked the Commissioners and the Executive Committee for doing a great job in preparing the budget.

Adjournment

Chairman Major recognized Rep. Flanders who made a motion to adjourn the meeting. Rep. Belanger seconded the motion. There being no further business, the meeting was adjourned at 7:58 p.m.

Respectfully submitted,

Cheryl A. Hurley

Delegation Coordinator

Rep. David A. Welch, Clerk

Rockingham County Executive Committee

**MINUTES
DELEGATION ORGANIZATION MEETING
Wednesday, December 10, 2008, 10:00 a.m.
Hilton Auditorium, Rockingham County Nursing Home, Brentwood, NH**

The members of the Rockingham County Delegation held an Organizational meeting on Wednesday, December 10, 2008 at 10:00 a.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood, NH. The purpose of the meeting was to elect Officers and an Executive Committee, and to conduct other county business.

Rep. Norman L. Major, Chairman, called the meeting to order at 10:00 a.m., and recognized Rep. Gene Charron who delivered the Invocation.

Chairman Major recognized Rep. David A. Welch, Clerk, who read a declaration honoring former Edward M. Putnam, who served in the House of Representatives, and a Moment of Silence followed in his remembrance.

Chairman Major recognized Rep. John Flanders who led the Pledge of Allegiance.

Chairman Major recognized Rep. David Welch, Clerk, who conducted the roll call.

Those in attendance were: Rep. Norman L. Major, Chairman; Representatives Allen, Bates, Belanger, Bettencourt, Bishop, Borden, Bridle, Brown, Cali-Pitts, Case, Casey, Charron, Comferford, Crisler, Cushing, DeSimone, DiPentima, Dowling, Ferrante, Fesh, Flanders, Garrity, Gould, Griffin, Hagan, Headd, Henson, Hoelzel, Howard, G, Hutchinson, Introne, Itse, Kappler, G. Katsakiores, P. Katsakiores, Mann, Moody, Nord, Pantelakos, A. Perkins, L. Perkins, Petterson, Quandt, Rausch, Read, Regan, J. Russell, Sanders, Sapareto, Schlachman, Sedensky, Smith, Splaine, Stiles, Sullivan, Tucker, Van Patten, Weare, Webber, Welch, Wells.

Excused: Rep. Abbott, Ingram, and Nevins

Also Present: Commissioner Katharin Pratt, Commissioner Maureen Barrows, Commissioner Donald Stritch, Theresa Young, Finance Officer; Kathy Nikitas, Finance Office; Cheryl Hurley, Delegation Coordinator. Other elected officials/department heads were also present.

Clerk Welch reported a total of 58 members present at the time the roll was called.

Chairman Major declared that a quorum was present.

Chairman Major recognized Rep. James Rausch, Chairman of the Nominating Committee. Chairman Rausch nominated Rep. Norman L. Major for Convention Chairman. Rep. Allen seconded the motion. Rep. Major called for further nominations. There were none. Rep. Major instructed the Clerk to cast one ballot for Rep. Norman L. Major as Convention Chairman.

Chairman Major recognized Rep. Rausch for the nomination of Convention Vice-Chairman. Rep. Rausch nominated Rep. Mary E. Griffin for Convention Vice-Chairman. Rep. Allen seconded the nomination. Rep. Major called for further nominations. There were none. Rep. Major instructed the Clerk to cast one ballot for Rep. Mary Griffin as Convention Vice-Chairman.

Chairman Major recognized Rep. Rausch for the nomination of Convention Clerk. Rep. Rausch nominated Rep. David Welch as Convention Clerk. Rep. Allen seconded the motion. Rep. Major called for further nominations. There were none. Rep. Major instructed the Clerk to cast one ballot for Rep. David Welch for Convention Clerk.

Chairman Major recognized Rep. Rausch for the nomination of Executive Committee Chairman. Rep. Rausch nominated Rep. Laura Pantelakos for Executive Committee Chairman. Rep. Allen seconded the motion. Rep. Major called for further nominations. There were none. Rep. Major instructed the Clerk to cast one ballot for Rep. Laura Pantelakos for Executive Committee Chairman.

Chairman Major presented Rep. Rausch with a plaque from the Convention for his many years serving as a member of the Executive Committee and Chairman. Rep. Major then read the plaque which expressed the appreciation on behalf of the members.

Chairman Major recognized Rep. Rausch for the nomination for Executive Committee Vice-Chairman. Rep. Rausch recognized Rep. Gene Charron for Executive Committee Vice-Chairman. Rep. Allen seconded the motion. Rep. Major called for further nominations. There were none. Rep. Major instructed the Clerk to cast one ballot for Rep. Gene Charron for Executive Committee Vice-Chairman.

Chairman Major recognized Rep. Rausch for the nomination for Executive Committee Clerk. Rep. Rausch nominated Rep. David Welch for Executive Committee Clerk. Rep. Allen seconded the nomination. Rep. Major called for further nominations. There were none. Rep. Major instructed the Clerk to cast one ballot for Rep. David Welch for Executive Committee Clerk.

Chairman Major recognized Rep. Rausch for the nomination of Executive Committee, District 1. Rep. Rausch presented the following slate:

District 1

John Flanders
Albert Weare
Jacqueline Cali-Pitts
Kim Casey
Nancy Stiles

Rep. Allen seconded the nomination. Chairman Major called for further nominations. There were none. Rep. Belanger moved that nominations be closed. Rep. Flanders seconded the motion. Chairman Major instructed the Clerk to cast one ballot for the slate for the Executive Committee, District 1, as presented.

Rep. Major recognized Rep. Rausch for the nomination of Executive Committee, District 2. Rep. Rausch presented the following slate:

District 2

D.J. Bettencourt
Matthew Quandt
John Sedensky
Lawrence Kappler
James Garrity

Rep. Allen seconded the nomination. Chairman Major called for further nominations. There were none. Rep. Belanger moved that nominations be closed. Rep. Flanders seconded the motion. Chairman Major instructed the Clerk to cast one ballot for the slate for the Executive Committee, District 2, as presented.

Chairman Major called upon Rep. Rausch for the nomination for Executive Committee, District 3. Rep. Rausch presented the following slate:

District 3

Margaret Crisler
John Reagan
Robert Introne
George Katsakiores
Kenneth Gould

Rep. Belanger moved that nominations be closed. Rep. Flanders seconded the motion. Chairman Major instructed the Clerk to cast one ballot for the slate for the Executive Committee, District 3, as presented.

Chairman Major recognized Rep. Cali-Pitts who requested that the Chair recognize the newly elected members of the Executive Committee by standing before the members. Chairman Major asked the Executive Committee members to rise.

Chairman Major referred to the approval of resolutions as the next order of business. Chairman Major recognized Rep. Griffin who read Resolution 2008-1 as follows:

Resolution 2008-1 – Adoption of Procedures for Filling Rockingham County Executive Committee Vacancies (RSA 24:2-b)

I move that the Rockingham County Convention authorize the Executive Committee to fill vacancies on the Executive Committee by a vote of the remaining members. Replacements shall be from the same Commissioner District as the seat being vacated, and to the extent possible shall be from the same party.

Rep. Flanders seconded the motion. The resolution was approved by a voice vote.

Rep. Griffin read Resolution 2008-2 as follows:

Resolution 2008-2 - Authorization for Rockingham County to Pay 2009 Expenses (RSA 24:15)

Due to timing differences, the County runs without a signed operating budget during the months of January and February. Historical figures demonstrate that the January and February expenses will total approximately \$11.5 million.

Since RSA 24:15 states that “no County Commissioners or elected or appointed official shall pay, or agree to pay, or incur any liability for the payment of, any sum of money for which the County Convention has made no appropriation, I move that we, the County Convention, authorize the County to spend up to \$11.5 million for 2009 expenses during the months of January and February in anticipation of the subsequent approval of the 2009 budget.

Further, that the \$11.5 million be allocated proportionately to line items based on 2008 approved net appropriations to fund like operating and personnel expenses in existence as of 12/31/08.

Rep. Flanders seconded the motion. The resolution was approved by a voice vote

Rep. Griffin read Resolution 2008-3 as follows:

Resolution 2008-3 – Executive Committee to act as a Subcommittee (RSA 24:2)

I move that we, the County Convention, designate the Rockingham County Executive Committee, according to RSA 24:2, to act as a subcommittee to consider the budget, or other matters, and make recommendations to the County Convention.

Rep. Flanders seconded the motion. The motion was approved by a voice vote.

Announcements:

Chairman Major recognized Rep. Stiles who made an announcement of a meeting at the Ashworth Hotel at 7:00 p.m.

Chairman Major informed the members that they would be receiving information regarding subcommittee appointments, the county’s budget schedule, and other pertinent documents.

Rep. Major announced that the Executive Committee would meet immediately following the Delegation Meeting.

There being no further business, the meeting adjourned at 10:35 a.m.

Respectfully submitted,

Cheryl A. Hurley
Delegation Coordinator

Rep. David A. Welch, Clerk
Rockingham County Convention

STATE OF NEW HAMPSHIRE
DEPARTMENT OF REVENUE ADMINISTRATION
MUNICIPAL SERVICES DIVISION
P.O. BOX 487, CONCORD, NH 03302-0487
(603)271-3397

2008
BUDGET
AND
STATEMENT OF APPROPRIATIONS
AND
ESTIMATE OF REVENUE - COUNTY

For: Rockingham County
Calendar year 1/01/08-12/31/08

Mailing Address: 119 North Road, Brentwood, NH 03833

Phone #: 679-9340 Fax #: 603-679-9346 E-Mail: theclan@ttlc.net

Per REV rule 2208.01, use this form to prepare the county budget for delivery to each member of the board of selectmen or mayor for each city within the county, and to the Secretary of State as required by RSA 24:21-a. This form is also to be used to report the voted appropriations, as required under RSA 24:24, to the Secretary of State and to the Commissioner of the Department of Revenue Administration no later than 30 days after adopting the budget or supplemental appropriation.

CERTIFICATE OF VOTE

This is to certify that the appropriations entered on this form are those voted by the county convention.

Chairman Norman J. Majors
Clerk David Aruloch

This form is computerized. Send us your blank disk & a self-addressed, stamped mailer for a copy of the spreadsheet.

1	2	3	4	5	6
Acct.#	APPROPRIATIONS OR EXPENDITURES	Appropriations Previous Fiscal Year	Expenditures Previous Fiscal Year	Delegation Proposed Budget Ensuing Year	Appropriations Voted for Ensuing Year

GENERAL GOVERNMENT XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX

4110	County Convention Costs	75,924	57,464	84,174	84,174
4120	Judicial				
4122	Jury Costs				
4123	County Attorney's Office	2,674,020	2,506,080	2,876,109	2,876,109
4124	Victim Witness Advocacy Program				
4130	Executive	1,261,371	972,726	1,312,710	1,312,710
4150	Financial Administration	729,883	715,106	878,987	878,987
4151	Treasurer	33,954	29,232	33,954	33,954
4153	Other Legal Costs	273,501	58,616	273,001	273,001
4155	Personnel Administration	377,552	364,224	398,340	398,340
4191	Planning and Zoning for Uninc.Places				
4192	Medical Examiner	56,100	56,286	55,601	55,601
4193	Register of Deeds	1,440,978	1,273,796	1,395,146	1,395,146
4194	Maintenance of Government Bldg.	4,167,446	3,725,852	4,493,617	4,493,617
**	Non-County	272,501	270,125	288,750	288,750

PUBLIC SAFETY

4211	Sheriff's Department	4,645,799	4,213,837	4,773,511	4,773,511
4212	Custody of Prisoners				
4214	Sheriff's Support Services				
4219	Other-Manchester Airport Security	-			

CORRECTIONS

4230	Corrections	9,245,779	8,710,297	9,589,155	9,589,155
4235	Adult Probation and Parole				
4300					

COUNTY NURSING HOME

4411	Administration	21,789,119	20,874,196	22,320,313	22,320,313
4412	Operating Expense				
4439	Other Health/ Assisted Living	1,677,638	1,631,532	1,640,493	1,640,493

HUMAN SERVICES

4442	Direct Assistance	13,668,206	12,983,689	16,104,254	16,104,254
4443	Board and Care of Children	1,638,000	1,488,561	750,000	750,000
4446	Diversions Program	1,332,506	713,762	1,336,324	1,336,324
4447	Special Outside Services				
	Admin&AG Adult Diversion Grant	403,607	393,914	417,466	417,466
		65,763,884	61,039,295	69,021,905	69,021,905

**It included with 4194 in 2005

1 Acct.#	2 APPROPRIATIONS OR EXPENDITURES	3 Appropriations Previous Fiscal Year	4 Expenditures Previous Fiscal Year	5 Proposed Budget Ensuing Year	6 Appropriations Voted For Ensuing Year
COOPERATIVE EXTENSION XXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX XXXXXXXXXXXX					
4611	Administration	540,579	530,130	555,681	555,681
4619	Other Conservation				
4650	ECONOMIC DEVELOPMENT				
DEBT SERVICE					
4711	Principal Long-Term Bonds/Notes	1,225,000	1,225,000	1,225,000	1,225,000
4721	Interest Long-Term Bonds/Notes	175,356	175,356	141,406	141,406
	Other BAN interest	1		1	1
INTERGOVERNMENTAL TRANSFERS					
4800	Intergovernmental Transfers				
CAPITAL OUTLAY					
	Specify	500,000	500,000	377,500	377,500
	Non Routine Mntc and Other	91,285	62,259	97,500	97,500
INTERFUND OPERATING TRANSFERS					
GRANT CONTINGENCY					
	Specify	1,500,000	321,682	1,300,000	1,300,000
	TOTAL APPROPRIATIONS	69,796,105	63,853,722	72,718,993	72,718,993
		69,796,105	63,853,722	72,718,993	
		0	-	-	(72,718,993)

1	2	3	4	5
Acct.#	SOURCES OF REVENUES	Estimated Revenue Previous Fiscal Year	Actual Revenue Previous Fiscal Year	Estimated Revenue Ensuing Fiscal Year with supplemental
	ASSESSMENTS/TAXES	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
3110	Property Taxes Levied for Unincorporated Places			
3120	Land Use Change Taxes for Unincorporated Places			
3180	Resident Taxes for Unincorporated Places			
3185	Yield Taxes for Unincorporated Places			
3186	Payments in Lieu of Taxes for Unincorporated Places			
3189	Other Taxes			
3191	Penalties on Delinquent Municipal Assessments			
		XXXXXXXXXX		
	Licenses, Permits, and Fees			
3319	REVENUE FROM THE FEDERAL GOVERNMENT	1,336,000	968,953	970,000
	REVENUE FROM THE STATE OF NH			
3351	Shared Revenue for Unincorporated Places			
3352	Incentive Funds	754,927	734,194	760,796
3354	Water Pollution Grants			
3355	Housing and Community Development			
3356	State & Fed. Forest Land Reim. in Unincorporated Places			
3359	Other --Grants and Flex Funds+ Seabrook	1,449,314	408,793	1,315,340
3379	INTERGOVERNMENTAL REVENUES			
	REVENUES FROM CHARGES FOR SERVICES			
3401	Sheriff's Department incl st reim for Bailiff	1,199,759	1,010,688	1,148,326
3402	Register of Deeds	3,616,000	3,969,811	3,100,000
3403	County Corrections	163,000	151,859	133,000
3404	County Nursing Homes and Assisted Living	16,936,937	17,625,959	17,431,456
3405	County Farm	16,000	13,008	16,000
3407	Maintenance Department			
340	Other Misc	173,245	226,208	247,379
	REVENUE FROM MISCELLANEOUS SOURCES			
3502	Interest on Investments	400,000	399,283	400,000
3503	Rents of Property	5,520	5,520	5,520
3508	Contributions and Donations			
350	Other Misc incl escheat and recapture from Mhoms sale			
350	Other (Specify)			
350	Other (Specify)			
	OTHER FINANCIAL SOURCES			
3912	Transfer from Special Revenue Funds			
3913	Transfer from Capital Projects Funds			
		26,050,703	25,514,276	25,527,817
	OTHER FINANCIAL SOURCES cont.	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
3914	Transfer from Proprietary Funds			
3915	Transfer from Capital Reserve Funds			
3916	Transfer from Trust and Agency Funds	77,065	2,122	31,989
3934	Proceeds from Long-Term Notes/Bonds			
	FUND BALANCE TO REDUCE TAX RATE	4,889,734	4,889,734	7,121,492
	TOTAL REVENUES	26,127,758	25,516,398	25,559,806
	AMOUNT TO BE RAISED BY COUNTY TAX	38,778,613	38,778,613	40,037,695
		69,796,105	69,184,745	72,718,993
		69,796,105	69,184,745	72,718,993
		(0)		



ROBBIN R. GRILL, CPA, PC

The Concord Center, 10 Ferry Street, Suite 311, Concord, NH 03301

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
County of Rockingham, New Hampshire

We have audited the accompanying general purpose financial statements of the County of Rockingham, New Hampshire as of and for the year ended December 31, 2008 as listed in the table of contents. These general purpose financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the general purpose financial statements referred to above present fairly in all material respects, the financial position of the County of Rockingham, New Hampshire at December 31, 2008 and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management Discussion and Analysis and the Budgetary Comparison Schedule on pages 3 through 6 and 27 through 28 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

A handwritten signature in cursive script that reads "Robin L. Hill, CPA, PC". The signature is written in black ink and is centered on the page.

Concord, New Hampshire
May 9, 2009

Rockingham County's Management's Discussion and Analysis for 2008

This report provides readers with a narrative overview and analysis of the financial activities of Rockingham County for the year ended December 31, 2008. Readers are encouraged to review the information presented here in conjunction with additional information furnished in the County's financial statements, which follow this narrative. This discussion and analysis is required to provide comparisons with the previous year.

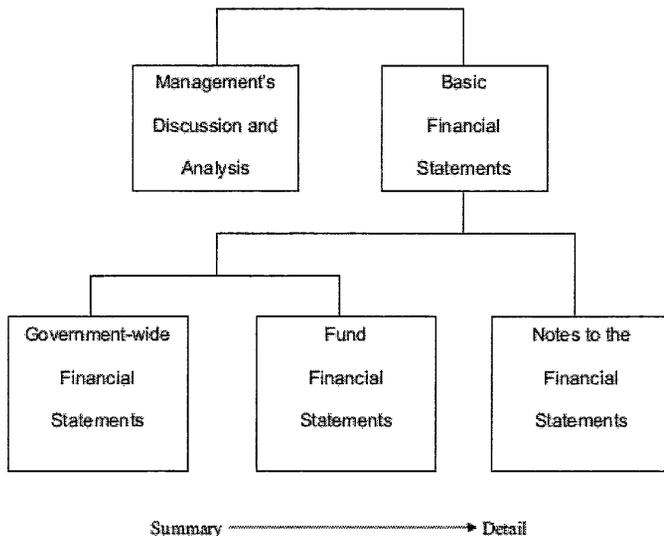
Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to Rockingham County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the County.

- The statements presented on pages 8 and 9 are the Government-wide Financial Statements. They provide both short and long-term information about the County's financial status.
- The next statements are Fund Financial Statements. These statements focus on the activities of the individual parts of the County's government. They provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.
- The next section of the basic financial statements is the notes. The notes to the financial statements explain in detail some of the data contained in those statements. Following the notes, is the required supplemental information that further explains and support the information in the financial statements.

Required Components of Annual Financial Report

Figure 1



Financial Highlights -Government Wide

- The assets of Rockingham County exceeded its liabilities at the close of the fiscal year by \$51,975,171 (net assets).
- The government's total net assets reflects a reduction of \$3,103,181 and its long-term liabilities continue to decrease as debt is paid off.

Financial Highlights-Fund Statements

- As of the close of the year, Rockingham County's reported combined ending fund balances of \$21,377,543 a decrease of \$1,919,407 in comparison with the prior year as restated.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$16,540,136 or 23% percent of total general fund appropriations.
- The County's total debt decreased by \$ 1,546,867 during the current year.
- The County's retains a Aa2 bond rating for its long-term borrowing and maintained its MIG-1 rating on its short-term borrowing.

Government-Wide Financial Analysis

The County continues to prepare its government-wide financial statements in accordance with the GASB Statement 34 reporting model. Statement 34 dictates that when comparative numbers are accessible, they be included.

The following analysis focuses on net assets (**table 1**) and changes in net assets (**table 2**). Net assets may serve, over time, as one useful indicator of a government's financial condition. Net assets at year end were \$51,973,079 of which \$21,010,862 were unrestricted. Unrestricted net assets can be used to finance day-to-day operations of the County and reduce the effect of property taxes.

table-1

Rockingham County Comparative Net Assets at December 31, 2007 and 2008

	<u>Activities 2007 As Restated</u>	<u>Activities 2008</u>	<u>% change</u>
Current and other assets	\$42,038,752	\$39,120,254	-7%
Capital Assets	34,824,298	33,790,587	-3%
Total Assets	73,863,050	72,910,841	-5%
Long-term liabilities	10,136,521	10,392,708	3%
Other Liabilities	11,650,269	10,545,054	-9%
Total liabilities	21,786,790	20,937,762	-4%
Net Assets:			
Invested in capital assets net of related debt	26,532,871	27,046,026	2%
Restricted	4,145,869	3,916,191	-6%
Unrestricted	<u>24,397,520</u>	<u>21,010,862</u>	-14%
Total net assets	\$55,076,260	\$51,973,079	-6%

table-2

Rockingham County Changes in Net Assets at December 31, 2007 and 2008

	<u>Activities 2007 As Restated</u>	<u>Activities 2008</u>	<u>% Change</u>
Revenues:			
Program Revenues			
Charges for Services	\$24680,127	23,749,321	-4%
Grants and contributions	128,607	161,785	26%
General Revenues			
Taxes	38,779,032	40,038,075	3%
Other	1,693,260	688,146	-59%
Total Revenues	<u>65,281,026</u>	<u>64,637,327</u>	-1%
Expenses			
Administration	8,504,505	6,010,038	-29%
Law Enforcement	13,858,795	14,660,225	6%
Human Care and Services	38,727,534	40,908,809	6%
Other	3,973,360	5,882,721	48%
Debt interest	320,782	278,715	-13%
Total Expenses	<u>60,700,503</u>	<u>65,384,976</u>	8%
Increase (Decrease) in net assets	(103,950)	(3,103,181)	-2885%
Net Assets at 1/1	<u>54,160,120</u>	<u>55,076,260</u>	2%
Net Assets at 12/31	<u>\$54,056,170</u>	<u>\$51,973,079</u>	-4%

County Government Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the County's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year. The general fund is the chief operating fund of the County.

As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund appropriations. At December 31, 2008, unreserved fund balance represents 23 percent of total General Fund appropriations, while total fund balance represents 29 percent of that same amount.

Capital Asset and Debt Administration

Assets

At December 31, 2008 the County reported \$34 million in capital assets net of depreciation which includes work in progress of \$628,453.

debt

At December 31, 2008 the County had \$6.9 million in outstanding long-term debt. \$2.2 million originates from a general obligation bond maturing in 2012. An additional \$1.3 million of the \$6.9 million is for a general obligation bond maturing in 2010. The final \$3.4 million is for capital leases including an energy management project completed in 2004.

Economic Factors and Next Year's Budgets and Rates

- Uncertainty continues to surround future County expenditures due to a formula change in the funding of nursing home care. Demographics of the aging population would indicate that future expenses will be subject to extraordinary increases. At the same time a watchful eye is being kept on the Medicaid reimbursement rate as the rate of increase is not keeping pace with the increase in expenditures
- Property taxes continues to account for 55% of expected revenues for 2008
- Budgeted expenditures in the General Fund are expected to increase by approximately .5% over 2007 budgeted amounts.

Contacting the County's Financial Management

This financial report is intended to provide report users with a general overview of the County's finances at 12/31/08. Questions about this report can be directed to the Finance Office at 119 North Road, Brentwood, New Hampshire, 03833.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Statement of Net Assets
December 31, 2008

	Primary Government
	Governmental
	Activities
Assets	
Cash and Equivalents	\$ 31,219,049
Restricted Cash	798,091
Investments	1,267,258
Accrued Interest Receivable	10,850
Accounts Receivable, net	1,424,296
Due from Other Governments	3,606,193
Prepaid Items	73,090
Inventory	721,427
Capital Assets, net	33,790,587
Total Assets	72,910,841
Liabilities	
Accounts Payable	2,497,109
Accrued Interest Payable	70,194
Accrued Liabilities	1,330,218
Due to Other Governments	6,306,495
Deferred Revenue	188,692
Long-term Liabilities:	
Due Within One Year	4,626,798
Due in More Than One Year	6,083,816
Total Liabilities	21,103,322
Net Assets	
Invested in capital assets, net of related debt	26,880,466
Restricted for:	
Capital Projects	2,673,790
Debt Service	346,696
Other Purposes	895,705
Unrestricted	21,010,862
Total Net Assets	\$ 51,807,519

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Statement of Activities
For the Year Ended December 31, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities
Primary Government:					
Governmental activities:					
General Government	\$ 847,751	\$ -	\$ -	\$ -	\$ (847,751)
Commissioners	173,695	19	-	-	(173,676)
Treasurer	26,586	-	-	-	(26,586)
County Attorney	2,934,184	279,499	30,000	-	(2,624,685)
Medical Examiner	39,507	-	-	-	(39,507)
Deeds	1,244,172	3,273,716	-	-	2,029,544
Sheriff/Dispatch/Radio	4,619,154	943,638	131,785	-	(3,543,731)
Delegation	71,381	-	-	-	(71,381)
Finance	875,275	18	-	-	(875,257)
Maintenance	4,201,355	19,462	-	-	(4,181,893)
Human Services	1,102,713	13,825	-	-	(1,088,888)
Public Assistance	14,024,803	747,157	-	-	(13,277,646)
Human Resources	414,985	52	-	-	(414,933)
Corrections	10,161,848	299,762	-	-	(9,862,086)
Nursing Home	24,186,757	16,950,141	-	-	(7,236,616)
Assisted Living	1,555,029	1,204,399	-	-	(350,630)
Information Technology	291,544	17,633	-	-	(273,911)
UNH Cooperative Extension	567,864	-	-	-	(567,864)
Noncounty Specials	288,750	-	-	-	(288,750)
Interest on Long Term Debt	278,715	-	-	-	(278,715)
Total governmental activities	67,906,068	23,749,321	161,785	-	(43,994,962)
Total Primary Government	67,906,068	23,749,321	161,785	-	(43,994,962)
General Revenues:					
Taxes					40,038,075
Grants Not Restricted to Specific Programs					79,776
Interest Earnings					566,617
Miscellaneous					41,753
Total General Revenues					40,726,221
Change in Net Assets					(3,268,741)
Net Assets - Beginning, as Restated					55,076,260
Net Assets - Ending					\$ 51,807,519

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

Balance Sheet
Governmental Funds
December 31, 2008

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and Equivalents	\$ 20,244,580	\$ 3,798,567	\$ -	\$ 24,043,147
Restricted Cash	508,223	-	289,868	798,091
Investments	-	-	68,196	68,196
Accounts Receivable, net	1,010,412	-	-	1,010,412
Due from Other Funds	1,561,205	-	448,680	2,009,885
Due from Other Governments	3,606,193	-	-	3,606,193
Prepaid Expenses	37,253	-	-	37,253
Inventory	721,427	-	-	721,427
Gift Cards	2,814	-	-	2,814
Total Assets	\$ 27,692,107	\$ 3,798,567	\$ 806,744	\$ 32,297,418
Liabilities				
Accounts Payable	\$ 540,098	\$ 19,919	\$ -	\$ 560,017
Accrued Liabilities	1,330,218	-	-	1,330,218
Due to Other Funds	1,168,027	1,104,858	72,567	2,345,452
Due to Other Governments	6,306,495	-	-	6,306,495
Deferred Revenue	377,693	-	-	377,693
Total Liabilities	9,722,531	1,124,777	72,567	10,919,875
Fund Balances				
Reserved for:				
Noncurrent Assets	758,680	-	-	758,680
Encumbrances	99,760	-	-	99,760
Capital Projects	-	2,673,790	-	2,673,790
Debt Service	-	-	346,696	346,696
Other Purposes	-	-	387,481	387,481
Unreserved, reported in:				
General Fund				
Designated for Continuing Appropriations	571,000	-	-	571,000
Unreserved	16,540,136	-	-	16,540,136
Total Fund Balances	17,969,576	2,673,790	734,177	21,377,543
Total Liabilities and Fund Balances	\$ 27,692,107	\$ 3,798,567	\$ 806,744	

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation.	33,790,587
Internal service funds are used by management to account for self insured employee benefits, such as health. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets.	5,647,002
Certain long term liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds:	
Accrued interest payable	(70,194)
Capital lease obligations payable	(3,365,120)
General obligation bonds payable	(3,545,000)
Accrued compensated absences	(2,297,485)
Deferred revenue	270,186
	<u>(9,007,613)</u>
Net assets of governmental activities	<u>\$ 51,807,519</u>

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Statements of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

	General	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ 40,038,075	\$ -	\$ -	\$ 40,038,075
Charges for Services				
County Attorney	230,349	-	79,150	309,499
Deeds	3,156,744	-	116,972	3,273,716
Sheriff/Dispatch/Radio	1,026,212	-	-	1,026,212
Maintenance	1,992	-	-	1,992
County Land Management	17,470	-	-	17,470
Human Services	760,982	-	-	760,982
Corrections	275,298	-	24,464	299,762
Nursing Home	16,939,151	-	10,990	16,950,141
Assisted Living	1,201,779	-	2,620	1,204,399
Information Technology	17,633	-	-	17,633
Interest	240,633	65,703	11,523	317,859
Grants	128,987	-	-	128,987
Other	41,842	-	-	41,842
Total Revenues	64,077,147	65,703	245,719	64,388,569
Expenditures				
Current				
General Government	815,226	-	-	815,226
Commissioners	162,042	-	-	162,042
Treasurer	26,569	-	-	26,569
County Attorney	2,733,050	-	107,669	2,840,719
Medical Examiner	39,507	-	-	39,507
Deeds	1,176,204	-	-	1,176,204
Sheriff/Dispatch/Radio	4,524,709	-	-	4,524,709
Delegation Office	65,199	-	-	65,199
Finance Office	834,299	-	-	834,299
Maintenance	3,822,939	-	-	3,822,939
Human Services	1,093,159	-	-	1,093,159
Public Assistance	14,024,803	-	-	14,024,803
Human Resources	393,409	-	-	393,409
Jail	9,218,381	-	-	9,218,381
Nursing Home	22,017,733	-	-	22,017,733
Assisted Living	1,309,030	-	-	1,309,030
Information Technology	322,751	-	-	322,751
Extension Service	531,483	-	-	531,483
Non County Specials	288,750	-	-	288,750
Debt Service - Principal	1,225,000	-	175,812	1,400,812
Debt Service - Interest	141,406	-	159,160	300,566
Grants	81,736	-	-	81,736
Capital Outlay	85,328	763,997	-	849,325
Total Expenditures	64,932,713	763,997	442,641	66,139,351
Excess (Deficiency) of Revenues Over Expenditures	(855,566)	(698,294)	(196,922)	(1,750,782)
Other Financing Sources (Uses)				
Proceeds of Capital Lease	175,305	-	-	175,305
Transfers In	136,644	377,500	346,696	860,840
Transfers Out	(974,196)	-	(136,644)	(1,110,840)
Total Other Financing Sources (Uses)	(662,247)	377,500	210,052	(74,695)
Net Change in Fund Balance	(1,517,813)	(320,794)	13,130	(1,825,477)
Fund Balances, beginning, as restated	19,581,319	2,994,584	721,047	23,296,950
Changes in Reserves (Inventory)	(93,930)	-	-	(93,930)
Fund Balances, ending	\$ 17,969,576	\$ 2,673,790	\$ 734,177	\$ 21,377,543

COUNTY OF ROCKINGHAM, 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 December 31, 2008

Net change in fund balances - total governmental funds	\$	(1,825,477)
 Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:		
Capital asset purchases capitalized		1,128,638
Depreciation expense		(2,162,350)
		(1,033,712)
 Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the Statement of Net Assets. Repayment of debt principle is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the Statement of Net Assets:		
Capital lease proceeds received		(175,305)
Capital lease obligation principle payments		331,612
General obligation bond principle payments		1,225,000
		1,381,307
 Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Accrued interest payable		21,852
Accrued compensated absences		(392,478)
		(370,627)
 Internal Services Funds are used by management to account for self-insured employee benefits, such as health. The net revenue (expense) of the internal service funds is reported with governmental activities.		
		(1,326,303)
 Inventory is recorded as an expenditure when purchased in the funds but is recorded as an expense when used in governmental activities.		
		(93,930)
 Change in net assets of governmental activities	 \$	 (3,268,741)

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Statement of Net Assets
Proprietary Funds
December 31, 2008

	<u>Governmental Activities- Internal Service Funds</u>
Assets	
Current Assets	
Cash	\$ 7,175,902
Investments	1,199,062
Accrued Interest Receivable	10,850
Accounts Receivable, net	168,319
Due from Other Funds	712,750
Deposits	<u>33,023</u>
Total Current Assets	<u>9,299,906</u>
Total Assets	<u>9,299,906</u>
Liabilities	
Current Liabilities	
Accounts Payable	1,937,092
Due to Other Funds	131,618
Deferred Revenue	81,185
Compensated Absences Payable	<u>658,212</u>
Total Current Liabilities	<u>2,808,107</u>
Noncurrent Liabilities	
Compensated Absences Payable	<u>844,797</u>
Total Noncurrent Liabilities	<u>844,797</u>
Total Liabilities	<u>3,652,904</u>
Net Assets	
Unrestricted	5,647,002
Total Net Assets	<u>\$ 5,647,002</u>

Statement G

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2008

	<u>Governmental Activities- Internal Service Funds</u>
Operating Revenues	
Charges for Services	\$ 7,140,148
Total Operating Revenues	<u>7,140,148</u>
Operating Expenses	
Claims and Premiums	8,272,694
Compensated Absences	652,169
Total Operating Expenses	<u>8,924,863</u>
Operating Income (Loss)	(1,784,715)
Non-Operating Revenues (Expenses)	
Investment Income	248,758
Miscellaneous	(40,346)
Total Non-Operating Revenues (Expenses)	<u>208,412</u>
Net Income (Loss)	(1,576,303)
Transfers In	<u>250,000</u>
Change in Net Assets	<u>(1,326,303)</u>
Total Net Assets - Beginning, As Restated	6,973,305
Total Net Assets - Ending	<u><u>\$ 5,647,002</u></u>

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2008

	Governmental Activities- Internal Service Funds
Cash Flows from Operating Activities	
Receipts from Users	\$ 7,140,148
Payments to Providers	(8,272,694)
Payments to Employees	(652,169)
Other Receipts (Payments)	(2,285,628)
Net Cash Provided by (Used in) Operating Activities	(4,070,343)
Net Cash Provided by (Used in) Noncapital Financing Activities	250,000
Cash Flows from Investing Activities	
Purchase of Investments	(14,325,792)
Sale of Investments	24,976,730
Interest	248,758
Net Cash Provided by (Used in) Investing Activities	10,899,696
Net Increase (Decrease) in Cash and Cash Equivalents	7,079,353
Balances - Beginning of Year	96,549
Balances - End of Year	\$ 7,175,902
Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating Income (Loss)	\$ (1,784,715)
Adjustments to Reconcile Operating Income to Net Cash Provided	
Non-operating revenue	(40,346)
Change in Assets and Liabilities:	
Accrued Interest	(9,270)
Receivables, net	70,700
Deferred Revenue	(35,691)
Prepaid Expenses	(17,061)
Due from Other Funds	(707,470)
Accounts Payable	638,353
Due to Other Funds	(2,310,743)
Accrued Liabilities	76,726
Accrued Compensated Absences	49,174
Net Cash Provided By (Used in) Operating Activities	\$ (4,070,343)

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2008

	Agency Funds			Totals
	Inmates	Nursing Home Residents	Assisted Living Security Deposits	
Assets				
Cash and Equivalents	\$ 267,800	\$ 105,669	\$ 68,913	\$ 442,382
Accounts Receivable	-	-	2,200	2,200
Total Assets	267,800	105,669	71,113	444,582
Liabilities				
Accounts Payable	-	119	-	119
Due to Other Funds	231,608	-	16,158	247,766
Due to Specific Individuals	36,192	105,550	54,955	196,697
Total Liabilities	\$ 267,800	\$ 105,669	\$ 71,113	\$ 444,582

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE NOTES TO FINANCIAL STATEMENTS

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County of Rockingham, New Hampshire (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The governmental accounting standards board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the GASB's generally accepted accounting principles applicable to the County, and the County's conformity with such principles, are described below. These disclosures are an integral part of the County's financial statements.

(A) Reporting Entity

The County of Rockingham, New Hampshire is a body corporate governed by a Commissioner form of government and provides County services as authorized by state statutes. As required by GAAP, specifically *Statement #14 of the Governmental Accounting Standards Board, "The Financial Reporting Entity"*, these financial statements are required to present the County of Rockingham, New Hampshire and its "component units" (if any). A *primary government* is defined by the GASB as any state government or general purpose local government. Additionally, a primary government may also consist of a special-purpose government (such as a school district) that meets all of the following criteria: (a) it has a *separately elected governing body*, (b) it is *legally separate*, and (c) it is *fiscally independent* of other governments.

A *component unit* is defined by the GASB as a legally separate organization for which the elected officials of the primary government are "financially accountable". The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A primary government may also be financially accountable if an organization is "fiscally dependent" on the primary government. *Fiscal independency* is defined by the GASB as the ability to complete certain essential fiscal events without substantive approval by a primary government, (a) determine its budget without another government's having the authority to approve and modify that budget, (b) levy taxes or set rates or charges without approval by another government, and (c) issue bonded debt without approval by another government. For the current year there were no potential component units identified upon which the application of these criteria were applied.

(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 non-fiduciary activities of the primary government. The effect of inter-fund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a great degree on external fees and charges for support.

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

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE NOTES TO FINANCIAL STATEMENTS

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

Separate financial statements are provided for governmental, proprietary and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and proprietary 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 as well as the proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. As a rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current reporting period and available to pay current liabilities. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred. However, debt service, claims and judgment expenditures are recorded only when payment is due.

The County may report deferred revenue on its combined balance sheet when a potential revenue does not meet both the measurable and available criteria for recognition in the current period or when resources are received by the government before it has a legal claim to them (such as grant monies). In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

The County reports the following major governmental funds:

The **general fund** is used to account for the resources traditionally associated with government operations, which are not required legally to be accounted for in some other fund. The general fund is the overall operating entity of the County.

The **capital projects** fund is used to account for the acquisition or construction of fixed assets.

Non-major governmental funds provide for **special revenue, debt service and permanent fund activity**

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties or to other departments or agencies primarily within the County. The self-insured risk management programs are operated by the County and are accounted for as proprietary funds in accordance with GASB Statement #10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues".

Fiduciary funds are generally used to account for assets that the government holds on behalf of others. The County currently has the following individual agency funds: (1) **Inmate Funds** – To account for various funds held by the County for individuals incarcerated at the County Corrections Facility, (2) **Trust Funds** – To account for funds designated for subsequent years expenditures of the Long Term Care facilities as appropriated and (3) **Residents Funds**- To account for funds held by the County for individuals living in the Long Term Care Facility.

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS**

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(D) Cash and Investments

The County Treasurer is authorized by state statutes to invest excess funds, with the approval of the Commissioners, in the following:

- Obligations of the United States Government,
- Savings bank deposits of banks incorporated under the laws of the State of New Hampshire,
- Certificates of deposits of banks incorporated under the laws of the State of New Hampshire or in national banks located within the States of New Hampshire or Massachusetts, or,
- “participation units” of the *New Hampshire Public Deposit Investment Pool* established under RSA 383:22.

The receiver of such public funds to be deposited or to be invested in securities shall “prior to acceptance of such funds” provide a collateralization option (represented by exclusively segregated securities defined by the Bank Commissioner as qualifying under RSA 386:57) for such funds in an amount at least equal to the amount to be deposited or invested in securities.

The County was in compliance with these applicable deposit and investment state laws and regulations for the year.

Cash and equivalent accounts include amounts in demand and savings account deposits as well as short-term investments (such as certificate of deposits) with a maturity date within three months of the date acquired by the County.

Investments, if any, are stated at fair value, in accordance with GASB Statement #31, “*Accounting and Financial Reporting for Certain Investments and for External Investment Pools*”. The fair value of investments is determined annually and is based on current market prices. Fair value fluctuates with interest rates and increasing rates could cause fair value to decline below original cost. County Management believes that liquidity in the portfolio is more than adequate to meet cash flow requirements and to preclude the County from having to sell investments below original cost for that purpose. Proprietary Fund investment income is comprised of \$248,757 in interest for the year:

(E) Interfund Receivables/Payables and Transfers

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which the transactions are executed. Any residual balances outstanding between the funds are reported in the government-wide financial statements as internal balances. However, the government-wide statement of activities eliminates transfers reported within the segregated governmental and business-type activities columns. Only transfers between the two columns appear in this statement.

(F) Inventories

Inventories of the General Fund are accounted for utilizing the purchase method. Under this method, inventories are recorded as expenditures when purchased. When inventory amounts are material (significant) at year end they are to be reported as assets of the respective fund and are to be equally offset by a fund balance reserve.

(G) Capital Assets

Capital assets include property and equipment are reported in the applicable governmental activities column in the government-wide financial statements. The County defines a capital asset as an asset that

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS**

has an initial cost of \$5,000 and an estimated useful life of 3 years except for the Nursing Home where assets are capitalized at \$500 and more with a useful life of 3 years.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

All Long Term Care fixed assets including the Nursing Home are valued at cost. As of November 2001, the other County assets were valued at estimated cost and subsequent additions are recorded at actual cost. Donated assets are recorded at the estimated fair market value at the date of donation. Depreciation is calculated using the straight line method. Estimated useful lives for buildings and improvements are 10 to 30 years and for movable equipment are 3 to 15 years.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not included in the cost of the asset. Also, interest costs that are deemed to be immaterial and not directly allocable to a specific asset are expensed when incurred.

Additionally, the infrastructure assets owned and maintained by the County include only utility tunnels, drainage systems, water and sewer systems and dams and are included in the cost of the building and improvements the infrastructure is most identified with. Condition assessments are performed regularly and the results are used to budget annually the amount necessary to maintain and preserve the infrastructure.

Finally, the County has a small amount of capital asset projects in process at December 31, 2008 totaling \$628,453. The projects in process are included in the reporting of \$33,790,587 net Capital Assets in the related statements. Once a project is completed it is reported in the asset category (see note 4).

(H) Compensated Absences

County employees are sometimes entitled to certain compensated absences based, in part, on their length of employment. In accordance with GASB Statement #16, "Accounting for Compensated Absences", compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the fund that will pay it. The total liability at December 31, 2008 is \$3,800,494.

The County established a Compensated Absences Fund, a Proprietary Fund, that has provided funding for known separations and long term absences. The funded portion of the liability reported in this fund at December 31, 2008 is \$1,503,009. Since its creation, the fund has increased its amount of funding available to provide for the growing liability. The fund accounts for all funded liabilities and expenditures. Any expense ineligible for fund use based on County policy is accounted for through the General Fund. Any liability for which no funding is currently available is reported in the government wide statement of net assets long term liabilities.

The calculation of compensated absences can include vacation, sick time, earned time and holiday pay that is attributable to past service in which it is probable that the County will compensate the employee through paid time off or cash payment. The calculation also includes the incremental cost of any item associated with compensation payments such as the employer share of social security, Medicare and retirement.

(I) Long-Term Obligations

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

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS**

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(J) Fund Equity

For governmental funds the unreserved fund balances represent the amount that may be available for budgeting future operations; the reserved fund balances represent the amounts that have been legally identified for specific purposes and are not appropriated for expenditure; and the designated fund balances represent tentative plans for future use of financial resources. The County has set and exceeded a financial management goal of attaining a designated Fund Balance of at least 12% of budgeted appropriations.

(K) Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management’s estimates.

NOTE 2—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

(A) Budget

Governmental revenues and expenditures are controlled by a formal integrated budgetary system which is substantially consistent with both Generally Accepted Accounting Principles (GAAP) and applicable State finance-related laws and regulations which govern the County’s operations. The County budget is formally acted upon at the County Convention. During the year, appropriations may be transferred between line items, but total expenditures may not exceed the total approved budget (with the exception of emergency items, which require approval by the New Hampshire Department of Revenue Administration under RSA 32). At year-end, all unencumbered annual appropriations lapse. Other appropriations, which have a longer than annual authority may carry over at year end if the governing body intends to continue or complete the special purpose for which the funds were established. State legislation also requires balanced budgets. For the County year ended December 31, 2008, \$6,485,000 of the beginning general fund unreserved fund balance was used to reduce taxes.

(B) Encumbrances

Encumbrance accounting is utilized in the governmental funds to account for commitments relating to unperformed contracts for goods and services. Encumbrances outstanding at year-end are reported as reservations of fund balance and do not constitute expenditures or liabilities of the governmental fund, but are carried forward to supplement appropriations of the succeeding year. Encumbrances outstanding at year-end in the General Fund are detailed by function as follows:

Deeds	\$27,415
Jail	16,581
Maintenance/IT	11,257
Finance	4,963
Treasurer	513
UNH Co-op	8,506
Long Term Care	30,523
	<u>\$99,758</u>

(C) Budgetary Basis

The General Fund final appropriation appearing on the “Budget and Actual” page of the fund financial statements represents the final budget at December 31, 2008 and includes encumbrances and reserves at December 31, 2007. The breakdown is as follows:

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS**

NOTE 2—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

2008 Appropriations	\$ 72,082,501
December 2007 encumbrances	68,463
December 2007 Continuing Appropriations	<u>568,029</u>
Final Budgeted Amounts	<u>\$ 72,718,993</u>

(D) Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. The County is a member of a public entity risk pool for all general liability risks, property liability risks and for the protection of assets. The County has established risk management fund types in accordance with GASB Statement #10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", to account for and finance its uninsured risks of loss for health, dental, unemployment and workers compensation. Settled claims, if any, have not exceeded the County's coverage in any of the past five years.

(E) Claims, Judgments and Contingent Liabilities

Grants – Amounts received are subject to later year's review and adjustment by grantor agencies, principally the federal and state governments. At such time, any disallowed claims, including amounts already collected, may constitute a liability of the County and the applicable funds. At December 31, 2008 the County believes that disallowed expenditures, if any, based on subsequent review will not have a material effect on any individual funds or the overall financial position of the County.

NOTE 3—CASH AND INVESTMENTS

Deposits and Investments

Deposits

At year end, the carrying amounts and bank balances with financial institutions of the County's cash deposits are categorized by credit risk as follows:

Category 1 – Deposits that are insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by securities held by the County (or its agent) in the County's name.

Category 2 – Deposits that are uninsured and collateralized by securities that are held by the pledging institution's trust department (or agent) in the County's name.

Category 3 – Deposits that are uninsured and uncollateralized or collateralized by securities that are held by the pledging institution's trust department (or agent) but not in the County's name.

	Category			Bank	Book
	1	2	3	Carrying Amount	Balance
Checking Accounts	\$22,563,187	\$-	\$-	\$22,550,873	\$22,563,187
Savings Accounts	74,034			73,934	74,034
CD's	198,143			198,133	198,143
	<u>\$22,835,364</u>	<u>\$-</u>	<u>\$-</u>	<u>\$22,822,940</u>	<u>\$22,835,364</u>

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS**

Investments

Category 1 – Investments that are insured or registered, or securities held by the County (or its agent) in the County’s name.

Category 2 – Investments that are uninsured and unregistered, with U.S. government securities that are held by the counterpart’s trust department (or agent) in the County’s name.

NOTE 3—CASH AND INVESTMENTS (CONTINUED)

Category 3 – Investments that are uninsured and unregistered, with securities that are held by the counterpart, or by its trust department (or agent) but not in the County’s name.

	<u>Category</u>			Bank	Book
	<u>1</u>	<u>2</u>	<u>3</u>	Carrying Amount	Balance
Investments	\$10,891,415		\$ -	\$11,474,483	\$10,891,415

NOTE 4 CAPITAL ASSETS

The following is a summary of changes in capital assets for governmental activities at the year ended December 31, 2008:

	Balance at 1/1/08 as Restated	Additions	Reductions	Balance at 12/31/08
Land	\$578,857			\$578,857
Building and improvements	52,428,931	384,184		52,813,115
Moveable equipment	11,491,506	854,535	-93,186	12,252,855
Subtotal	64,499,294	1,238,719	-93,186	65,644,827
Less: Accumulated Depreciation	-30,413,530	-2,162,350	93,186	-32,482,694
Total	\$34,085,764	-923,631	0	\$33,162,133

NOTE 5—PENSION PLAN

Pension Description

The County contributes to the New Hampshire Retirement System (NHRS), a cost-sharing multiple-employer defined benefit pension plan administered by the NHRS Board of Trustees. The plan provides service, disability, death and vested retirement allowances to plan members and beneficiaries. Benefit provisions are established and may be amended by the New Hampshire State legislature. The NHRS issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report may be obtained by writing to New Hampshire Retirement System, 4 Chenell Drive, Concord, New Hampshire 03301.

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS**

Funding Policy

Covered public safety and general employees are required to contribute 9.3% or 5.0% of their covered salary, respectively, and the County is required to contribute at an actuarially determined rate. The County's contribution rates were 11.84% and 8.74% at December 31, 2008. The County contributes

65% of the employer cost for police employed by the County and the State contributes the remaining 35% of the employer cost. The County contributes 100% of the employer cost for general employees of the County.

Per RSA-100:16, plan member contribution rates are established and may be amended by the New Hampshire State legislature and employer contribution rates are determined by the NHRS Board of Trustees based on an actuarial valuation. The County's contributions to the NHRS for the years ending
NOTE 5—PENSION PLAN (CONTINUED)

December 31, 2008, 2007, 2006, and 2005 were \$2,129,089, \$1,791,643, \$1,574,349, and \$1,460,183, respectively, equal to the required contributions for each year.

NOTE 6—POST-RETIREMENT HEALTH CARE BENEFITS

The County provides post-retirement health care benefits to all eligible employees as provided in statute. The NHRS subsidizes the monthly premium for eligible retirees. If the subsidy does not fully cover the cost, the retiree is responsible for the balance. At December 31, 2008 there were 105 retirees with a single, two-person or family health plan participating. Seventy-seven were over the age of 65.

NOTE 7 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Individual interfund balances at year end are as follows:

Fund	Due From	Due To
General	\$ 1,561,205.79	\$ 1,168,026.86
Special Revenue:		
Drug Forfeiture	50.00	-
Expendable Trusts	-	23,664.63
Special Account	3,259.06	10,743.38
ALF Donations	5,306.00	-
Commissary	92,058.82	-
Chapel	4,570.01	-
Deeds Equipment	1,136.00	25,000.00
Capital	-	1,104,858.03
Internal Services:		
Health	703,955.17	32,496.14
Dental	2,971.10	31.27
Worker's Comp	2,678.09	6,271.80
Unemployment	-	11,474.00
Compensated Abs	3,146.29	81,345.49
Fiduciary:		
Inmate	-	231,609.36
Residents	-	-
Assisted Living	2,200.00	16,157.89
Debt Service Fund	346,696.32	-
Permanent Fund	-	17,553.80
Totals	2,729,232.65	2,729,232.65

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS**

NOTE 8—LONG-TERM DEBT

Changes in Long-Term Debt

The following is a summary of debt transactions for the year:

	<u>Payable January 1</u>	<u>Additions</u>	<u>Reductions</u>	<u>Payable December 31</u>
General Obligation Debt:				
General Fund	\$4,770,000		(1,225,000)	\$3,545,000
Capital Lease Obligations	<u>3,521,427</u>	<u>175,305</u>	<u>(331,612)</u>	<u>3,365,120</u>
	<u>\$8,291,427</u>	<u>175,305</u>	<u>(1,556,612)</u>	<u>\$6,910,120</u>

General Obligation Debt

The County can issue general obligation debt instruments to provide funds for the acquisition and construction of major capital equipment, infrastructure and other facilities. General obligation debt instruments are direct government obligations and consequently are a pledge of the full faith and credit of the County. General obligation debt instruments currently outstanding are as follows:

<u>Long-Term Debt</u>	<u>Interest</u>	<u>Balance</u>
2003 - \$4,685,000 Improvement Bond maturing in 2010	2.00% to 4.00%	1,330,000
2005 - \$3,887,000 Improvement Bond maturing in 2012	3.25% to 5.00%	2,215,000
Total General Obligation Long-Term Debt		<u>\$3,545,000</u>

Annual debt service requirements to maturity for general obligation debt, including interest are as follows:

Debt Service

<u>Year Ended December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2009	1,220,000	105,850	1,325,850
2010	1,220,000	68,694	1,288,694
2011	555,000	38,600	593,600
2012	<u>550,000</u>	<u>13,750</u>	<u>563,750</u>
Totals	<u>\$3,545,000</u>	<u>\$226,894</u>	<u>\$3,771,894</u>

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS**

NOTE 8—LONG-TERM DEBT (CONTINUED)

Capital Lease Obligations:

Capital lease obligations represent lease agreements entered into for the financing of equipment acquisitions. These contracts are subject to cancellation should funds not be appropriated to meet payment obligations. Amounts are annually budgeted in the applicable function.

Following are the capital lease balances at year end:

Equipment, due in variable annual installments the next of which is \$346,696 including interest, through June, 2018 at 4.73%	\$3,126,264
Equipment, due in monthly installments the next of which is \$5,085 including interest, through October 2011 at 3%	165,560
Equipment, due in monthly installments the next of which is \$845 including interest, through June, 2009 at 3.621%	5,020
Equipment, due in annual installments the next of which is \$50,362 including interest, through May, 2009 at 3.42%	48,696
Equipment, due in semi-annual installments the next of which is \$6,687 including interest, through June, 2010 at 2.445%	<u>19,580</u>
	<u>\$3,365,120</u>

Annual debt service requirements to maturity for capital leases, including interest are as follows:

Year Ended December 31	Principle	Interest	Total
2009	319,536	156,994	476,530
2010	282,762	143,780	426,542
2011	290,801	131,443	422,244
2012	265,237	119,151	384,388
2013	291,475	106,367	397,842
2014 and thereafter	1,915,309	292,774	2,208,083
	<u>3,365,120</u>	<u>950,509</u>	<u>4,315,629</u>

NOTE 9—OPERATING LEASES

The County leases office space and equipment annually. Future minimum rental payments are as follows:

Year Ended December 31	Office Space	Equipment Rental	Total
2009	\$ 187,119	\$ 15,434	\$ 202,553
2010	192,806	8,656	201,462
2011	<u>97,847</u>	<u>3,058</u>	<u>100,905</u>

**COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
NOTES TO FINANCIAL STATEMENTS**

\$	477,772	\$	27,148	\$	504,920
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NOTE 10—DESIGNATED FUND BALANCE

General Fund

Appropriations for certain projects and specific items not fully expended at year end are carried forward as continuing appropriations to the next year in which they supplement the appropriations of that year. \$571,000 in continuing appropriations for the human services department are reported at December 31, 2008.

Capital Projects

Any Capital Projects fund balance would be designated for specific capital project expenditures in future years by the Capital Projects fund.

NOTE 11—CONTINGENCY

There are some outstanding lawsuits pending against the County. The County follows the practice of recording liabilities resulting from claims and legal actions only when they become fixed or determinable in amount. It is County management’s opinion that the County is not liable in these suits and the County intends to contest the cases.

NOTE 12—PRIOR PERIOD ADJUSTMENTS

The following Fund Balances and Retained Earnings have been restated at January 1, 2008. The adjustments are as follows:

	General Fund Fund Balance	Internal Service Total Net Assets
As Previously Reported	\$19,561,964	\$6,854,770
Adjustments in Accruals and Reserves	<u>\$ 19,355</u>	<u>\$ 118,535</u>
Restated Amount	<u>\$19,581,319</u>	<u>\$6,973,305</u>

NOTE 13—OTHER POST EMPLOYMENT BENEFITS

The County was required to comply with GASB Statement 45 entitled “Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions”. The Footnote should disclose: a description of the other post-employment benefits provided; employee groups covered; eligibility requirements; and the employer and participant obligations to contribute, quantified in some manner. There also must be a description of the statutory, contractual or other authority under which these provisions and obligations to contribute are established. The footnote also must include a description of the accounting and financing or funding policies.

Eligibility is set by County personnel policy for those retiring under social security. The NH statutes RSA 100 provides additional eligibility for those employees retiring under the New Hampshire State Retirement System. The Retirees currently pay the value of the whole rate for both the dental and health benefits provided. Both the health and the dental self insured plans are accounted for in the internal services funds. The County did not have a completed study at the time of audit but expect there is an immaterial amount of liability.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 6,485,000	\$ 6,485,000	\$ 6,485,000	\$ -
Resources (Inflows)				
Taxes	40,037,695	40,037,695	40,038,075	380
Charges for Services				
County Attorney	227,878	227,878	230,349	2,471
Deeds	3,100,000	3,100,000	3,156,744	56,744
Sheriff/Dispatch/Radio	1,183,326	1,183,326	1,026,212	(157,114)
Maintenance	-	-	1,992	1,992
Information Technology	12,000	12,000	17,633	5,633
Property Management	21,520	21,520	17,470	(4,050)
Human Services	798,297	798,297	760,982	(37,315)
Corrections	353,340	353,340	275,298	(78,042)
Long Term Care Services				
Nursing Home	17,010,406	17,010,406	16,939,151	(71,255)
Assisted Living	1,221,050	1,221,050	1,201,779	(19,271)
Interest	400,000	400,000	240,633	(159,367)
Grants	1,200,000	1,200,000	128,987	(1,071,013)
Other	-	-	41,842	41,842
Transfers from Other Funds	31,989	31,989	136,644	104,655
Amounts Available for Appropriation	<u>72,082,501</u>	<u>72,082,501</u>	<u>70,698,791</u>	<u>(1,383,710)</u>
Charges to Appropriations (Outflows)				
Delegation Office	84,174	84,174	65,199	18,975
Treasurer	33,954	33,954	26,569	7,385
County Attorney/District Court	2,876,109	2,876,109	2,733,050	143,059
Medical Examiner	55,601	55,601	39,507	16,094
Sheriff/Dispatch/Radio	4,773,511	4,773,511	4,417,889	355,622
Registry of Deeds	1,390,893	1,390,893	1,176,204	214,689
Commissioners	171,736	171,736	162,042	9,694
General Government	1,413,976	1,315,976	815,226	500,750
Debt Service - Principle	1,225,000	1,225,000	1,225,000	-
Debt Service - Interest	141,406	141,406	141,406	-
Projects (Capital Outlay)	475,000	545,000	85,328	459,672
Grants	1,300,000	1,256,101	81,736	1,174,365
Finance Office	873,087	876,087	834,299	41,788
Maintenance	4,154,713	4,179,713	3,775,524	404,189
Information Technology	331,182	331,182	322,751	8,431
Human Services	1,185,762	1,185,762	1,093,159	92,603
Public Assistance	16,854,254	16,854,254	14,024,803	2,829,451
Jail	9,556,230	9,600,129	9,197,311	402,818
UNH Cooperative Extention	555,681	555,681	531,483	24,198
Human Resources	398,340	405,340	393,409	11,931
Non County Specials	288,750	288,750	288,750	-
Long Term Care Services				
Nursing Home	22,669,750	22,662,750	22,017,733	645,017
Assisted Living	1,273,392	1,273,392	1,309,030	(35,638)
Transfers to Other Funds	-	-	974,196	(974,196)
Total Charges to Appropriations	<u>72,082,501</u>	<u>72,082,501</u>	<u>65,731,604</u>	<u>6,350,897</u>
Ending Budgetary Fund Balance	\$ -	\$ -	\$ 4,967,187	\$ 4,967,187

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures

Sources/Inflow of Resources:

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule \$ 70,698,791

Differences - Budget to GAAP

The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes. (6,485,000)

Transfers from other funds are inflows of budgetary resources but are not revenues for financial reporting services (136,644)

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds \$ 64,077,147

Uses/Outflows of Resources:

Actual amounts (budgetary basis) "total charges to appropriations" from the budgetary comparison schedule \$ 65,731,604

Differences - Budget to GAAP

Encumbrances for certain contract expenditures ordered but not received are reported in the year the order is placed for budgetary purposes and in the year the resources are received for financial reporting purposes. -

Capital Leases executed during a year are not reported as expenditures for budgetary purposes, but are reported as program expenditures for financial reporting purposes. 175,305

Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes. (974,196)

balances-governmental funds \$ 64,932,713

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2008

	Special Revenue							Debt Service		Permanent	Total
	Drug Task Force	Expendable Trusts	Nursing Home Special Account	Assisted Living Donations	Inmate Commissary	Inmate Chapel	Deeds Equipment	WFSurtevant Memorial	Energy Mgmt Project	Nonexpendable Trust	Nonmajor Governmental Funds
Assets											
Cash and Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Cash	22,764	-	63,840	-	-	-	198,143	5,121	-	-	289,868
Investments	-	25,820	-	-	-	-	-	-	-	42,376	68,196
Due from Other Funds	50	-	-	5,306	92,058	4,570	-	-	346,696	-	448,680
Total Assets	\$ 22,814	\$ 25,820	\$ 63,840	\$ 5,306	\$ 92,058	\$ 4,570	\$ 198,143	\$ 5,121	\$ 346,696	\$ 42,376	\$ 806,744
Liabilities											
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Leases Payable	-	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	23,665	7,484	-	-	-	23,864	-	-	17,554	72,567
Total Liabilities	-	23,665	7,484	-	-	-	23,864	-	-	17,554	72,567
Fund Balances											
Reserved for:											
Debt Service	-	-	-	-	-	-	-	-	346,696	-	346,696
Other Purposes	22,814	2,155	56,356	5,306	92,058	4,570	174,279	5,121	-	24,822	387,481
Total Fund Balances	22,814	2,155	56,356	5,306	92,058	4,570	174,279	5,121	346,696	24,822	734,177
Total Liabilities and Fund Balances	\$ 22,814	\$ 25,820	\$ 63,840	\$ 5,306	\$ 92,058	\$ 4,570	\$ 198,143	\$ 5,121	\$ 346,696	\$ 42,376	\$ 806,744

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2008

	Special Revenue							Debt Service		Permanent	Total
	Drug Task Force	Expendable Trusts	Nursing Home Special Account	Assisted Living Donations	Inmate Commissary	Inmate Chapel	Deeds Equipment	WFSurtevant Memorial	Energy Mgmt Project	Nonexpendable Trust	Nonmajor Governmental Funds
Revenues											
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services											
County Attorney	79,150	-	-	-	-	-	-	-	-	-	79,150
Deeds	-	-	-	-	-	-	116,972	-	-	-	116,972
Corrections	-	-	-	-	24,064	400	-	-	-	-	24,464
Nursing Home	-	-	10,890	-	-	-	-	100	-	-	10,990
Assisted Living	-	-	-	2,620	-	-	-	-	-	-	2,620
Interest	-	1,570	712	-	1,643	83	4,735	128	-	2,652	11,523
Total Revenues	79,150	1,570	11,602	2,620	25,707	483	121,707	228	-	2,652	245,719
Expenditures											
Current											
County Attorney	107,669	-	-	-	-	-	-	-	-	-	107,669
Debt Service - Principal	-	-	-	-	-	-	-	-	175,812	-	175,812
Debt Service - Interest	-	-	-	-	-	-	-	-	159,160	-	159,160
Total Expenditures	107,669	-	-	-	-	-	-	-	334,972	-	442,641
Excess (Deficiency) of Revenues Over Expenditures	(28,519)	1,570	11,602	2,620	25,707	483	121,707	228	(334,972)	2,652	(196,922)
Other Financing Sources (Uses)											
Transfers In	-	-	-	-	-	-	-	-	346,696	-	346,696
Transfers Out	-	(1,482)	(8,865)	-	(25,933)	(364)	(100,000)	-	-	-	(136,644)
Total Other Financing Sources (Uses)	-	(1,482)	(8,865)	-	(25,933)	(364)	(100,000)	-	346,696	-	210,052
Net Change in Fund Balance	(28,519)	88	2,737	2,620	(226)	119	21,707	228	11,724	2,652	13,130
Fund Balances, beginning, as restated	51,333	2,067	53,619	2,686	92,284	4,451	152,572	4,893	334,972	22,170	721,047
Fund Balances, ending	\$ 22,814	\$ 2,155	\$ 56,356	\$ 5,306	\$ 92,058	\$ 4,570	\$ 174,279	\$ 5,121	\$ 346,696	\$ 24,822	\$ 734,177

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Combining Statement of Net Assets
Internal Services Proprietary Funds
December 31, 2008

	Health Fund	Dental Fund	Worker's Compensation Fund	Unemployment Fund	Compensated Absences Fund	Total Governmental Activities- Internal Service Funds
Assets						
Current Assets						
Cash	\$ 4,100,191	\$ 374,525	\$ 1,011,568	\$ 49,166	\$ 1,640,452	7,175,902
Investments	391,457	8,544	391,288	1,951	405,822	1,199,062
Accrued Interest Receivable	3,617	-	3,616	-	3,617	10,850
Accounts Receivable, net	71,343	584	96,250	-	142	168,319
Due from Other Funds	703,955	2,971	2,678	-	3,146	712,750
Deposits	21,549	-	-	11,474	-	33,023
Total Current Assets	5,292,112	386,624	1,505,400	62,591	2,053,179	9,299,906
Total Assets	5,292,112	386,624	1,505,400	62,591	2,053,179	9,299,906
Liabilities						
Current Liabilities						
Accounts Payable	1,372,895	29,483	515,946	-	18,768	1,937,092
Due to Other Funds	32,496	31	6,272	11,474	81,345	131,618
Deferred Revenue	75,409	5,047	-	-	729	81,185
Compensated Absences Payable	-	-	-	-	658,212	658,212
Total Current Liabilities	1,480,800	34,561	522,218	11,474	759,054	2,808,107
Noncurrent Liabilities						
Compensated Absences Payable	-	-	-	-	844,797	844,797
Total Noncurrent Liabilities	-	-	-	-	844,797	844,797
Total Liabilities	1,480,800	34,561	522,218	11,474	1,603,851	3,652,904
Net Assets						
Unrestricted	3,811,312	352,063	983,182	51,117	449,328	5,647,002
Total Net Assets	\$ 3,811,312	\$ 352,063	\$ 983,182	\$ 51,117	\$ 449,328	\$ 5,647,002

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Services Proprietary Funds
For the Year Ended December 31, 2008

	Health Fund	Dental Fund	Worker's Compensation Fund	Unemployment Fund	Compensated Absences Fund	Total Governmental Activities- Internal Service Funds
Operating Revenues						
Charges for Services	\$ 5,530,091	\$ 393,536	\$ 456,597	\$ 3,837	\$ 756,087	\$ 7,140,148
Total Operating Revenues	<u>5,530,091</u>	<u>393,536</u>	<u>456,597</u>	<u>3,837</u>	<u>756,087</u>	<u>7,140,148</u>
Operating Expenses						
Claims and Premiums	6,982,829	411,149	764,419	10,376	103,921	8,272,694
Compensated Absences	-	-	-	-	652,169	652,169
Total Operating Expenses	<u>6,982,829</u>	<u>411,149</u>	<u>764,419</u>	<u>10,376</u>	<u>756,090</u>	<u>8,924,863</u>
Operating Income (Loss)	(1,452,738)	(17,613)	(307,822)	(6,539)	(3)	(1,784,715)
Non-Operating Revenues (Expenses)						
Investment Income	106,346	53	72,133	567	69,659	248,758
Miscellaneous	(30,765)	-	(9,581)	-	-	(40,346)
Total Non-Operating Revenues (Expenses)	<u>75,581</u>	<u>53</u>	<u>62,552</u>	<u>567</u>	<u>69,659</u>	<u>208,412</u>
Net Income (Loss) before Transfers	(1,377,157)	(17,560)	(245,270)	(5,972)	69,656	(1,576,303)
Transfers In	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Change in Net Assets	(1,127,157)	(17,560)	(245,270)	(5,972)	69,656	(1,326,303)
Total Net Assets - Beginning, as Restated	4,938,469	369,623	1,228,452	57,089	379,672	6,973,305
Total Net Assets - Ending	<u>\$ 3,811,312</u>	<u>\$ 352,063</u>	<u>\$ 983,182</u>	<u>\$ 51,117</u>	<u>\$ 449,328</u>	<u>\$ 5,647,002</u>

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
Statement of Cash Flows
Internal Services Proprietary Funds
For the Year Ended December 31, 2008

	Health Fund	Dental Fund	Worker's Compensation Fund	Unemployment Fund	Compensated Absences Fund	Governmental Activities- Internal Service Funds
Cash Flows from Operating Activities						
Receipts from Users	\$ 5,530,091	\$ 393,536	\$ 456,597	\$ 3,837	\$ 756,087	\$ 7,140,148
Payments to Providers	(6,982,829)	(411,149)	(764,419)	(10,376)	(103,921)	(8,272,694)
Payments to Employees	-	-	-	-	(652,169)	(652,169)
Other Receipts (Payments)	(261,536)	(5,110)	(1,981,239)	-	(37,743)	(2,285,628)
Net Cash Provided by (Used in) Operating Activities	(1,714,274)	(22,723)	(2,289,061)	(6,539)	(37,746)	(4,070,343)
Cash Flows from Noncapital Financing Activities						
Transfers from Other Funds	250,000	-	-	-	-	250,000
Net Cash Provided by (Used in) Noncapital Financing Activities	250,000	-	-	-	-	250,000
Cash Flows from Investing Activities						
Purchase of Investments	(10,244,775)	(399,072)	(1,084,904)	(4,403)	(2,592,638)	(14,325,792)
Sale of Investments	15,626,400	792,628	4,297,866	59,541	4,200,295	24,976,730
Interest	106,346	53	72,133	567	69,659	248,758
Net Cash Provided by (Used in) Investing Activities	5,487,971	393,609	3,285,095	55,705	1,677,316	10,899,696
Net Increase (Decrease) in Cash and Cash Equivalents	4,023,697	370,886	996,034	49,166	1,639,570	7,079,353
Balances - Beginning of Year	76,494	3,639	15,534	-	882	96,549
Balances - End of Year	\$ 4,100,191	\$ 374,525	\$ 1,011,568	\$ 49,166	\$ 1,640,452	\$ 7,175,902
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating Income (Loss)	\$ (1,452,738)	\$ (17,613)	\$ (307,822)	\$ (6,539)	\$ (3)	\$ (1,784,715)
Miscellaneous Non Operating Revenues (Expenses)	(30,765)	-	(9,581)	-	-	(40,346)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:						
Change in Assets and Liabilities:						
Accrued Interest	(2,884)	-	(3,176)	-	(3,210)	(9,270)
Receivables, net	72,961	(425)	(1,744)	-	(92)	70,700
Deferred Revenue	(31,777)	(3,978)	-	-	64	(35,691)
Prepaid Expenses	(5,587)	-	-	(11,474)	-	(17,061)
Due from Other Funds	(703,589)	664	(1,399)	-	(3,146)	(707,470)
Accounts Payable	630,655	(1,402)	(5,196)	-	14,296	638,353
Due to Other Funds	(267,276)	31	(1,960,143)	11,474	(94,829)	(2,310,743)
Accrued Liabilities	76,726	-	-	-	-	76,726
Accrued Compensated Absences	-	-	-	-	49,174	49,174
Net Cash Provided By (Used in) Operating Activities	\$ (1,714,274)	\$ (22,723)	\$ (2,289,061)	\$ (6,539)	\$ (37,746)	\$ (4,070,343)



To the Board of Commissioners:

In planning and performing our audit of the financial statements of **Rockingham County** for the year ended December 31, 2008, we considered its internal control in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on internal control. However, during our audit, we became aware of certain matters that are opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated May 8, 2009, on the financial statements of Rockingham County.

Outstanding Issues From Prior Years:

We have reviewed the current status of outstanding issues from the 2005, 2006 and 2007 Management issues as documented in a letter from the Rockingham County Commissioners dated August 5, 2009. There are specific areas requiring further work as enumerated below:

- a. **Nursing Home Accounts Receivable:** Outstanding accounts receivable continue to grow and there is no concrete method for estimating allowances for doubtful accounts other than specific identification. While specific identification is necessary when writing off an account, estimates are generally accepted on an ongoing basis. We had set up a process whereby the reserve would equal the total of all accounts over two years old. It is known that as accounts grow older, the collection process is more difficult. Using this process would at least recognize that again affects collectability.
- b. **Nursing Home billing:** Physician billing remains a problem and amounts are billed and exported to MUNIS only infrequently. We still recommend that the fee structure for therapy billing be reviewed and appropriate changes made. Presently, charges are below the Medicare fee schedule which means you get the lower amount when you could be getting the fee schedule amount. Charges are presently set based on direct labor cost with no overhead. Charges should be established at or above the Medicare fee schedule.
- c. We continue to stress the importance of timeliness. Late submissions of data to the Finance Department cause delay everywhere. While we recognize that major improvements have been made in this area, we urge you to continue to look for improvement. The Finance Department continues to train staff from other departments, particularly when those supervising new staff don't understand what needs to be done.
- d. It is our understanding that nursing home accounts payable totaling \$17,564.81 from 2005 remain unresolved. This should be taken care of at your earliest convenience.

- e. We strongly recommend that interdepartmental communication remain a high priority. Lack of good communications proves to be a detriment to all departments. For example, policies and practices are being changed without consulting all parties concerned. Doing this tends to destroy any credibility built up through the internal control process.

We have already discussed the following comments and suggestions with the Finance office personnel, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

Internal Service Funds:

The Unemployment Fund is categorized as an Internal Service Fund. It is not truly an Internal Service Fund and should be removed from this category.

Recommendation: We recommend that the Unemployment Fund no longer be considered and Internal Service Fund.

Commissioners' Response: This was completed in 2009.

Nursing Home Billing:

As has been mentioned previously, physician billing is not regularly done. As of the date of this letter, none has been billed or submitted to Finance for input to MUNIS this year. When it is done, it is not processed through the Point Click system. Billing for AMDC and for Medicare Part B Therapy has been discontinued entirely. By not billing the County is increasing the burden on taxpayers by not collecting amounts they could.

When the budget is approved and voted upon it is based on expecting income from rates that should be paid. Not billing defeats the system.

Claims are still being processed the Point Click, but then entered into separate software for electronic transmission to Medicaid and Medicare. This is not the way it is done at other nursing homes using this software. The process being used is inefficient and represents duplication of effort.

Recommendation: Immediately, billing should be done for Physicians, Medicare Part B and AMDC. Point Click staff should be contacted on how best to integrate the billing into the system. Staff should also discuss with Point Click how to export claims to files that would be acceptable to Medicaid and Medicare.

Commissioners' Response: New Nursing Home office operations brought most Nursing Home billing current by the end of 2009. Assisted Living and Adult Medical Day Care billing will be taken into the Nursing Home business office in early 2010. Billing for all long term care

operations and timely reporting to the county Finance office are expected to be current by early 2010.

Nursing Home deficit:

The nursing home continues to operate at an increasing deficit each year. The question needs to be asked: what efforts are being made to address this problem? Even Assisted Living is not covering its operating costs, let alone capital costs. Any deficit ends up having to be covered by the taxpayers.

Recommendation: We recommend that a cost/benefit analysis be done every time rate increases are discussed or contemplated. We also recommend a procedure whereby all rates in Point Click are checked to make sure the current charge structure is being used. We recommend a review of staffing patterns for comparability with similar nursing homes. We also recommend that the Finance Department be closely involved in collection efforts on the outstanding accounts receivable.

Commissioners' Response: We expect to resume cost benefit analysis for all Long Term Care services in 2010. A commitment has been made to the current charge structures as adopted by the Board of Commissioners. The Nursing Home business office continues to refine their procedures and internal controls in this area. Additionally, our new Director of Nursing is working closely with the Long Term Care Director and County Finance office to evaluate Long Term Care staffing patterns and implement new scheduling software in 2010. The new Long Term Care business office and the Finance office have been collaborating consistently on this and other financial matters.

Budget:

It appears to us that specific areas of the budget receive scrutiny, but the end package is not looked at as a whole. For example, actions taken in the past have caused an erosion of the Health Fund. This should be carefully analyzed so that it will not cause something unexpected in the future. It is kind of like looking at all the trees, then stepping back and looking at the forest.

Recommendation: We recommend that the overall budget be carefully reviewed for reasonableness and appropriateness in line with County goals and objectives.

Commissioners' Response: The Commissioners, executive staff and the Employee Advisory representative received a comprehensive evaluation of the status of the county's financial health in October 2009. We intend to continue this practice.

Payroll:

Over the years our testing of payroll transactions has shown increasing numbers of employees being paid on an exception basis rather than according to County policies. Every time

there is an exception, more time is required to process the data for that person and when exceptions become numerous, more staff is required. This is applicable to all departments within the County.

Recommendation: We recommend that payroll policies throughout the County be reviewed with an eye toward policies that would cover most of the employees thus greatly reducing the costly "exception" processing.

Commissioners' Response: We understand our pay by exception practice is time consuming and costly. New time and attendance software to be implemented in 2010 will serve, to a certain extent, to automate manual payroll processing for all departments.

This report is intended solely for the information and use of the Commissioners, management and others within Rockingham County and is not intended to be and should not be used by anyone other than these specified parties. We would like to take this opportunity to extend our appreciation to the Commissioners, Finance Office, Theresa Young, Charles Nickerson, and other staff for their assistance and courtesies extended to us during the audit.

Handwritten signature of Robin S. Gill, CPA, PC in cursive script.

Concord, New Hampshire
September 24, 2009



Rockingham County Commissioners

119 North Road
Brentwood, New Hampshire 03833

Maureen Barrows, Chair

Katharin K. Pratt, Vice Chair

C. Donald Stritch, Clerk

August 5, 2009

Mrs. Robbin R. Grill, CPA
10 Ferry Street, Suite 311
Concord, NH 03301

Dear Mrs. Grill:

We would like to share the current status of the 2007, 2006, and 2005 management comments. They are as follows:

2006 and 2005 recommendations

- By year end, the nursing home will be required to provide reasonable documentation showing that deposits are not held in excess of \$10,000.
- While software implementation has been completed, the nursing home has remaining issues with recognizing the appropriate amount of receivables and revenue.
- Additionally, the new software does not provide enough information regarding the reporting of aged receivables long past due. The nursing home must provide an alternative procedure by year end.
- Physician and therapy billing are yet to be resolved by the nursing home.

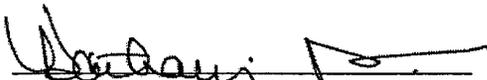
2007 recommendations

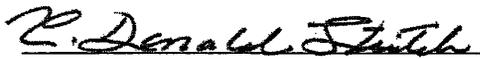
- **Timeliness:** Some departments continue to fail to provide timely information to the Finance Office. The bank reconciliations are being completed timely and have no reconciling differences. Fixed assets were entered prior to year end 2008 with the exception of capital assets that required additional allocations that needed to be computed after the year end close. The Finance Office is now fully staffed with experienced personnel. Interpretations of pay policies by the departments still causes delays and lack of cooperation continues to impede the efficiency and effectiveness of payroll operations.
- **Inventory:** After considering a change to tracking our inventory we determined the practice in place suits the County purposes well.
- **Accounts Payable:** The nursing home items totaling \$17,654.81 remain unresolved. Finance continues to communicate concern to the department.
- **Payroll:** The incorrect entries in question were cleared up by payroll staff.
- **Assisted Living Billing:** A rate structure that includes rates at or above the established Medicaid rates has been implemented.

- **Nursing Home Allowances for Doubtful Accounts:** Recent events have made it clear to us that substantive changes must be made before we can be confident that the recommended method is appropriate.
- **Interest on Inmate Account:** 2007 was the first year these funds earned interest. Once an appropriate method was communicated the interest was posted timely.
- **Nursing Home Internal Control:** Some improvements to controls and authority have been implemented. Enhanced controls are called for.
- **Interdepartmental Communication:** Ineffective communications and lack of cooperation, when it occurs, continues to negatively affect managements understanding of County's financial position and its ability to make fully informed decisions.

Sincerely,


Maureen Barrows, Chair


Katharin K. Pratt, Vice Chair


C. Donald Stritch, Clerk