



2009 Annual Report

Year Ending December 31, 2009

Rockingham County Commissioners:

Maureen Barrows, Chair

Katharin K. Pratt, Vice Chair

C. Donald Stritch, Clerk

DEDICATION

In Memory of George N. Katsakiores

Rockingham County State Representative

Serving from 1983 to February 2010



George N. Katsakiores proudly served Rockingham County District 5, Derry, from 1983 to February 1, 2010. In addition, he served on the Derry Budget Committee, Derry Town Republican Committee, Rockingham County Executive Committee, Derry Development and Preservation, Manchester Airport Task Force, and the New Hampshire Highway Safety and Transportation Users Coalition. He formerly served with the Alexander Eastman Board of Directors, Derry Boys and Girls Club Board, and was an Executive for the United Way.

Mr. Katsakiores was born and raised in Derry, New Hampshire. He graduated from Pinkerton Academy as the President and Valedictorian. He furthered his education and graduated from the University of New Hampshire in Durham and Sanborn Seminary. Mr. Katsakiores was a United States Army World War II veteran and a member of the Veteran's of Foreign War Post 1617 and American Legion Post 9, both of Derry.

The 2009 Rockingham County Annual Report is hereby dedicated in memory of our friend and colleague Representative Katsakiores.

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ELECTED OFFICERS

Commissioners

Maureen Barrows, Chair
Katharin K. Pratt, Vice-Chair
C. Donald Stritch, Clerk
mail@co.rockingham.nh.us
119 North Road
Brentwood, NH 03833
Phone:603-679-9350 Fax:603-679-9354
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County Attorney

James M. Reams
jreams@rcao.net
Mailing Address:
P.O. Box 1209
Kingston NH 03848
Physical Address:
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Brentwood, NH 03833
Phone:603-642-4249 Fax:603-642-8942

Sheriff

Captain Al Brackett, Officer in Charge
101 North Road
Brentwood, NH 03833
Phone:603-679-9487 Fax:603-679-9477

Register of Deeds

Cathy Ann Stacey
cstacey@nhdeeds.com
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P.O. Box 896
Kingston, NH 03848
Physical Address:
10 Route 125
Brentwood, NH 03833
Phone:603-642-5526 Fax:603-642-5930

Treasurer

David Ahearn
119 North Road
Brentwood, NH 03833
Phone:603-679-5335 Fax:603-679-9346

DEPARTMENT STAFF

Department of Corrections

Albert J. Wright, Superintendent
awright@co.rockingham.nh.us
99 North Road, Brentwood, NH
Phone:603-679-2244 Fax:603-679-9465

Engineering & Maintenance

Jude A. Gates
Director of Facilities, Planning, and IT
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116 North Road, Brentwood, NH
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Finance Office

Theresa Young, Director
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Human Resources

Martha S. Roy, Director
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111 North Road, Brentwood, NH
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Human Services

Diane D. Gill, Director
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111 North Road, Brentwood, NH
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IT/Telecommunications

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fstoughton@co.rockingham.nh.us
116 North Road, Brentwood, NH
Phone:603-679-9400 Fax:603-679-9380

Long Term Care Services

Steven E. Woods, Director
swoods@co.rockingham.nh.us
117 North Road, Brentwood, NH
Phone:603-679-9383 Fax:603-679-9307

Assisted Living Facility

Nancy L. Lang, Director
nlang@co.rockingham.nh.us
117 North Road, Brentwood, NH
Phone:603-679-9301 Fax:603-679-9459

REPRESENTATIVES TO THE GENERAL COURT

District 1: Candia, Deerfield,
Northwood, Nottingham
Frank G. Case
Maureen R. Mann
Susi Nord
John Reagan
James M. Sullivan

District 2: Raymond
Franklin C. Bishop
Kathleen M. Hoelzel
L. Mike Kappler

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

District 4: Salem, Windham
David Bates
Ronald J. Belanger
David J. Bettencourt
Margaret M. Crisler
Anthony R. DiFruscia
Robert J. Elliott
Marilinda J. Garcia
Mary E. Griffin
Russell F. Ingram
Walter Kolodziej
Charles E. McMahon
Mark A. Pearson
Anne K. Priestley
Carolyn B. Webber

District 5: Derry
Patricia A. Dowling
Beverly A. Ferrante
Robert M. Fesh
John P. Gleason
Kenneth H. Gould
Gina A. Hutchinson
George N. Katsakiores
Phyllis M. Katsakiores
James B. Rausch
Frank V. Sapareto

District 6: Atkinson
Debra L. DeSimone
James M. Garrity

District 7: Chester, Danville,
Sandown
Gene P. Charron
John E. Devine
Joseph M. Hagan
Elisabeth N. Sanders

District 8: Hampstead, Kingston,
Plaistow
John W. Flanders
Melissa L. B. Lyons
Norman L. Major
John B. Sedensky
David A. Welch
Roger G. Wells
Kenneth L. Weyler

District 9: Epping, Fremont
C. Pennington Brown
Timothy P. Comerford
Daniel C. Itse

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
John W. Henson
Matthew J. Quandt
Trinka T. Russell
Joseph A. Russell
Stella Scammon
W. Douglas Scammon
Donna L. Schlachman

District 14: Hampton Falls,
Kensington, Seabrook, South Hampton
Amy Stasia Perkins
Lawrence B. Perkins
Mark F. Preston
Everett A. Weare

District 15: Hampton
Russell D. Bridle
Robert R. Cushing
Susan R. Kepner
Christopher F. Nevins
Nancy F. Stiles

District 16: Newington, Portsmouth
Jacqueline A. Cali-Pitts
Rich T. DiPentima
Paul McEachern
Terie Norelli
Laura C. Pantelakos
Robin P. Read
James R. Splaine

District 17: Greenland
Pamela Z. Tucker

District 18: New Castle, Rye
David A. Borden
William B. Smith

Delegation Officers

Norman L. Major
Chair

Laura C. Pantelakos
Vice-Chair

David A. Welch
Clerk

Executive Committee

Laura C. Pantelakos
Chair

Gene P. Charron
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 as one of the top thirty best cities for jobs and businesses 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 United States Census Bureau estimated the population of the county to be 299,276 and the trend continues to show population growth. This represents a 7.9% increase in the population since 2000.

In 2009, the Commissioners accepted the following grant awards:

- New Hampshire Highway Safety Agency: enforcement patrols
- Federal Emergency Management Agency: power outage expense reimbursement
- New Hampshire Charitable Foundation: oral care program for residents
- New Hampshire Highway Safety Agency: DWI hunter patrols
- United States Department of Justice: grants to 6 police departments in the county
- New Hampshire Department of Safety: emergency communications
- United States Department of Justice: recovery act grant funds to 16 police departments in the county
- New Hampshire Department of Safety: acoustic emergency communications

Rockingham County continued its active role in Community Development Block Grants in 2009. Two open grants for Crossroads House and The Housing Partnership were managed by the county. The Crossroads House grant for replacement of the homeless shelter main building was completed in 2009. The county is hopeful that Phase II of a building construction housing grant will be applied for and accepted in 2010 for Crossroads House. The Housing Partnership Rye senior housing project was in preliminary stages with an expected groundbreaking in 2010. In 2009 the federal government changed regulations and the permitting process for the fishing industry. This has a major economic impact on the region. With the assistance of the Coastal Economic Development Corporation an economic development grant was applied for and we are hopeful for an award and implementation in 2010.

On February 13, 2009, Congress passed the American Recovery and Reinvestment Act of 2009 and was signed into law by the President four days later. The American Reinvestment and Recovery Act of 2009 directly affected Rockingham County in many ways. Rockingham County applied for an Energy Efficiency and Conservation Block Grant from the United States Department of Energy in the amount of \$1,966,700 for a biomass heating project on the complex. We are hopeful for a grant award and groundbreaking in 2010. Further, The New Hampshire Business Finance Authority managed Rockingham County's Recovery Zone Facilities Bond volume allocation cap in the amount of

\$38,055,000. In 2010, we anticipate a Recovery Zone Economic Development Bond for the county to be managed by the New Hampshire State Treasurer.

We continue alternatives to reduce the pre-trial population at the jail with teamwork from the Rockingham County Human Services Department, the House of Corrections, and the Rockingham County Attorney's Office. These initiatives are having a positive impact. The Commissioners continue to explore the expansion of video arraignment to reduce the number of transports of detainees to the courts.

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 worked diligently against increasing unfunded mandates by the legislature.

The discount card program continued in 2009 to help our residents with the high price of prescription drugs. Rockingham County is making discount cards available at no cost 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.

District 1 Commissioner Pratt Term: 2008-2010	District 2 Commissioner Barrows Term: 2006-2010	District 3 Commissioner Stritch Term: 2008-2012
<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 less than a 1% increase. This was accomplished by processing prisoners into home confinement, electronic monitoring, supervised pre-trial release, STAR Program, Academy Program, and Anger Management. The average daily population in jail during the year was 336 inmates. Electronic monitoring daily population was 20.

<u>Admissions</u>	<u>2008</u>	<u>2009</u>
Male Inmates	3,340	3,349
Female Inmates	718	728
Total	4,058	4,077

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 and the STAR 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 38,420 inmate hours. 8 towns received over 9,500 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 2009 the Community Work Program completed storm cleanup 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 117 victims registered. The system dealt with 1,321 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: 14 inmates participated in the program with a success rate of 92%.

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 95 inmates who signed up and attended various classes and 29 earned their GED Certificates. The education program is supported by volunteer tutors and the partnership of Exeter Adult Education, Vocational Rehabilitation, and Work Opportunities Unlimited in preparation for post-release services.

Sex Offender Accountability Program: There were 24 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: Community providers working with our medical department offer counseling and education to inmates. AIDS Response of the Seacoast lost their grant funding and no longer offers this service to the facility.

Celebrate Recovery: This 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 20 active participants in the program. Due to lack of funding by the New Hampshire Department of Corrections this program ended in 2009.

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.

Employee Recognition: During the year we celebrated Correctional Employees Week and held five promotion ceremonies to recognize the advancement of officers through the ranks. With the retirement of several 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 volunteers who assist in education, counseling, bible study, and musical presentations to name a few talents.

Electronic Monitoring: 20 or more individuals have participated in the Electronic Monitoring program. In April, the servicing vendor changed to Secure Alert Incorporated. They provide GPS monitoring that is advanced technology over the conventional ankle bracelet system.

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.

Anger Management: In 2009, an eight module anger management program began. We expect that the program will have a beneficial impact on behavior in the building and when the inmate is released.

Art Therapy: 115 inmates participated in a new art therapy program conducted by our Mental Health Counselor. This program has been successful from the start. Inmates were able to make hand crafted gifts to their children and families during the holiday season.

Special Education: 18 inmates were identified as meeting the State Department of Education requirements for special education while incarcerated. The appropriate school system was notified and tutoring was conducted with the facility as required. Two of these students earned their high school diploma while in custody and others did as well soon after being released through adult education programs.

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, Shawn Fogarty, and David Consentino. 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	25	Northwood	21	Hillsborough	2
Auburn	10	Hampton	262	Nottingham	20	Rockingham	1158
Brentwood	41	Hampton Falls	26	Plaistow	74	Strafford	1
Candia	55	Kensington	36	Portsmouth	313	<u>Agency</u>	<u>Number</u>
Chester	13	Kingston	60	Raymond	93	NH State Police	196
Danville	34	Londonderry	123	Rye	10	NH State Prison	2
Deerfield	14	Newcastle	1	Salem	372	NH Parole	106
Derry	250	Newfields	16	Sandown	19	Immigration	1
East Kingston	7	Newington	32	Seabrook	114	Self Turn In	75
Epping	63	Newmarket	62	South Hampton	9	US Marshal	8
Exeter	192	Newton	18	Stratham	37		
Fremont	14	North Hampton	31	Windham	28		
Greenland	16						

Summary of Charges

Acts Prohibited	66	Fed/Immigration Chgs	14	Overnight Hold	356
Administrative Transfer	1	Felon-Firearm Possession	33	Pornography	1
Aggravated F. S. Assault	31	Felon-Sexual Assault	25	Possession	
Assault 1 st /2 nd Degree	20/31	Forgery	75	Burglary Tools	1
Assault Simple	419	Fugitive from Justice	78	Controlled Drugs	485
Arson	3	Fraud. use Credit Card	36	Hypodermic	1
Bail Jumping/Revoked	12/91	Gambling	1	Intent to Sell	28
Burglary	158	Habitual Offender	65	Prohibitive Sale	1
Conduct After Accident	35	Harassment	24	Protective Custody	543
Conspiracy	17	Hindering Apprehension	32	Prowling	14
Contempt of Court	122	Indecent Exposure	8	Receiving Stolen Property	214
Criminal Liability	14	Issuing Bad Check	19	Reckless Conduct/Oper.	80/19
Criminal Mischief	122	Interfere with Custody	13	Resist Arrest	152
Criminal Restraint	9	Kidnapping	3	Robbery	44
Criminal Threat/Trespass	109/79	Lewdness	5	Sale-Controlled Drugs	85
Cruelty to Animals	1	Littering	2	Shoplifting	218
Cruelty to Corpse	1	Motor Vehicle		Stalking	19
Destruction of Evidence	5	Violation	19	State Prison Transfers	7
Disobey a Police Officer	54	Unauthorized Usage	10	Theft/Deception/Unauth.	252/20/10
Disorderly Conduct	95	Murder-1st Degree	4	Transport Controlled Drugs	17
Domestic Violence	2	Murder-2nd Degree	4	Unlawful Poss.-Alcohol	72
DWI Sentence/Pre-trial	176/214	Murder-Attempted	2	Unlawful Use-Weapon	6
Endangerment of Child	19	Non Payment of Fine	1	Violation-Parole/Protective	401/147
Escape	3	Non Support	65	Warrants	104
Fail-Reg.-Sex Offender	17	Obstruction-Crime Report	2	Wire Tapping	1
False Imprisonment	1	Operating-Rev./Susp	260	Witness Tampering	8
False Report to Police	49	Operating-without Lic.	12	<u>Total Charges</u>	<u>6,117</u>
False Scrips	14	Open Container	9		

COUNTY ATTORNEY'S OFFICE

James M. Reams, County Attorney

Rockingham County Attorney James Reams is pleased to submit the 2009 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.

On October 26th, County Attorney Jim Reams was named County Attorney of the Year by the New Hampshire Association of Counties at its annual meeting.

The year 2009 was another challenging one for the County Attorney's Office. We investigated, prosecuted and obtained convictions in some very significant and statewide precedent-setting cases.

State vs. Schillaci: In addition, our office prosecuted Jon Savarino Schillaci, one of the FBI's 10 Most Wanted Fugitives. In October of 1999, Schillaci was investigated by the Deerfield Police Department for possession of Child Pornography and Felonious Sexual Assault on a young boy with whom Schillaci resided with. Shortly thereafter, Schillaci fled New Hampshire and eluded police for almost 10 years until his capture and extradition from Mexico in June of 2008. Jon Savarino Schillaci was convicted and sentenced to 20 to 50 years at the New Hampshire State Prison.

State vs. Marshall: In March 2009, Jeffrey Marshall was convicted of Dispensing Controlled Drugs-Death Resulting for the 2007 drug overdose death of Anthony Fosher and the theft of money from Fosher as he lay dying. This conviction is the 3rd Drug Dispensing-Death Resulting case in Rockingham County and hopefully it sends a message to drug dealers that we will not tolerate peddling drugs in this County. As a result of this conviction, Jeffrey Marshall received a sentence of 10 years to life at the New Hampshire State Prison.

State vs. Sanders: Clarence Sanders was found guilty by a jury and sentenced to 5 to 10 years at the New Hampshire State Prison for the First Degree Assault on a 20 year old victim followed by 20 years to life for the Attempted Murder of the victim's mother by slitting her throat. Sanders attacked the woman and her son in Raymond in May of 2006 and fled the state. He was arrested a few days later in West Virginia and was later extradited to NH to stand trial. This case was a difficult prosecution because the defendant filed numerous claims of incompetency in order to avoid extradition.

State vs. Mentus: On October 9, 2009 Adam Mentus was found guilty by a jury for fatally shooting a 21 year old victim by mishandling a loaded firearm. Mentus was sentenced to 10 to 20 years at the New Hampshire State Prison for Manslaughter. This verdict points out the fact that firearms are not toys and must be handled with care.

State vs. Margaritas (Exeter Restaurant Group, Inc.): Margaritas was found guilty in October of 2009 of one misdemeanor charge of Prohibited Sales stemming from a 2008 drunk driving accident caused by an over

served patron. As part of the plea agreement, a \$4,000 fine was imposed along with a three-day liquor license suspension held in abeyance for a one year, pending no like infractions.

State vs. Fat Belly's (Joe's NY Bar & Grill, LLC): In June of 2009, Fat Belly's was convicted of misdemeanor Prohibited Sales following an over serving incident that led to a vehicle versus pedestrian accident in Portsmouth. The bar and grill was fined \$8,000 and ordered to pay a penalty assessment of \$1,600. In December of 2009, the County Attorney's Office presented Portsmouth Police and the New Hampshire Liquor Enforcement Bureau with checks for \$4,000 each to be used toward the prevention of other such incidents. The two departments are currently using the money to combat over serving and drunk driving.

The County continues to grow at a rate that is well above the rate 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 37 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. In addition, for the ninth straight year, the County Attorney's Office set a record for the number of new cases indicted. We reviewed, prepared and presented 2375 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 2375 in the year 2009, an increase of 189%. 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 2375 in 2009;
- 1061 cases were scheduled for trial by the Superior Court in 2009, down from 1116 in 2008 due to the Court not scheduling jury trials for several weeks throughout 2009;
- 246 defendant's closed files were reopened in 2009 covering approximately 855 reopened charges. 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. The matters have become increasingly time consuming for staff.
- Duty calls from police departments were 291 in 2009;
- Victim/Advocates had 8,047 contacts with victims and witnesses during 2009;
- Our two part-time investigators handled 385 cases; located over 120 trial witnesses; recorded 92 various interviews and handled 13 police department complaints. Additionally, they transported 35+ witnesses for trials.
- 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 13 Sexually Violent Predator Notifications received from the Department of Corrections. Thus far, Rockingham County has not had a sex offender that qualified for civil commitment.

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. 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 115 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 2009, 1790 complaints were handled by the prosecutor which represents 1132 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 it appears to be a success.

The County Attorney provides prosecution for certain towns in the Auburn District Court area including Nottingham and Candia. This office handled a total of 341 misdemeanor cases filed in the Auburn 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. The Victim/Witness Coordinators averaged over 485 telephone conferences and more than 66 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 385 cases during 2009. In addition, the investigators handled 13 complaints against individual Police Departments, performed background checks for prospective employees, located and transported many trial witnesses and also fielded numerous walk-in contacts during 2009. 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 7,941 trial subpoenas in 2009 and processed approximately 818 cases involving multiple items of trial evidence. Additionally, the office received 34 requests for Interstate Agreement on Detainers (IAD's), 6 requests for Governor's Warrants and the County Attorney approved 78 Out-of-State Arrest transports. The Reception Office received an astonishing 33,854 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 conducted 175 scene investigations and 230 telephone 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 Examiner's Office and administering the ADME's. This relieves the county of the burden and creates a superior system.

Child Advocacy Center of Rockingham County: The center is the first established in New Hampshire and 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 120 interviews at the Child Advocacy Center in 2009.

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.

New Challenges & Opportunities: During the latter part of 2009, the Rockingham Accountability Project (R.A.P.) was implemented by the County Attorney's Office in conjunction with the Department of Resources and Economic Development (D.R.E.D), Division of Parks. Since the County has limited space available to house incarcerated defendants and the Division of Parks has a need for manual labor to maintain the Parks on limited funds, the goal of this project is to provide alternatives to incarceration in Rockingham County but also holding defendants accountable by providing meaningful community service. The County will benefit from this project by reducing the population at the House of Corrections. In 2009, 36 defendants had been ordered to

perform 4,350 hours of community service through the R.A.P. program. By year end, 7 defendants had completed 535 hours of manual labor to our park systems, having cost the taxpayers no money.

Also established this year is the conception of the Second Chance Program. This program is structured to give non-violent first offenders under the age of 25 the opportunity to earn their way back from their mistake and to atone for the infliction of costs upon society. Second Change agreements must include a fine, 200 hours of community service through the R.A.P. program or an approved non-profit organization, mandatory weekly drug testing (at the cost of the defendant), anger management, drug and alcohol counseling and/or life skills classes as appropriate, and full restitution

Child Pornography: The availability of the internet has provided a new forum for certain criminals and sexual predators. The laws to provide appropriate protections are slowly catching up to meet the threats. Investigating and prosecuting these technology-assisted crimes present new challenges for law enforcement and prosecution. The types of cases that have reached into our communities include a new way to violate a protective order with relative anonymity, cyber stalking, child pornography, solicitation, and identity theft.

The growth of high speed internet access has made the transfer of child pornography easy, fast and inexpensive. The volume and graphic depictions of children being sexually abused is shocking. Law enforcement is fighting to stop the spread of this abuse. Unfortunately, this crime has gone from being statistically insignificant in 1999 to 6% of the caseload in the first 1/3 of 2008.

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

The mission of the Engineering & Maintenance Services department is to provide, safely and efficiently, the infrastructure services that contribute to the 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 daily operation and maintenance of facilities, the following projects were conducted and/or overseen by our team in 2009.

- Fire doors were replaced in the Fernald building of the nursing home and the front port door at the jail.
- Selective flooring replacement was completed in the nursing home and the jail. A majority of the flooring at the Rockingham County Sheriff's office was replaced and/or upgraded and flooring in the Administration building.
- Duct work on the kitchen hood and several refrigeration equipment components were replaced in the nursing home dietary department.
- A new food serving area was constructed in the jail.
- Air conditioning equipment was replaced in the Blaisdell and Mitchell building at the nursing home.
- Non-water fire suppression systems were installed in the telephone room and server rooms.
- Major upgrades to the Dentists' office in the nursing home were accomplished.
- Continuation of the upgrade to an addressable fire alarm system saw installation of new fire alarm systems in the buildings used by the Rockingham County Conservation District and the Rockingham Nutrition and Meals on Wheels Program.
- Roof repair/replacement was made to the nursing home Driscoll building and Administration building
- The walkway entrances to the Blaisdell building were replaced.
- The loading dock at the Engineering & Maintenance building was reconstructed.
- The softeners at the Water Treatment Facility were rebid.
- A major repair/replacement of the hydronic heating system in the nursing home was successfully undertaken, replacing aged and deteriorated heat and hot water piping from the Boiler Plant and throughout the nursing home complex of buildings.
- Our Information Technology/Telecommunications division continues to provide support and maintenance of the County Complex computer network, software applications, desktop computers, and telephone systems.
 - Increased involvement in the service of the jail security systems, streamlining repairs, and assisting with long range planning.
 - Expansion of the point of care model in the nursing home, including the installation of touch screens in the nursing units, which is the first phase in a medical IT upgrade.
- We continue to reap the benefits of the energy conservation measures put in place in 2003. Our daily water savings is on the order of 10,000 gallons per day and our audited energy savings for the year was \$290,371, approximately \$38,000 more than projected.

Every member of Engineering & Maintenance Services contributes to our success and the achievement of our Mission. When we do our jobs, we are virtually invisible, and yet the work of this department touches on every resident, staff and visitor every day. I am proud to be associated with such a hard working and dedicated group.

HUMAN RESOURCES DEPARTMENT

Martha S. Roy, Director

The Human Resources Department updates and maintains the County's job descriptions and provides all in and out processing to County employees which educates them on the County benefit options as well as Personnel Policies and Procedures. Training is provided to all employees with regard to applicable state and federal law. Support is provided for personnel issues and facilitation is supplied to the Employee Advisory Committee, Joint Loss Management Program (Safety) Committee, Wellness Team, and County Management Team. All employee personnel files are maintained in the Human Resources Department.

Annually, the Human Resources Department conducts many training programs for employees with regard to applicable state and federal law, benefits issues and Personnel Policies and Procedure review. An Administrative Professionals' Training day was held in the spring. The County employees were also trained on changes to federal law regarding Family Medical Leave Act and the Americans with Disabilities Act. The Healthy Lunch lecture series was continued in 2009, offering employees opportunities to enjoy a health conscious lunch with a Wellness topic lecture. In a joint effort with the Engineering and Maintenance Department, a series of computer training courses were held in the summer with topics ranging from Office 2007 to Excel.

In 2009 the Wellness Committee reviewed the consultant feedback and implemented some changes based on their recommendations. Due to budget concerns, a few components of the 2008 program were eliminated while others were enhanced. We strived to simplify the program to gain participation. The HRA and Wellness Nurse were eliminated as the impact from those services was not producing results. New initiatives were added such as wellness activities, incentives (including funds towards preventative care and screenings), a quarterly newsletter, and a County sponsored walk to benefit residents at the Nursing Home while encouraging participation in a healthy activity.

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 2009.

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 \$16,893,138 for the funding of residents of nursing homes or persons who are receiving care in their own homes as an alternative to nursing home care.

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 (INC) and Home and Community Based Services (HCBC). The State of New Hampshire assumed liability for other categories of assistance.

The Intermediate Nursing Care 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, 50 percent county share. The average number of Medicaid recipients receiving nursing home care is 656 per month.

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 418 persons.

The American Recovery and Reinvestment Act (ARRA) has had a beneficial effect on this budget, in that counties' percentage of Medicaid expenses has been temporarily reduced by the receipt of funds from the federal government. It is important to recognize that the revenue from ARRA funds is temporary, and makes the budget expenditures appear lower than actual costs.

I would like to commend the excellent staff of this department for success in preventing costly incarceration of young adults in our county correctional facility. The Adult Diversion Program served one hundred and thirteen clients during 2009, with only fourteen returned for prosecution.

I appreciate the guidance of the Board of Commissioners and commend the professional staff of Rockingham County for their dedicated efforts on behalf of county taxpayers.

LONG TERM CARE SERVICES

Steven Woods, Administrator/Long Term Care Services Director

The year 2009 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 continued 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: Trudy Mowers, Nursing
February: Harry Richard, Physical Therapy
March: Susan DeCourcy, Food Services
April: Tamara Clark, Nursing
May: Vicki Silva, Environmental Services
June: Amy Murray, Nursing

July: Marilyn Schreiber, Nursing
August: James Gargas, Food Services
September: Kristy Hammani Adult Medical Day
October: Pamela Johnson, Nursing
November: Peggy Wharem, Environmental Services
December: Diane Murphy, Recreational Therapy

The 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 continued 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 2009. 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 continues to rank as a 5 star facility in the program unveiled by CMS to better help consumers find quality long term care facilities (see photo below from website www.medicare.gov). I am honored to announce that the Nursing Home, Assisted Living and Adult Medical Day programs all had deficiency free surveys in 2009!

Medicare.gov					
The Official U.S. Government Site for Medicare					
Nursing Home Name and General Information ▲	Overall Rating	Nursing Home Staffing	Quality Measures	Program Participation	Number of Certified Beds
		[What is this?]	[What is this?]		
ROCKINGHAM COUNTY NURSING HOME 117 NORTH ROAD BRENTWOOD, NH 03833 (603) 679-5335 Resident Council Mapping & Directions	★★★★★ 5 out of 5 stars	★★★★★ 4 out of 5 stars	★★★★★ 5 out of 5 stars	Medicare and Medicaid	226

Our annual Education Day was conducted in September in the Assisted Living building. 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 Hollywood theme that made the event fun and positive for everyone.

Another initiative that we continued in 2009 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 2010 and beyond and will serve as a role model for all nursing homes in the state when completed.

Our biggest initiative that kicked off in 2009 was the conversion of one of the nursing units to a short term rehabilitation focused unit. This will allow us to serve residents that we are currently unable to meet the needs of. We have contracted with Genesis Rehabilitation Services to bring in numerous new physical, occupational and speech therapists to enhance the level and frequency of rehab services. This new agreement will allow us to provide a higher level of care to our residents and in turn be able to enhance revenues by accessing federal Medicare dollars. We are upgrading the therapy rooms and the Driscoll Ground Unit to best serve these new Rockingham County short term clients that will be able to return to the community after a stay with us. This is a great way of keeping us moving to the future of long term care delivery.

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 have been invaluable. We are grateful for their dedication, interest, and caring all year long.

2009 NURSING HOME CENSUS

Daily Average Census – 221

Highest Census 226 / Lowest Census 214

Admissions		Discharges	
Home	21	Hospital Admit/Returns	55
Hospital	59	Discharged to another facility	11
Nursing Home	5	Discharged to Assisted Living	9
Psych Hospital	1	Discharged home	16
Group Home	0	Expired while in hospital	10
Rehabilitation	7	Deaths	61
Assisted Living	12		
Total Admissions	<u>105</u>	Total Discharges	<u>162</u>
Average Age of Residents	83		
Average Age of Death	89		
Average Age of Admission	82		
Average Length of Stay	2 years, 6 months, and 2 days		

THE ERNEST P. BARKA ASSISTED LIVING COMMUNITY

Nancy L. Lang, Director

I am proud to report that the reputation of the Ernest P. Barka Assisted Living Community continues to soar throughout the county and state. Our annual inspection by Health and Human Services for 2009 came after the start of the year and again we were deficiency free. The state inspectors were complimentary about our facility and the care that residents receive. Much of the glory goes to the caring staff and their interactions with each and every resident.

We were contacted early in the year to participate in the Exeter High School graduating class events for a week. We agreed to have several students come in and entertain the residents. They came through the door with their instruments and set up a complete four piece combo. While students began playing, several additional students proceeded to dance with our residents. The group stayed the entire morning. The students had as much fun as the residents and we definitely will be participating again in 2010.

In the continuation of residents' involvement in the community we became a sponsor of the Special Needs Program at Exeter High School. Three students come in weekly with their teacher and volunteer in a work program. The program is outstanding and the students bring love, appreciation, and excitement to what they call "their job". We are happy to be a part of this program and these great student's lives.

Residents enjoyed a formal dinner party and dancing with Manual's Black and White Band of Beverly, Massachusetts. Our Dietary Department provided us with an outstanding meal. Many thanks to the Dietary Department and their great staff for the exceptional meals and all the extras they provide to Assisted Living during the year.

The monthly garden group with the Rockingham County Cooperative Extension Services continued throughout the winter. The residents have worked with in-house plants and they also made lavender sachets. As spring approached they began planting seeds to get going for their flower gardens.

Many trips were taken out to breakfast and lunch at local restaurants. The favorite bus rides are to find new ice cream stands. The frequent trips to the Brentwood Library are high on the priority list.

We were all excited to celebrate one of our residents 100th birthday in April. We celebrated here at Assisted Living and also the resident's family held a great party and invited both staff and residents to their home. A great time was had by all!

The facility is now a proud owner of a Nintendo Wii system. The residents were not quite sure about it in the beginning. Slowly but surely a few residents are enjoying it, but if they have a choice they would rather be cheerleaders while someone else plays.

This report would not be complete with acknowledging and thanking our dedicated staff for the love and care they give to the residents. I would like to thank the Rockingham County Commissioners for their continued interest and support to the Assisted Living program. A heartfelt thanks to Steve Woods, Director of Long Term Care Services, Jude Gates, Director of Facilities, and the staff of Rockingham County Nursing Home for all the support and help they provided Assisted Living throughout 2009.

Daily Census Average for 2009: 42

Average Age of Resident: 86

Deaths in 2009: 6

Residents Admitted to Rockingham County Nursing Home: 12

Residents Transferred to Other Facility: 1

REGISTRY OF DEEDS
Cathy Ann Stacey, Register

At the midpoint of my eighth 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. In 2009 this office successfully restored the first 100 historical handwritten volumes dating back to 1643. The first twenty-five volumes have been rebound and are exhibited in the Registry for use by the public. My efforts to restore all the historical volumes will continue in 2010.

The Registry of Deeds completed a scanning project for the Rockingham County Engineering & Maintenance Department which encompassed the scanning of 1280 plan sheets which were archived onto a flash drive for storage by the Department. This project will ensure the permanent storage of the original drawings which are currently in poor condition and on paper. In addition, the staff has been working diligently to scan and make available through our website viewing of volumes back to Book 412 or the year 1865. Staff adds to the imaging system on a daily basis working backwards to Volume 1.

It continues to sadden me to see the level of foreclosure activity which has affected a substantial number of homeowners in our County. Rockingham County experienced a total of 706 foreclosures and 2598 property liens and attachments. This is a definite reflection of the economic challenges facing many Americans. I am hopeful that 2010 will bring about a much needed change in the economy as well as the local real estate market.

The total County revenue collected by the Registry of Deeds in the 2009 calendar year was \$3,056,228.06. This figure reflects a five percent reduction over 2008 revenues; however, it was properly anticipated through the budget process.

<u>2009 Revenue Collected</u>		Total Documents recorded	63,679
State Transfer Tax	\$20,230,107.00		
4% RETT commission	\$ 809,201.92		
State LCHIP tax	\$ 1,112,125.00		
4% LCHIP commission	\$ 44,485.00		
Copies/Faxes	\$ 359,665.00		
Recording Fees	\$ 1,842,876.14		
Total Revenue	\$ 3,056,228.06		

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

Atkinson	2726	Greenland	1962	Newington	332
Auburn	1988	Hampstead	3212	Newton	1764
Brentwood	1686	Hampton Falls	1026	Northwood	1844
Candia	1188	Hampton	6486	Plaistow	2611
Chester	1776	Kensington	629	Portsmouth	3337
Danville	1302	Kingston	2186	Raymond	3355
Deerfield	1583	Londonderry	8671	Rye	2745
Derry	8589	New Castle	579	Salem	10711
E. Kingston	1047	Newfields	852	Seabrook	2855
Epping	2517	Nottingham	1932	S. Hampton	605
Exeter	5104	N. Hampton	2128	Sandown	894
Fremont	1466	Newmarket	2354	Stratham	3269
				Windham	7875

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
Captain Al Brackett, Officer in Charge

STATISTICS

Active Warrants – Superior & Family Court

Warrants in NCIC	397	
Warrants non-NCIC (Equity, Family Division, Cost Containment)	187	
Wanted Persons serving time in other states	76	
Total	<u>660</u>	-3.2%
Wanted Persons beyond extradition limits (included above)	159	

Active Warrants - District Court

Wanted Persons residing in Rockingham County	<u>209</u>	+25%
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Grand Total 891 +6.7%

Arrests – Superior Court Warrants

Criminal Warrants	445	
Civil Warrants	215	
Electronic Bench Warrants	34	
Recalls	212	
Total	<u>906</u>	+2.8%

Arrests – District Court Warrants

Arrests	22	
Not found	128	
Recalls after warning notice	397	
Recalls after person learned of deputy seeking their arrest	457	
Total	<u>1,004</u>	+15.4%

Total Warrants Cleared - All Courts	1,910	+9%
Total Warrant Activity - All Courts	2,801	+8.3%

Transports

Transports for other agencies	4,209	
Involuntary Emergency Admissions	410	
Juvenile transports	281	
All other transports	4,500	
Total	<u>9,400</u>	-5%

Deputy Sheriffs initiated 89 criminal reports, stopped 1,705 motorists for moving violations, assisted 135 motorists, and covered 3 motor vehicle accidents. The Patrol Division deputies served 16,338 civil process documents, a 3.28% increase from 2008.

Fugitive Extraditions by State

Connecticut	6	Missouri	1	South Carolina	1
Florida	2	New Jersey	1	Vermont	5
Georgia	1	New York	7	Virginia	1
Maine	29	Pennsylvania	5	TOTAL	188
Massachusetts	127	Rhode Island	2		

Deputy Sheriffs brought fugitives back in all but 3 instances.

Dispatch Center Service Calls

2003: 88,697
2004: 86,956
2005: 89,188
2006: 91,519
2007: 93,629
2008: 90,744
2009: 94, 867

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 2009 the Communications Center provided public safety services for two major events. They included; a multi-car accident in the town of Epping that required coordinating 20 different emergency units that included 3 med-flight helicopters. The second event was a multi jurisdictional brush fire caused by a freight train that began in the afternoon and continued through all three dispatch shifts.

BUSINESS OFFICE REPORT

I) Revenues received:	\$ 971,909
II) Appropriations Expended:	4,472,582
III Appropriations Not Expended:	173,858

EXPENDITURES % offset by REVENUES : 22%

Revenue Breakdown

Sheriff

Civil Process Service Fees:	\$454,883
Outside/Road Details Contracts :	60,595
Salary Reimbursement=	\$183,593
Administrative Fee=	\$60,595
Superior Court Bailiffs :	309,938
Transports:	98,784
Grants :	10,277
OEM RERP Pagers=	\$1,295
DOJ Bullet Proof Vests=	\$3,225
US Marshall, Operation Falcon=	\$905
Highway Safety DWI Patrols=	\$1,417
Highway Safety Speed Enforcement=	\$3,435
Miscellaneous revenue :	432

Dispatch

NHOEM RERP Salary Reimbursement	<u>\$37,000</u>
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Department Appropriations

Sheriff's Office	\$3,155,413
Dispatch/Communications	1,399,236
Radio/Electronic Services	91,791
Outside/Road Detail Contracts	240,292
	<u>\$4,886,732</u>

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 2009 to extend education to Rockingham County residents include the following:

- Over 1,000 youth and 200 adult volunteers and student interns participated in 4-H Youth Development clubs, after-school programs, special events such as SPACES and the Stratham and Deerfield Fairs, and community coalitions and projects such as the Raymond Coalition and Seacoast Youth Leadership Project.
- Over 1,340 adults and 409 youth were reached with 154 Family and Consumer Resources and Nutrition Connections programs on nutrition, physical activity, healthy lifestyles, food safety, parenting, life skills, money management and media awareness programs.
- More than 6,000 growers, schools, parks and recreations and landscapers received information and technical assistance on best management practices in growing crops, athletic fields and landscape through Agricultural Resource programs. Marketing directly to consumers, food production and food security were among the hot topics. Over 7,300 adults and 2,382 youth were reached through the Master Gardner program involving 1,700 volunteer hours.
- The Land and Water Conservation Educator worked with landowners, communities, and private conservation organizations to complete 13 projects that permanently conserved 765 acres in Rockingham County. Eighteen workshops were provided on conservation topics for 624 adults and 65 youth.
- The Extension Educator in Forest Resources inspected seven Tree Farms totaling 301 acres, provided technical forestry assistance to 68 landowners totaling 2,799 acres, and made 19 referrals to private, licensed NH foresters. He also conducted 24 workshops, presentations and field days for 672 adults and 272 youth.
- The statewide UNH Cooperative Extension Education Center and Info Line (1-877-398-4769) responded to about 1,000 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 2008-2009 was Susan Turner from Portsmouth. The Extension Educators and staff thank the Board of Commissioners and the County Delegation members for their continued support.

MINUTES OF ROCKINGHAM COUNTY DELEGATION

Public Hearing: Commissioners Proposed 2009 Budget

Thursday, January 29, 2009 at 7:00 p.m.

Hilton Auditorium, Rockingham County Nursing Home, Brentwood NH

The Chairman of the Rockingham County Delegation conducted a Public Hearing on Thursday, January 29, 2009 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 2009 Budget (RSA 24:23).

Rep. Norman L. Major, Chairman of the Rockingham County Executive Committee, called the Public Hearing to order at 7:00 p.m.

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

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

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

Chairman Major reviewed the ground rules of the meeting. He explained that he would recognize the public to entertain questions and comments after each department's budget proposal was read.

Chairman Major recognized Commissioner Katharin Pratt, who provided an overview of the Commissioners 2009 Budget Proposal. Commissioner Pratt reviewed the budget highlights explaining that there is a zero percent increase to the operating budget, no regrades, and no new positions. She noted that the overall budget has a 4 percent increase. She outlined those items significant in this year's budget proposal, which includes the employee pay plan, health insurance increases, and mandates from the state relative to the Long-Term Care Department, and the overall decrease in revenues and noted that the county is looking into ways to enhance revenues in the Nursing Home by opening a skilled nursing facility.

Chairman Major recognized Rep. Mary Griffin, Vice-Chair of the Delegation, who read the Commissioners 2009 Departmental Budget Proposals as follows:

Rockingham County 2009 Commissioner's Budget Proposal

Rockingham County Delegation – 87,579 (4 percent increase)
Treasurer – 33,303 (-1.9 percent decrease)
County Attorney – 2,812,155 (4.9 percent increase)
District Court – 205,765 (5.1 percent increase)
Medical Examiner – 45,601 (-18.0 percent decrease)
Sheriff's Department – 4,909,582 (2.9 percent increase)
Registry of Deeds – 1,407,716 (-1.2 percent decrease)
Commissioners – 182,960 (6.5 percent decrease)
General Government – 2,702,856 (-2.8 percent decrease)
Projects – 475,000 (0 percent increase)
Grants – 1,300,000 (0 percent increase)
Finance – 983,664 (12.7 percent increase)
Engineering & Maintenance – 4,295,408 (3.4 percent increase)
IT – 341,011 (3.0 percent increase)
Human Services – 16,893,138 (-6.4 percent decrease)
Jail – 9,890,881 (3.5 percent increase)
UNH Cooperative Extension – 553,463 (1.4 percent increase)
Human Resources – 424,230 (6.5 percent increase)
Non-County Specials – 282,500 (-2.2 percent decrease)
Long-Term Care Services – 25,309,207 (5.7 percent increase)

Total Revenues – 68,157,530 (4 percent increase)

Chairman Major called for questions and comments.

Rep. Cali-Pitts questioned if the county is eligible for money from the stimulus package. Ms. Young explained that the county is looking into receiving funds. Ms. Gates and Commissioner Pratt commented.

Discussion ensued relative to the Maintenance Department increased fuel costs and related expenses due to the December 2008 power outage. Ms. Gates explained the events and the expenses incurred which will be addressed in the form of a line item transfer to be taken up at the Executive Committee Meeting, following the Public Hearing.

Rep. Flanders made a motion to adjourn the Public Hearing. Rep. Belanger seconded the motion. The Public Hearing was adjourned at 7:25 p.m.

Respectfully submitted,
Cheryl A. Hurley
Delegation Coordinator

Rep. David A. Welch, Clerk
Rockingham County Delegation

MINUTES OF ROCKINGHAM COUNTY EXECUTIVE COMMITTEE

Monday, February 9, 2009 at 5:30 p.m.

Hilton Auditorium, Rockingham County Nursing Home, Brentwood NH

The members of the Rockingham County Executive Committee met on Monday, February 9, 2009 at 5:30 p.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood. The purpose of the meeting was to review subcommittee budget recommendations, and vote to recommend the proposed 2009 budget to be presented to the full Delegation on Tuesday, February 17, 2009.

Rep. Laura Pantelakos, Chair, called the meeting to order at 5:30 p.m.

Rep. Gene Charron delivered the Invocation.

Rep. John Flanders led the Pledge of Allegiance.

Rep. David Welch, Clerk, conducted the roll call. Clerk Welch reported a total of 16 members present.

Members Present: Representatives Pantelakos, D.J. Bettencourt, Cali-Pitts, Casey, Charron, Flanders, Garrity, Gould, Griffin, Kappler, G. Katsakiores, Major, Reagan, Sedensky, Stiles, Weare, and Welch.

Excused: Representatives Introne and Quandt.

Chairman Pantelakos declared that a quorum was present.

Also Present: Commissioners Barrow, Pratt. Stritch; Steven Woods, Long-Term Care; Mary Jane Toth, Long-Term Care; Jude Gates, Engineering & Maintenance; Frank Stoughton, IT/Telecommunications; Superintendent Al Wright, Department of Corrections; Ann-Marie Nelson, Department of Corrections; Louise Turner, Department of Corrections; Major Mark Peirce, Sheriff's Department; Christine Croto, Sheriff's Department; Kate McGrath, Human Resources; Martha Roy, Human Resources; Claudia Boozer-Blasco, UNH Cooperative Extension; Diane Gill, Human Services; Theresa Young, Finance Officer; Kathy Nikitas, Finance Office; Cathy Stacey, Register of Deeds; Attorney James Reams, Attorney's Office; Cheryl A. Hurley, Delegation Coordinator.

SUBCOMMITTEE REPORTS:

Salary Subcommittee - Rep. Sedensky, Chairman of the Salary Subcommittee, reviewed the Salary Subcommittee report dated February 2, 2009, which included the recommendation of the 2009 summary of

health and benefits, 2009 position listing, 2009 pay plan, and request for adjustment to the salary and benefits and energy lines, per Theresa Young, Finance Officer, attached.

Rep. Sedensky made a motion to approve the position listing at 687. Rep. Reagan seconded the motion. The motion was approved by a voice vote.

Rep. Sedensky made a motion to approve the Salary Subcommittee Report and the 2009 Summary of Rockingham County Salary and Benefits as proposed. Rep. Reagan seconded the motion. The motion was approved by a voice vote.

Delegation – Rep. Katsakiores, Chairman of the Delegation Subcommittee, reviewed the Delegation Subcommittee Report dated January 16, 2009. Chairman Katsakiores explained that the subcommittee reviewed the budget and did not recommend any changes to the Commissioner's proposal. Rep. Katsakiores made a motion to approve the Delegation Office budget at \$87,279. Rep. Reagan seconded the motion. The motion was approved by a voice vote.

Treasurer – Rep. Reagan, Chairman of the Treasurer's Subcommittee, reviewed his report dated January 26, 2009. He noted that the subcommittee made a change to line 58300, Bond Bank Fees, by removing the amount of \$19,499 which was added to General Government TAN, leaving a 0 balance in the line. Rep. Reagan made a motion to approve the Treasurer's budget at \$13,804. Rep. Flanders seconded the motion. The motion was approved by a voice vote.

County Attorney– Rep. Weare, Chairman of the County Attorney's Subcommittee, reviewed his report dated January 23, 2009. He noted that all amounts as shown in the Commissioner's proposal were approved with the exception of line 53900, Conferences, which was reduced to \$20,603. Rep. Weare made a motion to approve \$2,790,305 for the County Attorney's budget. Rep. Flanders seconded the motion. The motion was approved by a voice vote.

District Court – Rep. Weare, Chairman of the County Attorney's Subcommittee, made a motion to approve \$205,765 for the District Court budget. Rep. Flanders seconded the motion. The motion was approved by a voice vote.

Medical Examiner – Rep. Weare, Chairman of the County Attorney's Subcommittee, made a motion to approve \$45,601 for the Medical Examiner's Office budget. Rep. Flanders seconded the motion. The motion was approved by a voice vote.

Sheriff's Department – Rep. Cali-Pitts, Chair of the Sheriff's Subcommittee, reviewed her report dated January 23, 2009. Rep. Cali-Pitts noted that the subcommittee did not make any changes to the Commissioner's proposed budget. Rep. Cali-Pitts made a motion to approve \$4,886,732. Rep. Flanders seconded the motion. The motion was approved by a voice vote.

Deeds – Rep. Crisler, Chair of the Deeds Subcommittee, reviewed her report dated January 26, 2009. Rep. Crisler noted that there is a decrease of 1.7 percent in the Deeds operating budget from 2008. She noted the decrease corresponds to an expected decrease in revenues by the downturn of the real estate Market. Rep. Crisler made a motion to approve \$1,395,566 for the Registry of Deeds budget. Rep. Griffin seconded the motion. The motion was approved by a voice vote.

Commissioners – Rep. Reagan, Chairman of the Commissioners Subcommittee, noted the subcommittee did not make any changes to the Commissioner's proposal. Rep. Reagan made a motion to approve \$180,410 for the Commissioners budget. Rep. Griffin seconded the motion. The motion was approved by a voice vote.

General Government – Rep Reagan, Chairman of General Government, noted that the subcommittee reviewed the Commissioner's proposal noting that a change was made to line 58100, Interest on Tax Anticipation Notes, by adding \$19,499, taken from the Treasurer's Bond Bank Fees, for a total of \$359,499. Rep. Reagan made a motion to approve \$2,722,355 for the General Government budget. Rep. Griffin seconded the motion. The motion was approved by a voice vote.

Projects/Capital Improvements –Rep. Charron, in Rep. Introne’s absence, made a motion to approve \$475,000 for the Project budget. Rep. Reagan seconded the motion. The motion was approved by a voice vote.

Rep. Charron, in Rep. Introne’s absence, made a motion to approve the 2009 Rockingham County Projects List. Rep. Kappler seconded the motion. The motion was approved by a voice vote.

Grants – Rep. Reagan, Chairman of the Grants Subcommittee, noted that the subcommittee did not make any changes to the Commissioner’s proposal. Rep. Reagan made a motion to approve \$1,300,000 for the Grants budget. Rep. Griffin seconded the motion. The motion was approved by a voice vote.

Finance – Rep. Bettencourt, Chairman of the Revenue/Finance Subcommittee, reviewed his report dated January 30, 2009, noting that the subcommittee reviewed the Finance budget in detail; specifically, the 70 percent increase in software. He commented that he and the subcommittee were satisfied with the Commissioner’s and Ms. Young’s recommendation on that. Rep. Major questioned the increase. Rep. Bettencourt noted that there is also a 31 percent increase in the software/payroll project to a new system that is more updated. He noted that updates to be compatible to the new system were necessary, which over the long-term should reflect a savings. . Rep. Bettencourt made a motion to approve \$979,464 for the Finance Office budget. Rep. Griffin seconded the motion. The motion was approved by a voice vote.

Engineering & Maintenance – Rep. Kappler, Chairman of the Maintenance Subcommittee, reviewed his report dated January 19, 2009. Rep. Kappler noted that the subcommittee met and discussed all line items and no changes were made to the Commissioner’s proposal. Rep. Kappler made a motion to approve \$4,434,078 for the Engineering/Maintenance budget. Rep. Charron seconded the motion. The motion was approved by a voice vote.

IT – Rep. Stiles, Chair of the IT Subcommittee, reviewed her report dated January 23, 2009. Rep. Stiles noted that the subcommittee reviewed the IT operating budget and made no changes to the Commissioner’s proposal. Rep. Stiles made a motion to approve \$341,011 for the IT budget. Rep. Charron seconded the motion. The motion was approved by a voice vote.

Human Services – Rep. Gould, Chairman of the Human Services Subcommittee, reviewed his report dated January 26, 2009. Rep. Gould explained that the subcommittee unanimously supported the Human Services budget as proposed by the Commissioners. Rep. Gould made a motion to approve 16,893,138 for the Human Services budget. Rep. Charron seconded the motion. The motion was approved by a voice vote.

Jail – Rep. Flanders, Chairman of the Jail Subcommittee, reviewed his report dated January 19, 2009. Rep. Flanders noted that the subcommittee reviewed the operating budget as proposed by the Commissioners. Rep. Flanders made a motion to approve \$9,815,861 for the Jail budget. Rep. Charron seconded the motion. The motion was approved by a voice vote.

UNH Cooperative Extension – Rep. Casey, Chair of the UNH Cooperative Extension Subcommittee, reviewed her report dated January 26, 2009. Rep. Casey made a motion to reduce line 53900 Conferences/Training/Continuing Education by \$2,000, as recommended by Ms. Boozer-Blasco, Director. Rep. Casey made a motion to approve \$563,463 for the UNH Cooperative Extension budget. Rep. Garrity seconded the motion. The motion was approved by a voice vote.

Human Resources - Rep. Reagan, Chairman of the Human Resources Subcommittee, reviewed his report dated January 26, 2009. Rep. Reagan noted that the subcommittee did not recommend any changes to the Commissioner’s proposal. Rep. Reagan made a motion to approve \$421,986 for the Human Resources budget. Rep. Griffin seconded the motion. The motion was approved by a voice vote.

Non-County Specials – Rep. Charron, in Rep. Quandt’s absence, referring to the Non-County Specials Subcommittee Report dated January 23, 2009, made a motion to approve \$282,500 for the Non-County Specials budget. Rep. Welch seconded the motion. Rep. Welch questioned, noting that the Emergency Unit Fire Training was noted funded, as to whether this would preclude them to request funding in the future. Ms. Young

responded no and explained. Commissioner Pratt also explained. There being no further questions, the motion was approved by a voice vote.

Long-Term Care – Rep. Garrity, Chairman of the Long-Term Care Subcommittee, referred to his report dated January 23, 2009. He noted that all line items and revenue items in the Long-Term Care budget were reviewed by the subcommittee members. He noted that the Nursing Home is looking to increase the amount of skilled nursing beds to enhance revenues. Rep. Garrity made a motion to approve \$25,309,207 for the Long-Term Care budget. Rep. Charron seconded the motion. The motion was approved by a voice vote.

Chair Pantelakos recognized Rep. Major who had a question relative to the Maintenance budget. Specifically, Page 13 – Fuel for RCNH and Jail. He wanted to know if the fuel is prepaid, and questioned the increase from \$650,000 in 2008 to \$871,000 requested for this year. Ms. Gates explained that bids for fuel go out annually in September. She explained that the increase is due to the fact that we are coming off a one-year and two-year fixed price.

Revenues – Rep. Bettencourt, Chairman of the Revenues Subcommittee, referred to his report dated January 30, 2009. He explained that the subcommittee reviewed the revenues budget; specifically, the Registry of Deeds to see if revenue estimates are where they should be. He noted that they are confident that they are. Rep. Major questioned the Nursing Home revenues. Mr. Woods explained. Rep. Major questioned the cost on a per-day-basis for a resident in the Nursing Home and how does that figure compare to other counties. Commissioner Barrows commented regarding their effort to keep costs down. Commissioner Pratt, referring to Rep. Major's question, noted that they have not run that exercise for two to three years. Rep. Major wanted to know if the Commissioners will be running the exercise. Commissioner Pratt noted that she will call the New Hampshire Association of Counties to obtain that information.

Rep. Cali-Pitts questioned as we move forward to the skilled care area without increasing the number of beds, is it going to be more difficult for an individual with Medicaid to become a resident. Commissioner Barrows explained that we will most likely take our current nursing home patients to our skilled care facility. Discussion ensued.

Rep. Garrity added that we are also trying to increase the adult medical day care services which do bring in good revenues to the Nursing Home.

Rep. Bettencourt made a motion to approve \$68,157,031 for the Revenues budget. Rep. Charron seconded the motion. The motion was approved by a voice vote.

Chair Pantelakos recognized Rep. Charron who read the following 2009 Resolutions as proposed:

RESOLUTION 1 - 2009

Be it resolved that the Rockingham County Convention accept the position listing as presented with the total number of authorized positions for 2009 being 687 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. Charron made a motion to approve Resolution 1-2009 as presented. Rep. Welch seconded the motion. Chairman. Pantelakos called for questions. There were none. The motion was approved by a voice vote.

RESOLUTION 2 – 2009

Be it resolved that the Rockingham County Convention, upon the recommendation of the Executive Committee, recommend approximately \$485,000 for increases related to the new pay plan incorporated into the 2009 budget. In addition, the mileage reimbursement rate continues to mirror the Federal rate for 2009.

Rep. Charron made a motion to approve Resolution 2-2009 as presented. Rep. Flanders seconded the motion. Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote.

RESOLUTION 3 – 2009

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. Charron made a motion to approve Resolution 3-2009 as presented. Rep. Reagan seconded the motion. Rep. Pantelakos called for questions. Rep. Cali-Pitts expressed concern regarding the language “authorization requires the majority of the 5 officers” in that if the majority of the 5 officers disapprove of the action, there is no full appeal to the Delegation. She commented that this sets a bad prescient. Rep. Pantelakos called for further questions. There were none. The motion was approved by a voice vote. Rep. Cali-Pitts opposed.

RESOLUTION 4 - 2009

I move that \$35,387 be appropriated for salary payments for the Delegation Coordinator.

Rep. Charron made a motion to approve Resolution 4-2009 as presented. Rep. Griffin seconded the motion. Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote.

RESOLUTION 5 - 2009

Be it resolved that the Rockingham County Convention approve the following benefits as described below and approval of all benefits as outlined in the 2009 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 \$3.00 per position in 2009.

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	\$1000

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. Charron made a motion to approve Resolution 5-2009 as presented. Rep. Flanders seconded the motion. Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote.

RESOLUTION 6 – 2009

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. Charron made a motion to approve Resolution 6-2009 as presented. Rep. Reagan seconded the motion. Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote.

RESOLUTION 7 – 2009

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. Charron made a motion to approve Resolution 7-2009 as presented. Rep. Kappler seconded the motion. Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote.

RESOLUTION 8 – 2009

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. Charron made a motion to approve Resolution 8-2009 as presented. Rep. Reagan seconded the motion. Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote.

RESOLUTION 9 - 2009

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

Rep. Charron made a motion to approve Resolution 9-2009 as presented. Rep. Reagan seconded the motion. Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote.

RESOLUTION 10 - 2009

That the Rockingham County Convention, in accordance with RSA 24:13, authorize \$73,143,520 in appropriations and \$70,758 in reserves and encumbrances for the use of the County during 2009. That \$41,779,570 be raised in new county taxes, that \$26,463,950 be accepted as an estimate of revenues from other sources, and that \$5,570,758 is accepted as fund balance for a total of \$73,814,278 in resources.

Rep. Charron made a motion to approve Resolution 10-2009 as presented. Rep. Welch seconded the motion. Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote. Rep. Cali-Pitts opposed.

RESOLUTION 11 -2009

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

Rep. Charron made a motion to approve Resolution 11-2009 as presented. Rep. Reagan seconded the motion. Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote.

RESOLUTION 12 -2009

Authorization for Rockingham County to Pay 2010 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 \$11.6 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 \$11.6 million for 2010 expenses during the months of January and February in anticipation of the subsequent approval of the 2010 budget.

Further, that the \$11.6 million be allocated proportionately to line items based on 2009 approved net appropriations to fund like operating and personnel expenses in existence as of 12/31/09.

Rep. Charron made a motion to approve Resolution 12-2009 as presented. Rep. Reagan seconded the motion. Rep. Welch explained that this is a continuing resolution that must be approved each year by the Convention. It makes good sense to request that the Delegation approve this at the time of the February 17, 2009 budget meeting so we do not have to call a special meeting of the Convention, as in years past.

Chairman Pantelakos called for questions. There were none. The motion was approved by a voice vote.

Chairman Pantelakos called for other business or questions or comments. There were none. Rep. Flanders made a motion to adjourn the meeting. Rep. Charron seconded the motion. The motion was approved.

There being no further business to come before the committee, Chairman Pantelakos adjourned the meeting at 6:58 p.m.

Respectfully submitted,

Cheryl A. Hurley

Delegation Coordinator

Rep. David A. Welch, Clerk

Rockingham County Executive Committee

MINUTES OF ROCKINGHAM COUNTY DELEGATION MEETING

Tuesday, February 17, 2009 at 6:00 p.m.

Hilton Auditorium, Rockingham County Nursing Home, Brentwood NH

The members of the Rockingham County Delegation met on Tuesday, February 17, 2009 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 2009 County budget.

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

Rep. Gene Charron 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 58 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 Abbott, Allen, Baldassaro, Belanger, Bishop, Bridle, Brown, Cali-Pitts, Case, Casey, Charron, Comerford, Crisler, Cushing, DeSimone, Devine, DiPentima, Elliott, Emiro, Fesh, Flanders, Garrity, Gleason, Gould, Griffin, Hagan, Headd, Henson, Hoelzel, Howard, Hutchinson, Ingram, Itse, Kappler, G. Katsakiores, P. Katsakiores, Kolodziej, Lyons, Mann, McCarthy, Moody, Nevins, Nord, Packard, Pantelakos, Perkins, Priestley, Griffin, Reagan, J. Russell, K. Russell, Sanders, Sapareto, D. Scamman, S. Scamman, Sedensky, Smith, Splaine, Sullivan, Tucker, VanPatten, Weare, Webber, and Welch.

Excused: Rep. Bettencourt, Dowling, Ferrante, Kepner, McKinney, Norelli, Quandt, Stiles, and Wells.

Also Present: Commissioners Barrows, Pratt, Stritch; Theresa Young, Finance Officer; Kathy Nikitas, Finance; Steven Woods, Long Term Care Administrator; 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; Major Mark Pierce, Sheriff's Office; Sheriff Daniel Linehan, High Sheriff; Martha Roy, Human Resources Director; Claudia Boozer-Blasco, 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.

Commissioner Pratt provided an overview of the 2009 budget highlights. She noted that the budget presented is the recommendations of the Executive Committee.

Chairman Major recognized Rep. John Sedensky, Chairman of the Salary Subcommittee, who reviewed the recommendations of the Salary Subcommittee as noted in his report dated February 2, 2009.

Chairman Major recognized Rep. Mary Griffin who read Resolution 1-2009 as follow:

RESOLUTION 1 - 2009

Be it resolved that the Rockingham County Convention accept the position listing as presented with the total number of authorized positions for 2009 being 687 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. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Mary Griffin who read Resolution 2-2009 as follows:

RESOLUTION 2 – 2009

Be it resolved that the Rockingham County Convention, upon the recommendation of the Executive Committee, recommend approximately \$485,000 for increases related to the new pay plan incorporated into the 2009 budget. In addition, the mileage reimbursement rate continues to mirror the Federal rate for 2009.

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

Chairman Major recognized Rep. Mary Griffin who read Resolution 3-2009 as follows:

RESOLUTION 3 – 2009

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

Chairman Major recognized Rep. Mary Griffin who read Resolution 4-2009 as follows:

RESOLUTION 4 - 2009

I move that \$35,387 be appropriated for salary payments for the Delegation Coordinator.

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

Chairman Major recognized Rep. Mary Griffin who read Resolution 5-2009 as follows:

RESOLUTION 5 - 2009

Be it resolved that the Rockingham County Convention approve the following benefits as described below and approval of all benefits as outlined in the 2009 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 \$3.00 per position in 2009.

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

Chairman Major recognized Rep. Mary Griffin, Vice Chair of the Delegation, who read the department budget amounts recommended by the Executive Committee for approval.

Delegation: Rep. Griffin made a motion to approve \$87,279 for the Delegation Office budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Treasurer: Rep. Griffin made a motion to approve \$13,804 for the Treasurer's Office budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

County Attorney: Rep. Griffin made a motion to approve \$2,790,305 for the County Attorney's Office budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

District Court: Rep. Griffin made a motion to approve \$205,765 for the District Court budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Medical Examiner: Rep. Griffin made a motion to approve \$45,601 for the Medical Examiner's budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Sheriff's Department: Rep. Griffin made a motion to approve \$4,886,732 for the Sheriff's Office budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Registry of Deeds: Rep. Griffin made a motion to approve \$1,395,566 for the Deeds Office budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Commissioners: Rep. Griffin made a motion to approve \$180,410 for the Commissioners Office budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

General Government: Rep. Griffin made a motion to approve \$2,722,355 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. Griffin made a motion to approve \$475,000 for the Projects budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Rep. Griffin made a motion to approve the 2009 Projects List. Rep. Flanders seconded the motion. Chairman Major called for further questions. There were none. The motion was approved by a voice vote.

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

Finance: Rep. Griffin made a motion to approve \$979,464 for the Finance Office budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Engineering/Maintenance: Rep. Griffin made a motion to approve \$4,434,078 for the Engineering/Maintenance budget. Rep. Flanders seconded the motion. Chairman Major called for questions. Rep. Kappler commended Ms. Gates for her continued efforts in keeping the budget down despite the high costs for fuel. The motion was approved by a voice vote.

IT: Rep. Griffin made a motion to approve \$341,011 for the IT budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Human Services: Rep. Griffin made a motion to approve \$16,893,138 for the Human Services budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Jail: Rep. Griffin made a motion to approve \$9,815,861 for the Jail budget. Rep. Belanger seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

UNH Cooperative Extension: Rep. Griffin made a motion to approve \$563,463 for the UNH Cooperative Extension budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Human Resources: Rep. Griffin made a motion to approve \$421,980 for the Human Resources budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Non-County Specials: Rep. Griffin made a motion to approve \$282,500 for the Non-County Specials budget. Rep. Flanders seconded the motion. Chairman Major called for questions. Rep. Welch questioned the zero funding in the Emergency Unit Fire Training line. Ms. Young explained that they can request funding for next year.

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

Long Term Care Services: Rep. Griffin made a motion to approve \$25,309,207 for the Long Term Care Services budget. Rep. Flanders seconded the motion. Chairman Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Griffin who made a motion to approve Resolution 6-2009 as follows:

RESOLUTION 6 – 2009

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

Chairman Major recognized Rep. Griffin who read Resolution 7-2009 as follows:

RESOLUTION 7 – 2009

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

Chairman Major recognized Rep. Griffin who read Resolution 8-2009 as follows:

RESOLUTION 8 – 2009

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

Chairman Major recognized Rep. Griffin who read Resolution 9-2009 as follows:

RESOLUTION 9 - 2009

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. Griffin who read Resolution 10-2009 as follows:

RESOLUTION 10 - 2009

That the Rockingham County Convention, in accordance with RSA 24:13, authorize \$73,143,520 in appropriations and \$670,758 in reserves and encumbrances for the use of the County during 2009. That \$41,779,570 be raised in new county taxes, that \$26,463,950 be accepted as an estimate of revenues from other sources, and that \$5,570,758 is accepted as fund balance for a total of \$73,814,278 in resources.

Rep. Pantelakos requested that Resolution 10-2009 be considered for a roll call vote.

Chairman Major recognized Clerk Welch who conducted a roll call vote on Resolution 10-2009. Clerk Welch conducted the roll call and reported the following: 33 yes, 11 nay. Resolution 10-2009 passed.

Chairman Major recognized Rep. Griffin who read Resolution 11-2009 as follows:

RESOLUTION 11 -2009

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

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

RESOLUTION 12 -2009

Authorization for Rockingham County to Pay 2010 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 \$11.6 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 \$11.6 million for 2010 expenses during the months of January and February in anticipation of the subsequent approval of the 2010 budget.

Further, that the \$11.6 million be allocated proportionately to line items based on 2009 approved net appropriations to fund like operating and personnel expenses in existence as of 12/31/09.

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

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 OF ROCKINGHAM COUNTY CONVENTION **PUBLIC HEARING**

Thursday, September 24, 2009 at 7:00 p.m.

Hilton Auditorium, Rockingham County Nursing Home, Brentwood NH

The Chairman of the Rockingham County Delegation conducted a public hearing on Thursday, September 24, 2009 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 consider a request from the Board of Commissioners in a letter dated August 13, 2009, to consider a Biomass Boiler Plant Project at the Rockingham County Complex.

Rep. Norman L. Major, Chairman, called the Public Hearing to order at 7:03 p.m.

Chairman Major reviewed the ground rules and format for the meeting. Chairman Major recognized the Board of Commissioners for the Biomass Boiler Plant presentation. Commissioner Barrows referred to Ms. Gates, Director of Engineering & Maintenance Services, who briefly reviewed the potential of a wood burning project on the county complex, noting that the energy management project goals are to find a green project with the biomass being the best proposal. Ms. Gates distributed information regarding the project.

Representatives from Honeywell were present to provide a slide-show presentation on the Biomass Boiler Plant Project.

Rep. Charron questioned the connectivity to the Jail. Mr. Howe explained. Rep. Charron questioned if the connectivity had been approved. Mr. Howe responded not yet, but we do not see it to be a problem. Rep. Charron questioned if the project replaces the current boilers at the Jail. Mr. Howe responded that it does not replace them completely; rather, it would replace approximately 80 to 85 percent of fuel currently used. He noted that backup boilers are still in place and ready to go when needed.

Rep. Charron questioned combustibility and whether there is a danger factor. Mr. Marcotte noted that the building would include a sprinkler system. Rep. Charron questioned if this would qualify for credit from the government to monetize carbon. Mr. Lucy commented that he is unsure, but does not think so. The county is tax exempt.

Rep. Cali-Pitts questioned if the county would be eligible for credit. Ms. Young explained that we are exploring all the options and welcome any help.

Rep. Cali-Pitts questioned the noise impact. Mr. Gates commented that the plant should be quieter than what is currently in place. Rep. Cali-Pitts had several questions relative to the plant regarding supply, radius and availability of wood chips, the traffic, and ash content. Ms. Gates noted that the ash can be used on the fields in lieu of lime. Our storage capacity would be for 4 ½ days during the coldest time of the year, and the wood chips will come from the Schiller Station in Portsmouth.

Rep. Casey questioned if in the grant there is a buy-American clause that is part of the stimulus money. Rep. Casey questioned how far along we are with our energy efficiency efforts, and could we look at smaller systems or more efficient system. Ms. Gates responded that she is not sure what the ratio is. She further explained that we finalized a major energy project at the complex, and hit just about everything. Energy efficiency is at the forefront. Renewable energy is the only thing we haven't hit yet.

Rep. Welch wanted to know how many trucks would be using North Road, from what direction, and if the Town of Brentwood is in support of the project. Mr. Lucy noted there would not be a difference. Ms. Gates referred to the purpose of the Public Hearing is to inform residents in the area, and the state has also been contacted.

Rep. Pantelakos questioned the Town of Brentwood Fire Department, referring to serious fires at the Schiller plant.

Rep. Kappler questioned if there was metal in the chips. Mr. Howe responded no.

Rep. Garrity further questioned. It was noted that the chips are whole tree chips, not construction chips.

Rep. Cali-Pitts questioned if the grant has been awarded yet. Ms. Young, Finance Officer, responded no, noting that the application is being submitted tomorrow. Rep. Cali-Pitts questioned if the grant becomes available what would be the projected break ground date. Ms. Young responded March 2010, and would require Delegation approval for any financial votes needed. Rep. Cali-Pitts questioned the price of wood chips projected one year out and if anyone has considered what the five year price would be. Rep. Cali-Pitts questioned if the woodchips are the same type of wood used to make pallets, noting that there was a problem getting pallets last year. Rep. Webber noted that they are hardwood chips, and that creosote is not an issue.

Rep. Katsakiores questioned clarification on the language regarding the costs, noting there is a savings on electricity, and the possibility of stimulus money.

Rep. Major wanted to know if the grant is not available or the count does not get the stimulus money, is the county still going forward with the project. Ms. Gates noted that the project has been on the long range plan for a few years now.

Rep. Gleason questioned the volatility for the long range over a period of years if the price shifts dramatically by consumption of more users. Mr. Lucy responded that he doesn't think anyone knows the answer to the question

Rep. Major asked for the financial summary again. The simple payback is 7.7 years. He questioned that if the grant does not come in, it would be about 15 ½ years. Mrs. Lucy responded yes.

Rep. Pantelakos noted that oil prices are based on higher usage, and if we cut our oil usage down to one-third next year, would the price go up. Ms. Gates explained that the county always seeks competitive bids with regards to oil pricing.

Commissioner Barrows noted that the county has been green for quite a few years now, and there isn't anything about this project that is a negative. She explained that she is confident in Ms. Gates and Ms. Young and that we should proceed accordingly with their advice.

Rep. Pantelakos questioned the impact on the tax rate. Commissioner Barrows responded. Rep. Pantelakos wanted to know when we could see a cost savings in the budget.

Ms. Young noted the purpose of this meeting was to present the project, but the finances are important as well. The county is continually looking at capital planning and will bond anything that comes our way. We need to start looking forward putting money aside that allows us to move forward with regards to projects. She also noted that the appeal was won from Washington, and we are moving forward. If we don't get the money in grants, then we will most likely move forward as it makes good sense to do so. We have options to finance the project.

Rep. Katsakiores, referring to information sheet regarding available bonding for counties that he read aloud, questioned if it is county government's responsibility to turn over bonding responsibilities to the state. It restricts the county to some degree so that the state doesn't lose any funding.

Ms. Young clarified that there are a variety of bonds made available. We can turn the authority back to the state. She read a letter from the Commissioners to the state requesting that a representative be appointed to make sure the funds are going where they should.

Rep. Katsakiores had a follow-up question. Ms. Young explained that we will turn our allotment over to the state and a letter regarding such will be forwarded to the Delegation.

There being no further questions or comments, Rep. Flanders made a motion to adjourn. Rep. Casey seconded the motion. The motion was approved by a voice vote.

Chairman Major adjourned the Public Hearing at 8:20 p.m.

Respectfully submitted,
Cheryl A. Hurley
Delegation Coordinator

Rep. David A. Welch, Clerk
Rockingham County Delegation

MINUTES OF ROCKINGHAM COUNTY EXECUTIVE COMMITTEE MEETING

Monday, November 2, 2009 at 5:30 p.m.

Hilton Auditorium, Rockingham County Nursing Home, Brentwood NH

The members of the Rockingham County Executive Committee met on Monday, November 2, 2009 at 5:30 p.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood. The purpose of the meeting was to review the motions for the Biomass Boiler Plant Project in preparation for the Delegation Meeting scheduled for 6:00 p.m., as well as consider line item transfer requests for approval.

Rep. Laura C. Pantelakos, Chair, called the meeting to order at 5:35 p.m.

Chairman Pantelakos recognized Rep. David A. Welch, Clerk, for the roll call. Rep. Welch conducted the roll call and reported a total of 11 members present.

Chairman Pantelakos declared that a quorum was present.

Those present were: Rep. Pantelakos, Chair; Representatives Charron, Flanders, Garrity, Gould, Griffin, Kappler, Katsakiores, Major, Weare, and Welch.

Also Present: Commissioners Barrows, Pratt, and Stritch; Theresa Young, Finance Officer; Kathy Nikitas, Finance Office; Cheryl A. Hurley, Delegation Coordinator.

Chairman Pantelakos recognized Rep. Major, Convention Chairman, who made a motion to approve the following motion:

Be it resolved that we, the Rockingham County Convention, in accordance with RSA 28:7 and upon the recommendation of the Rockingham County Executive Committee, authorize the addition of the proposed biomass project to the Delegation 2009 Approved Projects List.

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

Chairman Pantelakos recognized Rep. Major, Delegation Chairman, who read the following motion:

Be it resolved, in accordance with Section 1400U-1(a)(3)(A) of the Act, and based on the Board of Commissioners vote on September 23, 2009 and the County Convention vote on November 2, 2009, Rockingham County waives the Recovery Zone Facilities Bond volume cap allocation. It is understood that the waived bond cap will be reallocated by the State, as it shall determine in good faith with the understanding that the Lonza expansion project, located at the Pease Tradeport designated recovery zone, as well as projects in Grafton, Coos, and Carroll Counties be given priority for reallocation of our volume cap.

Rep. Welch seconded the motion. Chairman Pantelakos recognized Rep. Garrity who questioned the language. Ms. Young, Finance Officer, explained. Chairman Pantelakos further questioned. Rep. Welch, referring to the language in the proposed letter, questioned why a representative from the Delegation would be appointed to participate in conversations regarding the allocation that currently does not exist. Ms. Young further explained. Rep. Welch suggested that the Executive Committee give the authority to the Delegation Chairman to appoint a representative from the Delegation when the time is appropriate. Discussion ensued.

Rep. Welch suggested that the following language be added to the motion:

Further, that the Delegation authorize the Delegation Chairman to appoint a representative to attend and participate in conversations regarding the allocation. Rep. Major made a motion to amend the original motion with the language as stated above. Rep. Welch seconded the motion. The motion was approved by a voice vote.

Chairman Pantelakos recognized Rep. Kappler who made the following motion:

That we, the Rockingham County Executive Committee, designate Rep. James Garrity to attend and participate in conversations regarding the allocation. Rep. Welch seconded the motion. The motion was approved by a voice vote.

Chairman Pantelakos recognized Rep. Flanders who read the following line item transfer requests:

The next order of business was to consider line item transfer requests that were distributed to the members for approval.

Line Item Transfer Requests:

Chairman Pantelakos recognized Rep. Flanders who read the following line item transfer requests:

Transfer from line item 11600000-54824 CO Certification Expenses \$2,500 to line 11600000-54847 Health & Safety Supplies \$2,500.

Comments/Explanation: To purchase biohazard kits, disposable resuscitators, pathogen kit refills and masks.

Rep. Flanders made a motion to approve the line item transfer request as presented. Rep. Charron seconded the motion. The motion was approved by a voice vote.

Chairman Pantelakos recognized Rep. Flanders who read the following line item transfer requests:

Transfer from line item 11600000-51301 CO Salaries \$54,000 to line 11600000-51402 Jail Overtime \$54,000.

Comments/Explanation: Request a transfer of \$54,000 to the overtime line due to excessive illnesses and FMLAs.

Rep. Flanders made a motion to approve the line item transfer request as presented. Rep. Charron seconded the motion. The motion was approved by a voice vote.

There being no further business, the meeting adjourned at 5:53 p.m.

Respectfully submitted,
Cheryl A. Hurley
Delegation Coordinator

Rep. David A. Welch, Chairman
Rockingham County Executive Committee

MINUTES OF ROCKINGHAM COUNTY DELEGATION MEETING

Monday, November 2, 2009 at 6:00 p.m.

Hilton Auditorium, Rockingham County Nursing Home, Brentwood NH

The Chairman of the Rockingham County Convention held a meeting of the Delegation on Monday, November 2, 2009 at 6:00 p.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood. The purpose of the meeting was to vote to authorize the addition of the Proposed Biomass Boiler Plant Project to the Delegation 2009 Approved Projects List.

Norman L. Major, Chairman, called the meeting to order at 6:04 p.m.

Chairman Major recognized Rep. Gene P. Charron who delivered the Invocation.

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

Chairman Major recognized Rep. David A. Welch, Clerk, who conducted the roll call. Clerk Welch reported a total of 36 members present at the time the roll was called. Clerk Welch reported that a quorum was not present.

Those present were: Representative Norman L. Major, Chairman; Representatives Allen, Case, Casey, Charron, Devine, Ferrante, Fesh, Flanders, Garrity, Gleason, Gould, Griffin, Hagan, Howard, Introne, Kappler, G. Katsakiores, P. Katsakiores, Lyons, McCarthy, McKinney, Moody, Nord, Pantelakos, Priestley, Rausch, Sanders, D. Scamman, S. Scamman, Schlachman, Smith, Splaine, Sullivan, Tucker, Weare, and Welch.

Excused: Representatives Headd, Sedensky, Reagan, Ingram, Stiles, Bishop, Hoelzel, Dowling, Nevins, A. Perkins, L. Perkins,

Chairman Major informed the members that a quorum was not present to conduct business. Chairman Major asked the members, by way of show of hands, if they would like to go on with the presentation from Honeywell. Those present were in favor and a presentation from Honeywell ensued.

There being no further business to come before the members, the meeting adjourned at 6:47 p.m.

Respectfully submitted,
Cheryl A. Hurley
Delegation Coordinator

Rep. David A. Welch, Clerk
Rockingham County Delegation



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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
County of Rockingham, New Hampshire

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of County of Rockingham, New Hampshire, as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of County of Rockingham'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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of County of Rockingham, as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis appearing on the following pages, and the supplementary information appearing on page 42 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management

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

In addition, the supplementary information appearing on pages 43 - 48, is presented for purposes of additional analysis and is not a required part of the basic financial statements of County of Rockingham. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 16, 2010 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Melanson, Heath & Company, P.C.

Nashua, New Hampshire
June 16, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

The County of Rockingham's financial management offers readers of these financial statements this narrative, overview and analysis of the financial activities of the County of Rockingham (County) for the year ended December 31, 2009. This discussion and analysis is designed to readers in focusing on the significant financial issues and activities of the County and to identify any significant change in financial position. 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.

A. FINANCIAL HIGHLIGHTS – GOVERNMENT WIDE

- The assets of the County exceeded its liabilities at the close of the fiscal year by \$ 50,854,171 (net assets).
- The County's total net assets reflect a reduction of \$ 245,995 and its long-term liabilities continue to decrease as debt is paid off.

B. FINANCIAL HIGHLIGHTS – FUND STATEMENTS

- As of the close of the year, the County's reported combined ending fund balances of \$ 22,560,062 were an increase of \$ 1,619,712 in comparison with the prior year, as restated. The increase is due to a rare transfer from the health fund of almost \$ 2 million as a result of health fund elimination.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$ 17,233,107, or 24% of total General Fund (budgeted) appropriations.
- The County's total debt decreased by \$ 1,489,735 during the current year.
- The County retains an Aa2 bond rating for its long-term borrowing and maintained its MIG-1 rating on its short-term borrowing. This bond rating is a clear indication of the sound financial condition of the County.

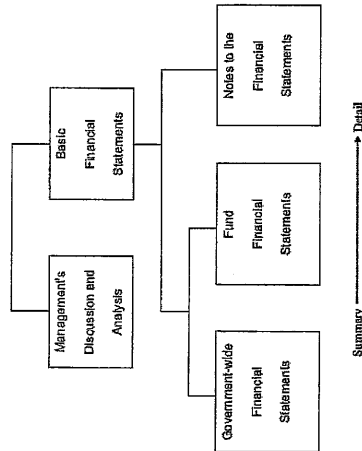
C. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the 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 fund 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



D. ANALYSIS OF NET ASSETS

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. Unrestricted net assets can be used to finance day-to-day operations of the County and reduce the effect of property taxes.

Table 1

	<u>NET ASSETS</u>	
	Governmental Activities	
	2009	2008 *
Current and other assets	\$ 39,800,173	\$ 39,270,152
Capital assets	32,756,234	33,790,587
Total assets	72,556,407	73,060,739
Long-term liabilities	9,104,067	10,710,614
Other liabilities	12,598,169	11,249,959
Total liabilities	21,702,236	21,960,573
Net assets:		
Invested in capital assets, net	27,315,849	26,880,466
Restricted	760,944	734,177
Unrestricted	22,777,378	23,485,523
Total net assets	\$ 50,854,171	\$ 51,100,166

* = As restated

Table 2

	<u>CHANGES IN NET ASSETS</u>	
	Governmental Activities	
	2009	2008 *
Revenues:		
Program revenues:		
Charges for services	\$ 25,096,939	\$ 23,899,192
Operating grants and contributions	669,376	241,561
General revenues:		
Taxes	41,779,570	40,038,075
Other	267,829	608,370
Total revenues	67,813,714	64,787,198

* = As restated

(continued)

	Governmental Activities	
	2009	2008 *
Expenses:		
Administration	6,125,574	6,057,728
Law enforcement	15,055,272	14,745,430
Human care and services	40,269,193	40,909,577
Other	6,375,079	5,887,550
Debt interest	234,591	278,715
Total expenses	68,059,709	67,879,000
Change in net assets	(245,995)	(3,091,802)
Net assets - beginning of year		
(as restated)	51,100,166	54,191,968
Net assets - end of year	\$ 50,854,171	\$ 51,100,166

* = As restated

E. 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, 2009, unreserved fund balance represents 24% of total General Fund (budgeted) appropriations, while total fund balance represents 25% of that same amount.

F. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. At December 31, 2009 the County reported \$ 32.7 million in capital assets, net of depreciation, which includes construction in progress of \$ 954,402. These assets include land, buildings and improvements, machinery, equipment and furnishings, and vehicles.

Long-term debt. At December 31, 2009 the County had \$ 5.4 million in outstanding long-term debt. \$ 1.6 million originates from a general obligation

bond maturing in 2012. An additional \$ 665,000 is for a general obligation bond maturing in 2010. The final \$ 3.1 million is for capital leases, including an energy management project completed in 2004.

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

G. ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- A temporary increase in Federal Medical Assistance Percentage for Medicaid expenditures to the State of New Hampshire results in a temporary decrease in expenditures totaling approximately \$ 3.75 million. The reduction in expenditures contributes to a .5% decrease in 2010 appropriations.
- Property taxes account for 58% of expected resources for 2010.
- The Nursing Home instituted a new therapy services program, generating revenues that offset the Medicaid losses.

REQUESTS FOR INFORMATION

This financial report is intended to provide report users with a general overview of the County's finances at December 31, 2009. Questions about this report can be directed to the Finance Office at 119 North Road, Brentwood, New Hampshire, 03833. Additional information about the County of Rockingham can be found at www.co.rockingham.nh.us.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE STATEMENT OF NET ASSETS DECEMBER 31, 2009

	Governmental Activities
ASSETS	
Current:	
Cash and short-term investments	\$ 33,537,633
Investments	69,300
Receivables, net	
Intergovernmental	3,723,589
Other	944,433
Due from fiduciary funds	323,741
Prepaid expenses	379,745
Inventory	821,569
Other assets	163
Noncurrent:	
Capital Assets:	
Land	578,867
Construction in progress	964,402
Other assets, net of accumulated depreciation	31,222,975
TOTAL ASSETS	72,566,407
LIABILITIES	
Current:	
Accounts payable	1,190,236
Accrued payroll and related liabilities	1,622,205
Deferred revenues	112,064
Intergovernmental payables	8,515,406
Incurred but not reported claims liability	1,110,009
Accrued interest payable	48,249
Current portion of long-term liabilities:	
Bonds payable	1,220,000
Capital lease payable	316,794
Compensated absences	3,229,613
Noncurrent:	
Bonds payable, net of current portion	1,105,000
Capital lease payable, net of current portion	2,798,591
Compensated absences, net of current portion	182,621
OPEB liability	251,548
TOTAL LIABILITIES	21,702,236
NET ASSETS	
Invested in capital assets, net of related debt	27,315,849
Restricted for:	
Grants and other statutory restrictions	732,863
Permanent funds:	
Nonexpendable	25,433
Expendable	2,648
Unrestricted	22,777,378
TOTAL NET ASSETS	\$ 50,864,171

See notes to the financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2009

	Program Revenues		Net (Expenses) Revenues and Changes in Net Assets	
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Expenses				
Governmental Activities:				
General government	\$ 1,347,924	\$ 516,998	\$ -	\$ (830,926)
Commissioners	175,099	-	-	(175,099)
Treasurer	13,082	-	-	(13,082)
County attorney	2,886,399	251,091	-	(2,635,308)
Medical examiner	40,091	-	-	(40,091)
Deeds	1,308,749	3,179,814	-	1,871,065
Sheriff/dispatch/radio	4,894,443	1,123,810	-	(3,618,255)
Delegation	73,006	-	-	(73,006)
Finance	877,558	-	-	(877,558)
Maintenance	4,238,953	20,329	-	(4,218,624)
Human services	934,828	402,365	-	(532,463)
Public assistance	13,636,987	-	-	(13,636,987)
Human resources	425,609	-	-	(425,609)
Corrections	10,160,829	331,861	-	(9,828,968)
Nursing home	24,107,531	18,504,223	-	(5,603,308)
Assisted living	1,549,756	1,266,772	-	(282,984)
Information technology	322,267	16,674	-	(305,593)
Extension service	549,507	-	-	(549,507)
Non-county specials	282,500	-	-	(282,500)
Interest	234,591	-	-	(234,591)
Total Governmental Activities	\$ 68,059,709	\$ 25,096,939	\$ 669,376	(42,293,394)
General Revenues:				
Taxes				41,779,570
Investment income				133,391
Miscellaneous				134,438
Total general revenues				42,047,399
Change in Net Assets				(245,995)
Net Assets:				
Beginning of year, as restated				51,100,166
End of year				\$ 50,854,171

See notes to the financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2009

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

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

DECEMBER 31, 2009

ASSETS

Cash and short-term investments					
Investments					
Receivables:					
Intergovernmental, net					
Other, net					
Due from other funds					
Prepaid expenses					
Inventory					
Other assets					
TOTAL ASSETS	\$ 24,565,097	\$ 2,863,910	\$ 294,511	\$ 27,723,518	\$ 22,560,062
	3,618,052	-	-	3,618,052	
	943,781	-	-	943,781	
	3,968,724	1,025,566	486,595	5,480,885	32,756,234
	377,528	-	-	377,528	
	821,569	-	-	821,569	
	163	-	-	163	
	<u>\$ 34,294,914</u>	<u>\$ 3,889,476</u>	<u>\$ 850,406</u>	<u>\$ 39,034,796</u>	

LIABILITIES AND FUND BALANCES

Liabilities:					
Accounts payable					
Accrued payroll and related liabilities					
Deferred revenues					
Intergovernmental payables					
Due to other funds					
Incurred but not reported claims liability					
TOTAL LIABILITIES	\$ 1,095,064	\$ 36,060	\$ -	\$ 1,131,124	(48,249)
	1,622,205	-	-	1,622,205	
	103,823	-	-	103,823	
	8,515,406	-	-	8,515,406	
	3,533,770	698,196	89,462	4,321,428	
	780,748	-	-	780,748	
	<u>15,661,016</u>	<u>734,256</u>	<u>89,462</u>	<u>16,474,734</u>	

Fund Balances:

Reserved for:					
Encumbrances and continuing appropriations					
Inventory					
Perpetual (unexpendable) permanent funds					
Prepaid expenses					
Unreserved:					
Undesignated, reported in:					
General fund					
Special revenue funds					
Capital project funds					
Permanent funds					
TOTAL FUND BALANCES	211,894	129,894	-	341,588	50,854,171
	821,569	-	-	821,569	
	-	-	25,433	25,433	
	377,528	-	-	377,528	
	17,233,107	-	-	17,233,107	
	-	-	732,863	732,863	
	-	3,025,326	-	3,025,326	
	-	-	2,648	2,648	
	<u>18,643,898</u>	<u>3,155,220</u>	<u>760,944</u>	<u>22,560,062</u>	
	<u>\$ 34,294,914</u>	<u>\$ 3,889,476</u>	<u>\$ 850,406</u>	<u>\$ 39,034,796</u>	

TOTAL FUND BALANCES
TOTAL LIABILITIES AND FUND BALANCES

See notes to the financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2009

	General	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 41,779,570	\$ -	\$ -	\$ 41,779,570
Charges for services	24,957,581	-	139,358	25,096,939
Intergovernmental	669,376	-	-	669,376
Investment income	66,638	16,678	4,750	88,066
Miscellaneous	36,529	48,066	42,972	127,567
Total Revenues	67,509,694	64,744	187,080	67,761,518
Expenditures:				
Current:				
General government	1,347,924	-	-	1,347,924
Commissioners	167,413	-	-	167,413
Treasurer	13,066	-	-	13,066
County attorney	2,899,680	-	8,578	2,908,256
Medical examiner	40,091	-	-	40,091
Deeds	1,280,451	-	-	1,280,451
Sheriff/dispatch/radio	4,986,797	-	-	4,986,797
Delegation	69,010	-	-	69,010
Finance	873,516	-	-	873,516
Maintenance	3,933,487	-	-	3,933,487
Human services	934,229	-	-	934,229
Public assistance	13,636,987	-	-	13,636,987
Human resources	421,979	-	-	421,979
Corrections	9,619,921	-	-	9,619,921
Nursing home	22,882,071	-	-	22,882,071
Assisted living	1,383,127	-	-	1,383,127
Information technology	314,344	-	-	314,344
Extension service	530,241	-	-	530,241
Non-county specials	282,500	-	-	282,500
Capital outlay	72,215	919,014	-	991,229
Debt service:				
Principal	1,220,000	-	198,010	1,418,010
Interest	105,850	-	150,686	256,536
Total Expenditures	67,014,899	919,014	355,272	68,289,185
Excess (deficiency) of revenues over expenditures	494,795	(854,270)	(168,192)	(627,667)
Other Financing Sources (Uses):				
Proceeds of capital lease	107,392	-	-	107,392
Transfers in	2,203,859	1,335,700	358,831	3,898,390
Transfers out	(1,694,531)	-	(163,872)	(1,858,403)
Total Other Financing Sources (Uses)	616,720	1,335,700	194,959	2,147,379
Change in fund balance	1,111,515	481,430	26,767	1,619,712
Fund Equity, at Beginning of Year, as restated	17,532,383	2,673,790	734,177	20,940,350
Fund Equity, at End of Year	\$ 18,643,898	\$ 3,155,220	\$ 760,944	\$ 22,560,062

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, 2009

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 1,619,712
• Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlay purchases, net	1,139,534
Depreciation	(2,173,888)
• The issuance of long-term debt (e.g., bonds and capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets:	
Issuance of debt	(107,392)
Repayments of debt - bonds	1,220,000
Repayments of debt - capital leases	357,128
• In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.	21,945
• Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds.	
Compensated absences - change in unfunded liability	519,708
OPEB liability	(251,548)
• Internal service funds are used by management to account for certain activities. The net activity of internal service funds is reported with Governmental Activities.	(2,591,194)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$ (245,995)

See notes to the financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF NET ASSETS

DECEMBER 31, 2009

Governmental
Activities
Internal
Service
Funds

ASSETS

Current:	
Cash and short-term investments	\$ 5,814,115
Receivables:	
Intergovernmental	106,537
Other	652
Due from other funds	2,030,685
Prepaid expenses	2,217
Total current assets	7,953,206
TOTAL ASSETS	7,953,206

LIABILITIES

Current:	
Accounts payable	59,112
Due to other funds	2,866,401
Deferred revenue	8,241
Incurred but not reported claims liability	329,261
Current portion of long-term liabilities:	
Compensated absences	563,586
Total current liabilities	3,826,601
Noncurrent:	
Compensated absences, net of current portion	1,070,773
Total noncurrent liabilities	1,070,773
TOTAL LIABILITIES	4,897,374

NET ASSETS

Unrestricted	3,055,832
TOTAL NET ASSETS	\$ 3,055,832

See notes to the financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

GENERAL FUND

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

FOR THE YEAR ENDED DECEMBER 31, 2009

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues and other sources:	\$ 41,779,570	\$ 41,779,570	\$ 41,779,570	\$ -
Taxes				
Charges for services:				
County attorney	227,878	227,878	239,091	11,213
Deeds	2,850,000	2,850,000	3,052,456	202,456
Sheriff/dispatch/radio	1,252,073	1,252,073	1,123,810	(128,263)
Maintenance	-	-	2,091	2,091
Information technology	17,000	17,000	16,674	(326)
Property management	21,520	21,520	18,238	(3,282)
Human services	826,528	826,528	402,365	(424,163)
Corrections	253,340	253,340	331,881	78,521
Long term care services:				
Nursing home	17,984,053	17,984,053	18,504,223	520,170
Assisted living	1,325,730	1,325,730	1,266,772	(58,958)
Intergovernmental	1,217,339	1,217,339	688,376	(547,963)
Investment income	400,000	400,000	66,638	(333,362)
Other revenues	-	-	36,529	36,529
Other financing sources:				
Transfers in	88,489	88,489	2,203,859	2,115,370
Use of fund balance	4,900,000	4,900,000	4,900,000	-
Total Revenues	73,143,520	73,143,520	74,613,553	1,470,033
Expenditures and other uses:				
Current:				
General government	2,696,504	2,680,504	1,347,924	1,332,580
Commissioners	180,410	180,410	167,413	12,997
Treasurer	13,804	13,804	12,550	1,254
County attorney	2,896,070	2,896,070	2,898,680	96,390
Medical examiner	45,601	45,601	40,091	5,510
Deeds	1,395,566	1,395,566	1,253,696	141,870
Sheriff/dispatch/radio	4,853,218	4,853,218	4,881,104	(27,886)
Delegation	87,279	87,279	69,010	18,269
Finance	979,464	979,464	940,553	40,911
Maintenance	4,434,078	4,072,194	3,838,725	133,469
Human services	1,062,018	1,062,018	934,229	127,789
Public assistance	15,831,120	15,273,620	13,636,867	1,636,633
Human resources	421,960	435,980	421,979	14,001
Corrections	9,815,861	9,885,981	9,621,798	264,073
Nursing home	23,917,450	23,427,450	22,865,301	562,149
Assisted living	1,425,272	1,425,272	1,383,127	42,145
Information technology	341,011	344,094	333,696	10,368
Extension service	563,463	563,463	521,735	41,728
Non-county specials	282,500	282,500	282,500	-
Capital outlay	475,000	1,811,331	1,766,746	44,585
Debt service	1,325,851	1,325,851	1,325,851	-
Total Expenditures	73,143,520	73,143,520	68,644,685	4,498,835
Excess of revenues and other sources over expenditures and other uses	\$ -	\$ -	\$ 5,968,868	\$ 5,968,868

See notes to the financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Governmental Activities
	Internal Service Fund
Cash Flows From Operating Activities:	
Receipts from interfund service provided	\$ 7,936,552
Payments of employee benefits and expenses	(9,927,328)
Net Cash Used For Operating Activities	(1,990,776)
Cash Flows From Noncapital Financing Activities:	
Net change in due to/from other funds	1,416,928
Transfers out	(2,039,987)
Other	7,661
Net Cash Used For Noncapital Financing Activities	(615,398)
Cash Flows From Investing Activities:	
Investment income	45,325
Proceeds from investments	1,199,062
Net Cash Provided By Investing Activities	1,244,387
Net Change in Cash and Short-Term Investments	(1,361,787)
Cash and Short-Term Investments, Beginning of Year	7,175,902
Cash and Short-Term Investments, End of Year	\$ 5,814,115
Reconciliation of Operating Income to Net Cash Used For Operating Activities:	
Operating income (loss)	\$ (604,193)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Changes in assets and liabilities:	
Accounts receivable	73,164
Other assets/prepaid expenses	30,806
Accounts payable	(605,011)
Incurrd but not reported claims liability	(943,830)
Deferred revenue	(73,062)
Compensated absences liability	131,350
Net Cash Used For Operating Activities	\$ (1,990,776)

See notes to the financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Governmental Activities
	Internal Service Fund
Operating Revenues:	
Employee and employer contributions	\$ 7,863,388
Total Operating Revenues	7,863,388
Operating Expenses:	
Employee benefits	8,467,581
Total Operating Expenses	8,467,581
Operating Income (Loss)	(604,193)
Nonoperating Revenues (Expenses):	
Investment income	45,325
Miscellaneous	7,661
Total Nonoperating Revenues (Expenses), Net	52,986
Income (Loss) Before Transfers	(551,207)
Transfers:	
Transfers out	(2,039,987)
Change in Net Assets	(2,591,194)
Net Assets at Beginning of Year, as restated	5,647,026
Net Assets at End of Year	\$ 3,055,832

See notes to the financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Agency Funds
ASSETS	
Cash and short-term investments	\$ 496,733
Total Assets	<u>496,733</u>
LIABILITIES	
Accounts payable	216
Due to other funds	323,741
Due to residents	<u>172,776</u>
Total Liabilities	<u>\$ 496,733</u>

See notes to the financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

Notes to the Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of County of Rockingham, New Hampshire (the County) conform to generally accepted accounting principles (GAAP) as applicable to governmental 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 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 dependency* 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 nonfiduciary activities of the primary government. For the most part, the effect of interfund 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 or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment.

Fund Financial Statements

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

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

Government-Wide Financial Statements

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

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

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they

are collectible within the current period 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. Generally, all other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service, 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 (internal service) funds in accordance with GASB Statement #10, "Accounting and financial Reporting for Risk financing and Related Insured 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) **Immature 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 year's 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.

D. Cash and Short-Term Investments

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

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type are included under investment income. Proprietary Fund investment income is comprised of \$ 45,325 in interest for the year.

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

E. Investments

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.

Investments, if any, are stated at fair value, in accordance with GASB Statement #31, "Accounting and Financial Reporting for Certain Invest-

ments 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.

F. Interfund Receivables and Payables

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.

G. Inventory

Inventory is valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventory is recorded as an expenditure when purchased rather than when consumed. Significant inventory balances on hand in governmental funds at year end are reported as assets of the respective fund, with an offsetting fund balance reserve.

H. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$ 5,000 and an estimated useful life in excess of three years, except for the Nursing Home cost reporting purposes, where assets are capitalized at \$ 500 and more with a useful life of at least three years.

All Long Term Care fixed assets, including those of the Nursing Home, are valued at historical cost. As of November 2001, 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.

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 capitalized. 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.

The County has a small amount of capital asset projects in process at December 31, 2009 totaling \$ 954,402. The projects in process are included in the reporting of \$ 32,756,234 net Capital Assets in the related statements. Once a project is completed it is reported in the asset category (see note 8).

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

Assets	Years
Buildings and improvements	10 - 30
Machinery, equipment, and furnishings	3 - 15
Vehicles	4 - 10

I. 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 liability of the fund that will pay it. The total liability at December 31, 2009 is \$ 3,412,134.

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, 2009 is \$ 1,634,359. 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.

J. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations

tions are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net assets.

K. 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 an undesignated Fund Balance of at least 12% of budgeted appropriations.

L. Estimates

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

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

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, 2009, \$ 4,900,000 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:

Sheriff/dispatch/radio	\$ 1,699
Registry of Deeds	660
Finance office	72,000
Maintenance	16,494
Information technology	19,352
Corrections	18,447
Long Term Care	13,753
Total Encumbrances	<u>\$ 142,405</u>

C. Budgetary Basis

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

D. Budget/GAAP Reconciliation

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

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

General Fund	Revenues and Other	Expenditures and Other
Revenues/Expenditures (GAAP basis)	Financing Sources	Financing Uses
	\$ 67,509,694	\$ 67,014,899
Other financing sources/uses (GAAP basis)	<u>2,311,251</u>	<u>1,694,531</u>
Subtotal (GAAP Basis)	69,820,945	68,709,430

(continued)

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General Fund	Revenues and Other	Expenditures and Other
Reverse beginning of year appropriation carryforwards from expenditures	Financing Sources	Financing Uses
Add end of year appropriation carryforwards to expenditures	-	(99,758)
Reverse proceeds of capital lease	(107,392)	142,405
Recognize use of fund balance as funding source	<u>4,900,000</u>	<u>(107,392)</u>
Budgetary basis	\$ <u>74,613,553</u>	\$ <u>68,644,685</u>

3. Cash and Short-Term Investments

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

As of December 31, 2009, \$ 9,250 of the County's bank balance of \$ 35,445,862 was exposed to custodial credit risk as uninsured and uncollateralized.

4. Investments

A. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. State law employs the prudent person rule whereby investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Presented below is the actual rating as of year end for the investments of the County. (All federal agency securities have an implied credit rating of AAA.):

Investment Type	Fair Value	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End	Not Rated
Mutual funds	\$	N/A	\$	Aaa	Aa
Total investments	\$ 69,300		\$ 69,300	\$ -	\$ -

B. Custodial Credit Risk

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the County will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The County does not have formal policies for custodial credit risk.

Of the County's investment of \$ 69,300, the government has a custodial credit risk exposure of \$ 69,300 because the related securities are uninsured, unregistered and held by the County's brokerage firm, which is also the counterparty to these securities. The County manages this custodial credit risk with SIPC and excess SIPC.

C. Concentration of Credit Risk

The County places no limit on the amount the County may invest in any one issuer. At December 31, 2009, no investments in any one issuer (other than Federal agency securities) represent 5% or more of total investments.

D. Foreign Currency Risk

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The County does not have a policy for foreign currency risk.

5. Accounts Receivable, Net

Accounts receivable consist of the following at December 31, 2009:

	General Fund	Internal Service Fund	Total
Nursing home	\$ 749,340	\$ -	\$ 749,340
Assisted living	85,963	-	85,963
Health premiums	73,006	-	73,006
Civil services	23,936	-	23,936
Outside detail	22,110	-	22,110
Deeds	4,781	-	4,781
Other	52,388	652	53,040
Total	1,011,524	652	1,012,176
	(67,743)	-	(67,743)
Less: allowance for doubtful accounts	\$ 943,781	\$ 652	\$ 944,433
Total accounts receivable, net			

6. Intergovernmental Receivables, Net

Intergovernmental receivables consist of the following at December 31, 2009:

	General Fund	Internal Service Fund	Total
State of New Hampshire	\$ 3,621,391	\$ 105,537	\$ 3,726,928
Medicare	543,261	-	543,261
NH Community Development Authority	189,885	-	189,885
Federal grants	11,879	-	11,879
Other	27,518	-	27,518
Total	4,393,934	105,537	4,499,471
Less: allowance for doubtful accounts	(775,882)	-	(775,882)
Total intergovernmental receivables, net	\$ 3,618,052	\$ 105,537	\$ 3,723,589

7. Interfund Fund Receivables/Payables

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the December 31, 2009 balances in interfund receivable and payable accounts:

Fund	Due From Other Funds	Due To Other Funds
General Fund	\$ 3,968,724	\$ 3,533,770
Special Revenue Funds:		
Drug Task Force	50	-
Expendable Trust	-	23,665
Nursing Home Special Account	3,259	10,743
Assisted Living Donations	8,881	-
Inmate Commissary	106,851	-
Inmate Chapel	5,945	-
Deeds Equipment	2,678	37,500
W.F. Sturtevant Memorial	100	-
Debt Service	358,831	-
Capital Project Fund	1,025,566	698,196
Internal Service Funds:		
Health	-	2,167,691
Dental	13,859	132
Workers Compensation	502,089	51,224
Compensated Absences	1,514,737	647,354
Permanent Trust Fund	-	17,554
Agency Funds:		
Inmates	-	312,676
Nursing Home Residents	-	1,133
Assisted Living Security Deposits	-	9,932
Total	\$ 7,511,570	\$ 7,511,570

8. Capital Assets

Capital asset activity for the year ended December 31, 2009 was as follows (in thousands):

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 52,813	\$ 637	\$ -	\$ 53,450
Machinery, equipment, and furnishings	10,642	70	(87)	10,625
Vehicles	1,511	107	(255)	1,463
Total capital assets, being depreciated	65,066	814	(342)	65,538
Less accumulated depreciation for:				
Buildings and improvements	(22,772)	(1,668)	-	(24,440)
Machinery, equipment, and furnishings	(8,470)	(346)	86	(8,730)
Vehicles	(1,240)	(160)	255	(1,145)
Total accumulated depreciation	(32,482)	(2,174)	341	(34,315)
Total capital assets, being depreciated, net	32,584	(1,360)	(1)	31,223
Capital assets, not being depreciated:				
Land	579	-	-	579
Construction in progress	628	326	-	954
Total capital assets, not being depreciated	1,207	326	-	1,533
Governmental activities capital assets, net	\$ 33,791	\$ (1,034)	\$ (1)	\$ 32,756

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

Governmental Activities:		
Commissioners	\$	5,169
Treasurer		15
County attorney		6,831
Deeds		20,703
Sheriff/dispatch/radio		147,998
Delegation		604
Finance		3,584
Maintenance		288,328
Human services		7,419
Human resources		7,803
Corrections		492,316
Nursing home		1,001,360
Assisted living		155,956
Information technology		12,761
Extension service		23,041
Total depreciation expense - governmental activities	\$	2,173,888

9. Accounts Payable and Accrued Expenses

Accounts payable represent additional 2009 expenditures paid after December 31, 2009.

10. Intergovernmental Payables

Intergovernmental payables consist of the following at December 31, 2009:

	General Fund
State of New Hampshire	\$ 8,475,647 *
Town of Raymond	30,000
Other	9,759
Total	\$ 8,515,406

* = Includes approximately \$ 2.0 million of transfer taxes and \$ 4.5 million related to human services liabilities.

11. Deferred Revenue

Governmental funds report deferred revenue in connection with revenues that are not considered to be available to liquidate liabilities of the current period.

12. Anticipation Notes Payable

The following summarizes activity of notes payable during fiscal year 2009:

	Balance Beginning of Year	New Issues	Maturities	Balance End of Year
Tax anticipation	\$ -	\$ 15,000,000	\$ (15,000,000)	\$ -

13. Long-Term Debt

A. Changes in General Long-Term Liabilities

During the year ended December 31, 2009, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 1/1/09	Additions	Reductions	Total Balance 12/31/09	Less Current Portion	Equals Long-Term Portion 12/31/09
Governmental Activities						
Bonds payable	\$ 3,545	\$ -	\$ (1,220)	\$ 2,325	\$ (1,220)	\$ 1,105
Other:						
Capital leases payable	3,365	107	(357)	3,115	(317)	2,798
Compensated absences	3,800	-	(388)	3,412	(329)	183
OPEB liability	-	252	-	252	-	252
Totals	\$ 10,710	\$ 359	\$ (1,965)	\$ 9,104	\$ (4,766)	\$ 4,338

B. General Obligation Bonds

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:

	Serial Maturities Through	Interest Rate(s) %	Amount Outstanding as of 12/31/09
2003 - \$ 4,685,000 Improvement Bond	4/15/10	2.00% - 4.00%	\$ 665,000
2005 - \$ 3,887,000 Improvement Bond	6/15/12	3.25% - 5.00%	1,660,000
			<u>\$ 2,325,000</u>

The annual payments to retire all general obligation long-term debt outstanding as of December 31, 2009 are as follows:

Governmental	Principal	Interest	Total
2010	\$ 1,220,000	\$ 68,694	\$ 1,288,694
2011	555,000	38,600	593,600
2012	550,000	13,750	563,750
Total	\$ 2,325,000	\$ 121,044	\$ 2,446,044

C. 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%	\$ 2,930,254
Equipment, due in monthly installments the next of which is \$ 5,085 including interest, through October 2011 at 3%	108,725
Equipment, due in annual installments the next of which is \$ 37,592 including interest, through June, 2011 at 5.10%	69,800
Equipment, due in semi-annual installments the next of which is \$ 6,687 including interest, through June, 2010 at 2.445%	6,606
Totals	\$ 3,115,385

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

Year Ended December 31	Principal	Interest	Total
2010	\$ 316,794	\$ 147,340	\$ 464,134
2011	326,569	133,267	459,836
2012	265,237	119,151	384,388
2013	291,475	106,367	397,842
2014	319,449	92,318	411,767
2015 and thereafter	1,595,861	200,456	1,796,317
Totals	\$ 3,115,385	\$ 798,899	\$ 3,914,284

14. 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
2010	\$ 192,806	\$ 16,263	\$ 209,069
2011	97,847	9,950	107,797
2012	-	4,082	4,082
Totals	\$ 290,653	\$ 30,295	\$ 320,948

15. Restricted Net Assets

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

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

16. Reserves of Fund Equity

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

The following types of reserves are reported at December 31, 2009:

Reserved for Encumbrances and Continuing Appropriations - An account used to segregate that portion of fund balance committed for expenditure of financial resources upon vendor performance. \$ 69,289 in continuing appropriations for the human services department are reported at December 31, 2009.

Reserved for Inventory - An account used to segregate that portion of fund balance committed for inventory that is not spendable in form.

Reserved for Perpetual Funds - Represents the principal of the nonexpendable trust fund investments. The balance cannot be spent for any purpose; however, it may be invested and the earnings may be spent.

Reserved for Prepaid Expenses - An account used to segregate that portion of fund balance committed for prepaid expenses that is not spendable in form.

17. Commitments and Contingencies

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

Grants - Amounts received are subject to later year's review and adjustments 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, 2009 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.

18. Post-Employment Health Care and Life Insurance Benefits

Other Post-Employment Benefits

During the year, the County implemented GASB Statement 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Statement 45 requires governments to account for other post-employment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially required contribution as an expense on the statement of revenues, expenses, and changes in net assets when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that an entity does not fund their actuarially required contribution, a post-employment benefit liability is recognized on the Statement of Net Assets over time.

A. Plan Description

The New Hampshire retirement system (Title VI, Medical Benefits Chapter 100-A:50) requires that political subdivisions in New Hampshire extend the same health insurance coverages to retirees as those offered to active employees, including spousal and family coverages. Premium rates must be rated on a group basis including both employees and retirees. Premium charges payable by employees and by retirees are at the discretion of the subdivision. As of December 31, 2009 (the actuarial valuation date), approximately 31 retirees and 508 active employees meet the eligibility requirements. The plan does not issue a separate financial report.

B. Benefits Provided

The County provides medical, prescription drug, mental health/substance abuse, and life insurance to retirees and their covered dependents. All active employees who retire from the County and meet the eligibility criteria will receive these benefits.

Summary of Coverages Provided (Effective 1/1/2010)

County of Rockingham provides health coverages for employees and retirees in three entities. All plans are fully insured. Participation in the respective plans is optional. However, employees that opt out of the plan while active are still eligible for the respective retiree plans upon retirement.

Nonunion

Employees

1. Primex Harvard Pilgrim Network HMO
 2. Primex Harvard Pilgrim Network PPO
- This is a high deductible plan coordinated with a Health Savings Account

(continued)

(continued)

Retirees

Under 65

- a. Same options as employees.
- b. In addition, there may be out-of-state network issues for some of these retirees, and they are constrained to choose a PPO option, either a comparable PPO option or the HSA PPO option.

Over 65

Two plans supplementing Medicare health benefits are available

- a. 1st Seniority Freedom (MS)
- b. Medicare Enhance (ME)

Delta Dental is available to nonunion employees and retirees.

Local Government Center

Employees

1. Matthew Thornton Blue (HMO)
Includes vision care, dental care
2. Blue choice New Hampshire Three-Tier Plan, Point of Service (POS)
Includes vision care, dental care

Retirees

Under 65

Same options as employees.

Over 65

Medicare Supplement known as Medcomp III

Sheriff's Department

Employees

HMO Blue

Benefits, including dental care, paid from the NNEBT

Retirees

Will be covered beginning 7/1/2010 similarly to the Local Government Center.

C. Funding Policy

The contributions policy of the County is established by the County. The contributions are based upon a pay-as-you-go financing plan. For active employees the County pays approximately 85% of the required premium on a sliding scale; active participants pay the balance of the respective premium for their coverage. Retirees under age 65 may participate in these same coverage plans as active employees by paying the full amount of the required premium.

D. Annual OPEB Costs and Net OPEB Obligation

The County of Rockingham's fiscal 2009 annual OPEB expense is calculated based on the Annual Required Contribution of the Employer (ARC),

an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the Normal Cost (NC) per year and amortize any unfunded actuarial liability (UAAL), or funding excess, over a period of eighteen years. This calculation is performed using a closed amortization and level service. The following table shows the components of the County's annual OPEB cost for the year ending December 31, 2009, the amount actually contributed to the plan, and the change in the County's net OPEB obligation based on an actuarial valuation as of December 31, 2009.

Annual Required Contribution (ARC)	\$ 251,548
Interest on net OPEB obligation	-
Adjustment to ARC	-
Annual OPEB cost	251,548
Contributions made	-
Increase in net OPEB obligation	251,548
Net OPEB obligation - beginning of year	-
Net OPEB obligation - end of year	\$ 251,548

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation were as follows:

Fiscal year ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2009	\$ 251,548	0%	\$ 251,548

E. Funded Status and Funding Progress

The funded status of the plan as of December 31, 2009, the date of the most recent actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$ 2,083,220
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 2,083,220
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ N/A
UAAL as a percentage of covered payroll	N/A

Actuarial valuations of an ongoing plan involve estimates of the value of reported amount and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and the healthcare cost trend. Amounts deter-

mined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

F. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the plan as understood by the County and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the County and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2009 actuarial valuation the entry age normal cost method was used. The actuarial value of assets was not determined as the County has not advance funded its obligation. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses), the anticipated long term investment return on the County's invested funds. Health care inflation is calculated based upon a secular trend of 6.11% grading to down to 3.5% over 28 years. In addition, health-care costs are projected to advance age by age at approximately 4%. UAAL is being amortized over an 18 year period.

19.

Pension Plan

The County follows the provisions of GASB Statement No. 27, *Accounting for Pensions for State and Local Government Employees*, (as amended by GASB 50) with respect to the employees' retirement funds.

A. Plan Description

The County contributes to the New Hampshire Retirement System (NHRS), a cost-sharing multiple-employer 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.

B. Funding Policy

Covered public safety (Group II) and general employees (Group I) 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 13.66% (Group II) and 9.16% (Group I) at December 31, 2009. Effective July 1, 2009, the County contributes 70% of the employer cost for police employed by the County and the State contributes the remaining 30% 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 December 31, 2009, 2008, 2007, and 2006 were \$ 2,261,544, \$ 2,129,089, \$ 1,791,643, and \$ 1,574,349, respectively, which were equal to the required contributions for each year.

20.

Self Insurance

The County self insures against claims for workers compensation, unemployment and most employee health and dental coverage. Annual estimated requirements for claims are provided in the County's annual operating budget.

Workers Compensation

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

Health Insurance

The County contracts with an insurance carrier for excess liability coverage and an insurance consultant for claims processing. Under the terms of its insurance coverage, the County is liable for claims up to \$ 100,000 per individual. The claims liability represents an estimate of claims incurred but unpaid at year end, based on past historical costs and claims paid subsequent to year end.

Dental Insurance

The County does not contract with an insurance carrier for excess liability coverage. Under the terms of its dental insurance coverage, the County is liable for all dental claims up to an annual maximum of \$ 1,000 per covered

individual. Any claim amounts exceeding \$ 1,000 maximum, are the responsibility of the covered plan participants. The claims liability represents an estimate of claims incurred but unpaid at year end, based on past historical costs and claims paid subsequent to year end.

Changes in the aggregate liability for claims for the year ended December 31, 2009 are as follows:

	Workers Compensation	Health Coverage	Dental Coverage	Total
Claims liability, beginning of year	\$ 477,033	\$ 777,013	\$ 18,955	\$ 1,273,001
Claims incurred/recognized in fiscal year 2009	151,252	5,335,170	396,204	5,882,626
Claims paid in fiscal year 2009	(313,884)	(5,331,435)	(400,299)	(6,045,618)
Claims liability, end of year	\$ 314,401	\$ 780,748	\$ 14,860	\$ 1,110,009

** = Claims liability at December 31, 2009 is reported in the General Fund.

21. 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.

22. Federal Medical Assistance Percentage (FMAP)

Section 167.18-a of the New Hampshire State Statutes requires that the County reimburse the State of New Hampshire (State) 100% of the non-federal share of defined public assistance expenditures incurred by the State on a monthly basis. The federal share of payments to the State has been 50% for at least the past five years and is reimbursed to the State through FMAP payments. At times the FMAP reimbursement to the State, is temporarily increased as is the case for the 27 month period of October 1, 2008 to December 31, 2010 through section 5001 (f) of the American Recovery and Reinvestment Act of 2009.

During 2009 the State did receive an additional FMAP allowance quarterly in addition to the regular FMAP payment. As a result, the monthly amount due from the County was reduced. However, the State continued billing the County the normal 50% monthly and later abated the amounts paid by the County by providing a check for each quarter of the year. The abatement totaled \$ 2.9

million during 2009 and materially reduced the County payments due the State. This will continue through December 31, 2010.

23. Beginning Fund Balance Net Assets Restatement

The beginning (January 1, 2009) fund balances of the County have been restated as follows:

Government-Wide Financial Statements:	Governmental Activities	Internal Service Fund
As previously reported	\$ 51,807,519	\$ 5,647,002
Accrual adjustments (8,201)		24
HHS expenditures that were not reported (884,292)		-
Revenue recognition adjustment 185,140		-
As restated	\$ 51,100,166	\$ 5,647,026

Fund Basis Financial Statements:	General Fund	Internal Service Fund
As previously reported	\$ 17,969,576	\$ 5,647,002
Accrual adjustments (8,225)		24
HHS expenditures that were not reported (884,292)		-
Revenue recognition adjustments 455,324		-
As restated	\$ 17,532,383	\$ 5,647,026

ROCKINGHAM COUNTY, NEW HAMPSHIRE

SCHEDULE OF FUNDING PROGRESS

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2009
(Unaudited)
(Amounts Expressed in thousands)

Other Post-Employment Benefits						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent- age of Covered Payroll (b-a)/c
12/31/09	\$ -	\$ 2,083	\$ 2,083	0.0%	n/a	n/a

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2009

	Drug Task Force	Expendable Trust	Nursing Home Special Account	Assisted Living Donations	Inmate Commissary	Inmate Chapel	Deeds Equipment	WF Sturtevant Memorial	Debt Service	Permanent Fund	Total Nonmajor Governmental Funds
ASSETS											
Cash and short-term investments	\$ 26,188	\$ -	\$ 73,748	\$ -	\$ -	\$ -	\$ 189,530	\$ 5,045	\$ -	\$ -	\$ 294,511
Investments	-	26,313	-	-	-	-	-	-	-	42,987	69,300
Due from other funds	50	-	3,259	8,881	106,851	5,945	2,678	100	358,831	-	486,595
TOTAL ASSETS	\$ 26,238	\$ 26,313	\$ 77,007	\$ 8,881	\$ 106,851	\$ 5,945	\$ 192,208	\$ 5,145	\$ 358,831	\$ 42,987	\$ 850,406
LIABILITIES AND FUND BALANCES											
Liabilities:											
Due to other funds	\$ -	\$ 23,665	\$ 10,743	\$ -	\$ -	\$ -	\$ 37,500	\$ -	\$ -	\$ 17,554	\$ 89,462
TOTAL LIABILITIES	-	23,665	10,743	-	-	-	37,500	-	-	17,554	89,462
Fund Balances:											
Reserved for:											
Perpetual (unexpendable) permanent funds	-	-	-	-	-	-	-	-	-	25,433	25,433
Unreserved:											
Undesignated, reported in:											
Special revenue funds	26,238	-	66,264	8,881	106,851	5,945	154,708	5,145	358,831	-	732,863
Permanent funds	-	2,648	-	-	-	-	-	-	-	-	2,648
TOTAL FUND BALANCES	26,238	2,648	66,264	8,881	106,851	5,945	154,708	5,145	358,831	25,433	760,944
TOTAL LIABILITIES AND FUND BALANCES	\$ 26,238	\$ 26,313	\$ 77,007	\$ 8,881	\$ 106,851	\$ 5,945	\$ 192,208	\$ 5,145	\$ 358,831	\$ 42,987	\$ 850,406

See Independent Auditors' Report.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2009

	Drug Task Force	Expendable Trust	Nursing Home Special Account	Assisted Living Donations	Inmate Commissary	Inmate Chapel	Deeds Equipment	WF Sturtevant Memorial	Debt Service	Permanent Fund	Total Nonmajor Governmental Funds
Revenues:											
Charges for services	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 127,358	\$ -	\$ -	\$ -	\$ 139,358
Investment income	-	493	135	-	370	46	3,071	24	-	611	4,750
Miscellaneous	-	-	9,773	3,575	28,295	1,329	-	-	-	-	42,972
Total Revenues	12,000	493	9,908	3,575	28,665	1,375	130,429	24	-	611	187,080
Expenditures:											
Current:											
County attorney	8,576	-	-	-	-	-	-	-	-	-	8,576
Debt service:											
Principal	-	-	-	-	-	-	-	-	196,010	-	196,010
Interest	-	-	-	-	-	-	-	-	150,686	-	150,686
Total Expenditures	8,576	-	-	-	-	-	-	-	346,696	-	355,272
Excess (deficiency) of revenues over expenditures	3,424	493	9,908	3,575	28,665	1,375	130,429	24	(346,696)	611	(168,192)
Other Financing Sources (Uses):											
Transfers in	-	-	-	-	-	-	-	-	358,831	-	358,831
Transfers out	-	-	-	-	(13,872)	-	(150,000)	-	-	-	(163,872)
Total Other Financing Sources (Uses)	-	-	-	-	(13,872)	-	(150,000)	-	358,831	-	194,959
Change in fund balance	3,424	493	9,908	3,575	14,793	1,375	(19,571)	24	12,135	611	26,767
Fund Equity, at Beginning of Year	22,814	2,155	56,356	5,306	92,058	4,570	174,279	5,121	346,696	24,822	734,177
Fund Equity, at End of Year	\$ 26,238	\$ 2,648	\$ 66,264	\$ 8,881	\$ 106,851	\$ 5,945	\$ 154,708	\$ 5,145	\$ 358,831	\$ 25,433	\$ 760,944

See Independent Auditors' Report.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

PROPRIETARY FUNDS

COMBINING STATEMENT OF NET ASSETS

DECEMBER 31, 2009

		Health Fund	Dental Fund	Workers' Compensation Fund	Compensated Absences Fund	Governmental Activities Total Internal Service Funds
<u>ASSETS</u>						
Current:						
Cash and short-term investments	\$ 3,424,875	\$ 349,996	\$ 798,628	\$ 1,240,616	\$ 5,814,115	
Receivables:						
Intergovernmental	-	-	105,537	-	105,537	
Other	-	634	-	18	652	
Due from other funds	-	13,859	502,089	1,514,737	2,030,685	
Prepaid expenses	-	-	2,217	-	2,217	
Total current assets	3,424,875	364,489	1,408,471	2,755,371	7,953,206	
TOTAL ASSETS	3,424,875	364,489	1,408,471	2,755,371	7,953,206	
<u>LIABILITIES</u>						
Current:						
Accounts payable	-	23,994	28,101	7,017	59,112	
Due to other funds	2,167,691	132	51,224	647,354	2,866,401	
Deferred revenue	-	7,193	-	1,048	8,241	
Incurred but not reported claims liability	-	14,860	314,401	-	329,261	
Current portion of long-term liabilities:						
Compensated absences	-	-	-	563,586	563,586	
Total current liabilities	2,167,691	46,179	393,726	1,219,005	3,826,601	
Noncurrent:						
Compensated absences, net of current portion	-	-	-	1,070,773	1,070,773	
Total noncurrent liabilities	-	-	-	1,070,773	1,070,773	
TOTAL LIABILITIES	2,167,691	46,179	393,726	2,289,778	4,897,374	
<u>NET ASSETS</u>						
Unrestricted	1,257,184	318,310	1,014,745	465,593	3,055,832	
TOTAL NET ASSETS	\$ 1,257,184	\$ 318,310	\$ 1,014,745	\$ 465,593	\$ 3,055,832	

See Independent Auditors' Report.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

PROPRIETARY FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2009

	Health Fund	Dental Fund	Workers' Compensation Fund	Unemployment Fund	Compensated Absences Fund	Governmental Activities Total
Operating Revenues:						
Employee and employer contributions	\$ 6,356,062	\$ 397,059	\$ 423,460	\$ 2,129	\$ 684,678	\$ 7,863,388
Total Operating Revenues	6,356,062	397,059	423,460	2,129	684,678	7,863,388
Operating Expenses:						
Employee benefits	6,937,042	432,153	401,309	11,474	685,603	8,467,581
Total Operating Expenses	6,937,042	432,153	401,309	11,474	685,603	8,467,581
Operating Income (Loss)	(580,980)	(35,094)	22,151	(9,345)	(925)	(604,193)
Nonoperating Revenues (Expenses):						
Investment income	17,929	1,389	9,412	343	16,252	45,325
Miscellaneous	6,652	71	-	-	938	7,661
Total Nonoperating Revenues (Expenses), Net	24,581	1,460	9,412	343	17,190	52,986
Income (Loss) Before Transfers	(556,399)	(33,634)	31,563	(9,002)	16,265	(551,207)
Transfers:						
Transfers out	(1,997,872)	-	-	(42,115)	-	(2,039,987)
Change in Net Assets	(2,554,271)	(33,634)	31,563	(51,117)	16,265	(2,591,194)
Net Assets at Beginning of Year, as restated	3,811,455	351,944	983,182	51,117	449,328	5,647,026
Net Assets at End of Year	\$ 1,257,184	\$ 318,310	\$ 1,014,745	\$ -	\$ 465,593	\$ 3,055,832

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
PROPRIETARY FUNDS

COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Health Fund	Dental Fund	Workers' Compensation Fund	Unemployment Fund	Compensated Absences Fund	Governmental Activities Total
Cash Flows From Operating Activities:						
Receipts from interfund service provided	\$ 6,431,206	\$ 397,009	\$ 417,789	\$ 2,129	\$ 688,419	\$ 7,936,552
Payments of employee benefits and expenses	(8,363,918)	(420,755)	(576,970)	-	(565,685)	(9,927,328)
Net Cash Provided By (Used For) Operating Activities	(1,932,712)	(23,746)	(159,181)	2,129	122,734	(1,990,776)
Cash Flows From Noncapital Financing Activities:						
Net change in due to/from other funds	2,839,230	(10,787)	(454,459)	(11,474)	(945,582)	1,416,928
Transfers out	(1,997,872)	-	-	(42,115)	-	(2,039,987)
Other	6,652	71	-	-	938	7,661
Net Cash Provided By (Used For) Noncapital Financing Activities	848,010	(10,716)	(454,459)	(53,589)	(944,644)	(615,398)
Cash Flows From Investing Activities:						
Investment income	17,929	1,389	9,412	343	16,252	45,325
Investment purchases (sales)	391,457	8,544	391,288	1,951	405,822	1,199,062
Net Cash Provided By Investing Activities	409,386	9,933	400,700	2,294	422,074	1,244,387
Net Change in Cash and Short-Term Investments	(675,316)	(24,529)	(212,940)	(49,166)	(399,836)	(1,361,787)
Cash and Short-Term Investments, Beginning of Year	4,100,191	374,525	1,011,568	49,166	1,640,452	7,175,902
Cash and Short-Term Investments, End of Year	\$ 3,424,875	\$ 349,996	\$ 798,628	\$ -	\$ 1,240,616	\$ 5,814,115
Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities:						
Operating income (loss)	\$ (580,980)	\$ (35,094)	\$ 22,151	\$ (9,345)	\$ (925)	\$ (604,193)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Changes in assets and liabilities:						
Accounts receivable	75,144	(51)	(5,670)	-	3,741	73,164
Other assets/prepaid expenses	21,549	-	(2,217)	11,474	-	30,806
Accounts payable	(595,913)	13,465	(10,812)	-	(11,751)	(605,011)
Incurred but not reported claims liability	(777,103)	(4,094)	(162,633)	-	-	(943,830)
Deferred revenue	(75,409)	2,028	-	-	319	(73,062)
Compensated absences liability	-	-	-	-	131,350	131,350
Net Cash Provided By (Used For) Operating Activities	\$ (1,932,712)	\$ (23,746)	\$ (159,181)	\$ 2,129	\$ 122,734	\$ (1,990,776)

See Independent Auditors' Report.



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To the Board of Commissioners
 County of Rockingham, New Hampshire

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE
 FIDUCIARY FUNDS
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 FOR THE YEAR ENDED DECEMBER 31, 2009

In planning and performing our audit of the financial statements for the County of Rockingham, New Hampshire as of and for the year ended December 31, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the County's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. Significant deficiencies are noted in the table of contents and comment headings.

	Inmates	Nursing Home Residents	Assisted Living Security Deposits	Total Agency Funds
ASSETS				
Cash and short-term investments	\$ 345,507	\$ 86,749	\$ 64,477	\$ 496,733
Total Assets	345,507	86,749	64,477	496,733
LIABILITIES				
Accounts payable	216	-	-	216
Due to other funds	312,676	1,133	9,932	323,741
Due to residents	32,615	85,616	54,545	172,776
Total Liabilities	\$ 345,507	\$ 86,749	\$ 64,477	\$ 496,733

See Independent Auditors' Report.

This communication is intended solely for the information and use of management, the Board of Commissioners, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.

The County's written response to our comments and suggestions has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

After you have had an opportunity to consider our comments and recommendations, we would be pleased to discuss them with you.

Melanson, Heath & Company, P.C.

Nashua, New Hampshire
June 16, 2010

CURRENT YEAR RECOMMENDATION:

1. Implement Internal Control Improvements (Significant Deficiency)

Establish an Enterprise Risk Management Process and Formalize Internal Controls

Enterprise risk management is a process, affected by an entity's board of directors, management, and other personnel, applied in strategy-setting and across the organization. It is designed to identify where an organization may be vulnerable to errors and/or irregularities. A complete risk management process involves written descriptions of specific risk areas identified by those charged with governance (management and board of directors) and a description of how the organization intends on responding to these risks. This process should evaluate risks in relation to achieving the following broad organizational objectives:

Strategic – high-level goals, aligned with and supporting the Organization's mission.

Operations – effective, efficient use of resources.

Reporting – reliability of reporting.

Compliance – compliance with applicable laws and regulations.

We recommend that the governing board of the County establish a formal enterprise risk management process, including the four areas identified above, and formalize internal controls in response to risks identified.

The following is a list of internal control areas that were identified during the audit as risk areas. These issues should be addressed:

- Establish a formal internal audit/monitoring function and regularly monitor operations throughout the year. The implementation of a monitoring function will reduce the risk that errors or irregularities will occur during the year and not be detected by management in a timely manner. This function should be performed by individual(s) not involved in processing transactions or overseeing the accounting function.

County's Response:

Thank you for your comment. We appreciate the value of a formal internal audit department much like what University of New Hampshire and the State of New Hampshire have. However, the majority of our revenue sources is generated from the taxpayers, so our goal is to retain qualified staff who regularly evaluate the objectives mentioned, establish good internal controls, complete ongoing audits of financial process and compliance and enforce policies and procedures that limit our risks. While we do not have the luxury of an independent internal audit function, we do evaluate the four areas identified above on an ongoing basis.

- Consider revising the County's policy with respect to prior period adjustments. During the 2009 audit it was noted that several immaterial (both individually and in the aggregate) prior period adjustments were made as a result of County policy that requires restatement of all prior amounts, if certain criteria are met. In order to comply with the required policy, a large amount of Fiscal Office resources were utilized in order to generate the adjustments necessary to restate prior year balances, which reduced the amount of time available to perform other required year end closing procedures in a timely manner. Further, most of the adjustments made did not meet the definition of prior period adjustment under Generally Accepted Accounting Principles, as follows:

An error in recognition, measurement, presentation, or disclosure in financial statements resulting from mathematical mistakes, mistakes in the application of GAAP, or oversight or misuse of facts that existed at the time the financial statements were prepared.

County's Response:

We respectfully disagree with the assessment. There is a policy in place that evaluates fund balance adjustments on an ongoing basis in accordance with GAAP. Finance staff does not feel a large amount of time was utilized in the process that ensures the most accurate numbers are reported in the correct period and applicable laws are complied with (i.e. the County's transfer policy). While some of the adjustments may appear immaterial to the auditor, based on the \$ 500,000 threshold discussed in a previous meeting, anything over-expending a

budget line by \$ 1,000 is considered material based on a law utilized by our Delegation. We respect the resolution to hold the departments accountable to their budget by maintaining a low limit. Oversight and/or errors at this low level do occur despite the best attempts, and we have procedures in place to address them.

- Improve segregation of duties with respect to individuals authorized on bank accounts. Specifically, the custody of, and signing authority on, County bank accounts should reside with the County Treasurer and/or Assistant Treasurer, and not be an individual that is otherwise involved in the financial operations/accounting function of the County.

County's Response:

A discussion regarding the bank accounts was had with the auditor to further their understanding of our banking that should have reduced if not eliminated this issue. Custody and signing authority on the bank accounts also resides with the individuals in the Sheriff's Office, Register of Deeds, Nursing Home and County Attorney to provide for specific functions required/permitted by law. The departments are responsible for establishing reconciling and reporting procedures that include independent reporting. Checks cannot be cut from the internal service accounts, and only the Treasurer's electronic signature is processed on A/P and payroll checks issued. Additionally, we no longer maintain pre-numbered check stock, and no one user has the ability to issue a check from start to finish based on established internal controls. Also, in order to issue wires, the bank requires one user to initiate the transaction, and another user to approve/execute the wire using passwords and separate codes. Afterwards, the bank transmits confirmation of the wire to various County staff. While there is no perfect solution, these current requirements provide ample control so there appears to be no need to expend further funds on an additional position.

- Revise procedures for warrant preparation and approval. During the 2009 audit, we noted that departmental bill schedules are presented to the Commissioners for approval. Once approval has been obtained, the bills are entered into the payables system, from which the check run is generated. This process creates a situation where checks/disbursements could be generated from unapproved items that have been

entered into the payables system. We recommend that instead of approving departmental bill schedules, the Commissioners review and approve the final check run, or "warrant" against supporting documentation, including vendor invoices and receipts that have been approved by department heads. This will reduce the risk that unapproved disbursements are generated.

County's Response:

The process described above is not employed by the County as discussed with the auditor. As documented in the internal control policies, A/P is required to be entered into the system by individual departments up to a week before the Commissioner approval is sought. Additionally, the resulting automated report and the department warrants, along with the supporting documentation, are submitted to the Commissioners for approval at their public meeting.

- Improve year end closing procedures. During the 2009 audit, we noted balance sheet accounts, including certain bank accounts, that had not been reconciled for several months. The County should consider reducing the number of bank accounts in order to simplify month and year end closing procedures. Further, balance sheet accounts should be reconciled on at least a monthly basis in order to avoid delays at year end.

County's Response:

Bank accounts and balance sheet accounts are required to be reconciled monthly, with a few on a quarterly basis. All but one cash account was reconciled monthly in 2009 and reconciled timely. Reconciliations begin when the statements are received and worked on until completed. All departments recognize the need for timely reconciliations, and strive to comply. The bank accounts are only authorized if there is a documented need. We are available to discuss the need of all the accounts with the auditor. A better understanding would likely eliminate the need to report the issue.

- Reduce risk associated with credit cards and petty cash. During the audit, it came to our attention that in excess of \$ 1.5 million of expenditures had been incurred using the County's credit cards. In addition, we noted expenditures paid with petty cash that should have gone

through the County's regular disbursement process. Even with the existence of compensating controls, the use of credit cards and petty cash are considered high risk areas, especially with the high volume of activity, high dollar limits on credit cards, and actual dollar amounts that were expended during 2009. We recommend that credit cards and petty cash be limited to only transactions that are required by the vendor to be paid in this manner.

County's Response:

Minor petty cash accounts are maintained throughout the County departments. All expenditures utilizing petty cash are fully accounted for and go through the County disbursement process. As the petty cash is depleted, requests for reimbursement are submitted. In order to be replenished, the reimbursement requires full support and Commissioner authorization.

The County utilizes the credit cards to provide for timely payments and discounts. Additionally, the points generated are a source of funding for appropriated items that would otherwise demand taxpayer dollars. Both the petty cash and credit card program are deemed to be programs maintained for the good of the County.

We understand that the existence of the significant deficiencies noted above may already be known to management and may represent a conscious decision by management or those charged with governance to accept the risk associated with the deficiencies because of cost or other considerations. Management is responsible for making decisions concerning costs to be incurred and related benefits. The auditor's responsibility to communicate significant deficiencies and material weaknesses exists regardless of management's decisions. We encourage the County to implement the recommendations noted above.



MELANSON HEATH & COMPANY, PC
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MANAGEMENT ADVISORS

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June 16, 2010

County of Rockingham, New Hampshire
119 North Road
Brentwood, NH 03833

During the course of our audit we identified certain areas where improvements and/or efficiencies could be made that were not included in a formal management letter. The following summarizes these issues very briefly:

- We recommend that a County Manager be considered. The Board of Commissioners-County Manager form is a system of local government that combines the strong *political leadership* of elected officials in the form of a governing body, with the strong *managerial experience* of an appointed local government manager. This form establishes a representative system where all power is concentrated in the elected Board of Commissioners and where the Board hires a professionally trained manager to oversee the delivery of public services.

County's Response:

It would be helpful to know what issue documented an inefficiency that would indicate the Commissioners' power was weak or diluted. We do employ educated professional managers that oversee the delivery of public services that report directly to and seek approval from the Commissioners.

- Due to and due from balances within a fund that relate to the same fund should be netted together. One general ledger account should be used within the same fund.

County's Response:

Recording gross balances makes reconciliation and evaluation easier. Netting entries would dilute the importance of amounts due from or due to entities.

Generally the items generating the balances are material and unrelated (i.e. Human Services bills due to the State and Nursing Home revenues due from the State) and have significant importance to the County.

- Annual conflict of interest statements should be considered as a requirement of employment, and be updated annually.

County's Response:

Elected Officials do sign conflict of interest statements annually. With regards to our law enforcement, Executive Directors and engineers, the County has personnel policies and a supporting state law that the employees are required to comply with that covers three areas of identified conflicts. Those conflicts include nepotism, gifts and outside employment. The recommendation does merit further evaluation.

- Issues noted on the County's internal department internal control questionnaires should be followed up on and addressed.

County's Response:

Issues are followed up on at least annually and addressed as the departments see fit.

- Old outstanding checks dating back several years were noted on bank reconciliations. These should be reviewed, and adjustments made accordingly.

County's Response:

Outstanding checks are reviewed monthly and annually and submitted for escheat as required by state law.

- Interest income earned on permanent trust funds should be transferred to the expendable portion of the fund annually.

County's Response:

We agree. In 2009, Finance found that only one person is authorized to process any requests or bank accounts that are part of these small funds. That individual has not worked for the County for years. A request to change the authorization will be pursued. The interest income is appropriately accounted for in the "due to" accounts.

- We recommend that accounts receivable write offs be recorded in a separate, contra-revenue account, instead of to revenue accounts directly.

County's Response:

The accounts receivable write offs are accounted for in a contra account (allowance for doubtful accounts). However, when there is a direct write off, the additional step of recording an allowance and then immediately writing that same amount off is not beneficial. If an item to be written off is part of the current balance of the allowance, then the write off is applied against the allowance account, and not revenue.

- Inmate account balances did not agree with the general ledger at year end. We recommend that a process be implemented to reconcile on a monthly basis.

County's Response:

We agree. There is a monthly reconciliation policy and process in place. However, the Jail struggled to comply in 2009. Finance has worked with and provided guidance and training to the Jail over the years. The Jail is working on a new solution.

- The definition of encumbrance versus accrual should be reviewed. It was noted that if a 2009 bill was not paid in January 2010 it was reported as an encumbrance. We also noted instances where accruals should have been reported as encumbrances.

County's Response:

Encumbrances and accruals are reviewed in great detail, and the definition is understood and well communicated. We account for many encumbrances totaling over \$ 100,000 in 2009. The item identified should be reviewed with Finance.

- Old accounts receivable were noted. These should be reviewed.

County's Response:

Significant work on Long Term Care A/R was accomplished for the 12/31/09 year end. Regular communication and reporting is occurring. The County's offer to discuss the work remains available.

- Although immaterial, we noted instances where employees were overpaid and amounts were owed back to the County. This could indicate a problem within the payroll function.

County's Response:

Overpayments do rarely occur with a payroll deemed to be fairly complicated. Each issue is handled as soon as it is known and the cause is addressed whether it is the result of any part of the time/attendance and payroll process or not. Typically overpayments are timing issues and are the result of paperwork making it to the payroll process after the effective date.

- The Compensated Absences Fund does not meet the definition of an internal service fund under generally accepted accounting principles. Instead, the funded portion should be reported as a reservation of fund balance, and the unfunded portion as an entity-wide liability.

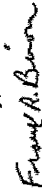
County's Response:

The concept of major funds introduced by GASB Statement No. 34 does not extend to Internal Service Funds because they do not do business with outside parties. GASB Statement No. 34 requires (and the County reports) that, for the Statement of Activities, net revenues or expenses of each internal service fund are eliminated by netting them against the operations of the other County departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Assets.

However, the Compensated Absences Fund does meet the definition of Internal Service Funds for Fund Financial Statements and is accurately reported. The purpose of the funds are reviewed annually and eliminated when appropriate.

We encourage the County to implement these recommendations in order to improve controls and efficiencies. I will be available to discuss these with you in more detail at your convenience.

Sincerely,



Frank R. Biron, CPA
President

STATEMENT OF COUNTY APPROPRIATIONS AND REVENUE AS VOTED

For: Rockingham County

DATE OF CONVENTION: February 17, 2009 Calendar Year Ending: 12/31/2009

Mailing Address: 119 North Road Brentwood, NH 03833

Phone #: 679-9340 _____ Fax #: _____ E-Mail: tyoung@co.rockingham.nh.us

Prepared by: Theresa Young, Finance Officer

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. It is due by September 1 per RSA 21-J:34.

CERTIFICATE OF VOTE

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

Norman L. Majors

Chairperson

David A. Welch

Clerk of County Convention

This form is available on our website: www.nh.gov/revenue

FOR DRA USE ONLY

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

1	2	3	4
Acct.#	APPROPRIATIONS	Appropriations as Voted	DRA USE
GENERAL GOVERNMENT		XXXXXXXXXX	XXXXXXXXXX
4110	County Convention Costs	87,279	
4120	Judicial		
4122	Jury Costs		
4123	County Attorney's Office	2,996,070	
4124	Victim Witness Advocacy Program		
4130	Executive/ Contingent grants	2,676,914	
4150	Financial Administration	979,464	
4151	Treasurer	13,804	
4153	Other Legal Costs	200,001	
4155	Personnel Administration	421,980	
4191	Planning and Zoning for Uninc.Places		
4192	Medical Examiner	45,601	
4193	Register of Deeds	1,395,566	
4194	Maintenance of Government Bldg.	4,775,089	
	Other (specify) non routine mntc	116,800	
		XXXXXXXXXX	XXXXXXXXXX
4211	Sheriff's Department	4,886,732	
4212	Custody of Prisoners		
4214	Sheriff's Support Services		
4219	Other Public Safety		
CORRECTIONS		XXXXXXXXXX	XXXXXXXXXX
4230	Corrections	9,815,861	
4235	Adult Probation and Parole		
4300	County Farm Expense		
COUNTY NURSING HOME		XXXXXXXXXX	XXXXXXXXXX
4411	Administration	23,917,449	
4412	Operating Expense		
4439	Other Health Assisted Living	1,391,758	

1	2	3	4
Acct.#	APPROPRIATIONS	Appropriations as Voted	DRA USE
HUMAN SERVICES			
		XXXXXXXXXX	XXXXXXXXXX
4442	Direct Assistance	15,781,120	
4443	Board and Care of Children	50,000	
4446	Diversion Program	796,529	
4447	Special Outside Services	282,500	
	Other (Specify)	265,489	
COOPERATIVE EXTENSION			
		XXXXXXXXXX	XXXXXXXXXX
4611	Administration	563,463	
4619	Other Conservation		
4650	Economic Development		
DEBT SERVICE			
		XXXXXXXXXX	XXXXXXXXXX
4711	Principal Long-Term Bonds/Notes	1,220,000	
4721	Interest Long-Term Bonds/Notes	105,850	
	Other (Specify) BAN	1	
INTERGOVERNMENTAL TRANSFERS			
		XXXXXXXXXX	XXXXXXXXXX
4800	Intergovernmental Transfers		
CAPITAL OUTLAY			
		XXXXXXXXXX	XXXXXXXXXX
4901	Land and Improvements		
4902	Machinery		
4903	Buildings		
4904	Improvements Other than Bldg.		
INTERFUND OPERATING TRANSFERS			
		XXXXXXXXXX	XXXXXXXXXX
4912	To Special Revenue Fund		
4913	To Capital Projects Fund	358,200	
4914	To Proprietary Funds		
4915	To Capital Reserve Funds		
4916	To Fiduciary Funds		
	TOTAL APPROPRIATIONS	73,143,520	
	Enc and Cont Appn	670,758	

1	2	3
Acct.#	SOURCES OF REVENUES	Estimated Revenue Ensuing Fiscal Year
ASSESSMENTS/TAXES		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	
3187	Payments in Lieu of Taxes	
3189	Other Taxes	
3191	Penalties on Delinquent Municipal Assessments	
3200	Licenses, Permits, and Fees	
		XXXXXXXXXX
3319	REVENUE FROM THE FEDERAL GOVERNMENT	903,500
REVENUE FROM THE STATE OF NH		XXXXXXXXXX
3351	Shared Revenue for Unincorporated Places	
3352	Incentive Funds	826,528
3354	Water Pollution Grants	
3355	Housing and Community Development	
3356	State & Fed. Forest Land Reim. in Unincorporated Places	
3359	Other (Specify) Grants Dispatch from Seabrook	1,252,338
3379	INTERGOVERNMENTAL REVENUES	
REVENUES FROM CHARGES FOR SERVICES		XXXXXXXXXX
3401	Sheriff's Department	1,183,573
3402	Register of Deeds	2,850,000
3403	County Corrections	213,340
3404	County Nursing Homes	18,509,784
3405	County Farm	16,000
3407	Maintenance Department	
3409	Other (Specify) IT, county Attorney	214,878
REVENUE FROM MISCELLANEOUS SOURCES		XXXXXXXXXX
3501	Sale of County Property	
3502	Interest on Investments	400,000
3503	Rents of Property	5,520
3508	Contributions and Donations	
350	Other (Specify)	
350	Other (Specify)	

Budget - County of _____ FY _____

1	2	5
Acct.#	SOURCES OF REVENUES	Estimated Revenue Ensuing Fiscal Year

OTHER FINANCIAL SOURCES		XXXXXXXXXX
3912	Transfer from Special Revenue Funds	88,489
3913	Transfer from Capital Projects Funds	
3914	Transfer from Proprietary Funds	
3915	Transfer from Capital Reserve Funds	
3916	Transfer from Trust and Agency Funds	
3934	Proceeds from Long-Term Notes/Bonds	
	ESTIMATED REVENUE SUBTOTAL	26,463,950
	FUND BALANCE TO REDUCE TAX RATE	4,900,000
	TOTAL ESTIMATED REVENUES	31,363,950

Encumbrances and Cont Appn

670,578

BUDGET SUMMARY

Total Voted Appropriations	73,143,520
Total Revenues	31,363,950
Amount Certified to be Raised by Taxes	41,779,570

Enc and Cont appn

670,578

670,578

