



# 2014 Annual Report

Year Ending December 31, 2014

Rockingham County Commissioners:

Katharin K. Pratt, Chair  
Kevin L. Coyle, Vice Chair  
Thomas Tombarello, Clerk

# DEDICATION



## **Michael W. Downing** **Rockingham County High Sheriff**

Michael "Mike" Downing was the 39<sup>th</sup> High Sheriff of Rockingham County, an office first filled in 1683. He was first elected as High Sheriff in 2010, and re-elected in 2012 and 2014. Strengthening the department's relationship with local police agencies and sharing resources to save taxpayer dollars were among Downing's priorities during his tenure.

Sheriff Downing had a long history of public service. He served the citizens of New Hampshire as a State Trooper for eight years; he was a member of the 82nd Military Police Company and the 82nd Airborne US Army; he served the citizens of Salem for 11 years as a Police Officer; he served as a Military Aid to former NH Governor Jeanne Shaheen; he served six years as a State Representative; and later he served four years in the NH State Senate as a Senator and Minority Leader.

Downing's service extended to many organizations, and included his role as the 301st Captain Commanding of the Ancient and Honorable Artillery Company of Massachusetts, ASA Softball Coach, Salem Little League Coach, Knights of Columbus, Trustee of AMVETS Post #2, Past Chairman of Salemhaven Nursing Home and Silverthorne Adult Daycare, Rockingham County Law Enforcement Association, Rockingham County Chief of Police Association, International Association of Chiefs of Police, National Sheriffs' Association, and NH Sheriffs' Association. He was also a founding board member of Isaiah 58, a nonprofit organization focused on the homeless population of Rockingham County.

Rockingham County High Sheriff Michael W. Downing passed away on Friday, April 17, 2015. He is remembered by family and friends as a kind and loving son, husband, father, grandfather, brother, and uncle. He is deeply missed, and it is hoped that the citizens of New Hampshire will remember him as a dedicated public servant.

## Table of Contents

### Directory

Elected Officials and Offices	1
Representatives to the General Court	2

### Reports

Board of Commissioners	3
Corrections Department	6
County Attorney's Office	13
Engineering and Maintenance Services	21
Long Term Care Services	23
Registry of Deeds	25
Sheriff's Office	27
Treasurer	36

<u>Rockingham County Delegation Meetings</u>	37
--	----

### Financial Statements

MS42-Statement of County Appropriations/Revenues	87
Annual Financial Statements	92
Independent Auditor's Report	95

## ELECTED OFFICERS

---

### **Commissioners**

Katharin K. Pratt, Chair  
Kevin L. Coyle, Vice-Chair  
Thomas Tombarello, Clerk  
commissioners@co.rockingham.nh.us  
119 North Road  
Brentwood, NH 03833  
Phone: 603-679-9350 Fax: 603-679-9354  
www.co.rockingham.nh.us

### **County Attorney**

Jan-Apr / Jun-Nov 2014  
James Boffetti  
jboffetti@rcao.net

Apr-Jun 2014  
James M. Reams  
jreams@rcao.net

Nov-Dec 2014  
Patricia Conway  
pconway@rcao.net

*Mailing Address:*  
P.O. Box 1209  
Kingston NH 03848

*Physical Address:*  
10 Route 125  
Brentwood, NH 03833  
Phone: 603-642-4249 Fax: 603-642-8942

### **Sheriff**

Michael W. Downing  
101 North Road  
Brentwood, NH 03833  
Phone: 603-679-9475 Fax: 603-679-9474

### **Register of Deeds**

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

### **Treasurer**

Edward R. Buck III  
119 North Road  
Brentwood, NH 03833  
Phone: 603-679-5335 Fax: 603-679-9346

## DEPARTMENTS

---

### **Department of Corrections**

99 North Road  
Brentwood, NH  
Phone: 603-679-2244  
Fax: 603-679-9465

### **Engineering & Maintenance**

116 North Road  
Brentwood, NH  
Phone: 603-679-9375  
Fax: 603-679-9380

### **Finance Office**

119 North Road  
Brentwood, NH  
Phone: 603-679-9340  
Fax: 603-679-9346

### **Human Resources**

111 North Road  
Brentwood, NH  
Phone: 603-679-9420  
Fax: 603-679-9357

### **Long Term Care Services**

117 North Road  
Brentwood, NH  
Phone: 603-679-9383  
Fax: 603-679-9456

### **Admissions Offices**

Rockingham County Nursing Home:  
603-679-9305

Ernest P. Barka Assisted Living:  
603-679-5335



### **Connect With Us**

Visit our website at  
[co.rockingham.nh.us](http://co.rockingham.nh.us)



and connect with us on Facebook and Twitter

## REPRESENTATIVES TO THE GENERAL COURT

**District 1:**

Bruce Hodgdon

**District 2:**

Romeo Danais  
Joe Duarte  
Kyle Tasker

**District 3:**

Franklin Bishop  
Kathleen Hoelzel  
Lawrence Kappler

**District 4:**

Gene Charron  
James Devine  
Dudley Dumaine  
Joseph Hagan

**District 5:**

Alfred Baldasaro  
Robert Introne  
David Lundgren  
Betsy McKinney  
Sherman Packard  
Daniel Tamburello  
Lisa Whittemore

**District 6:**

Elizabeth Burtis  
Brian Chirichiello  
Beverly Ferrante  
Robert Fesh  
David Milz  
John O'Connor  
Frank Sapareto  
Mary Till  
James Webb

**District 7:**

Mary Griffin  
Walter Kolodziej  
Charles McMahon  
Kevin Waterhouse

**District 8:**

Ronald Belanger  
Patrick Bick  
Robert Elliot  
Bianca Garcia  
Marilinda Garcia  
Anne Priestley  
Joe Sweeney  
John Sytek

**District 9:**

Jeffrey Harris  
Barbara Helmstetter

**District 10:**

Daniel Itse

**District 11:**

Curtis Grace

**District 12:**

Elisabeth Sanders

**District 13:**

Regina Birdsell  
John Sedensky  
Kevin St. James  
Kenneth Weyler

**District 14:**

Debra DeSimone  
William Friel  
Jack Hayes  
Norman Major

**District 15:**

Mary Allen

**District 16:**

Robert Nigrello

**District 17:**

Michael Cahill  
Marcia Moody  
Adam Schroadter

**District 18:**

Steven Briden  
Eileen Flockhart  
Frank Heffron  
Donna Schlachman

**District 19:**

Patrick Abrami  
Timothy Copeland

**District 20:**

Aboul Khan  
Lawrence Perkins

**District 21:**

Robert Cushing  
J. Tracy Emerick  
Chris Muns  
Frederick Rice

**District 22:**

Michelle Peckham

**District 23:**

Pamela Tucker

**District 24:**

David Borden  
Thomas Sherman

**District 25:**

Laura Pantelakos

**District 26:**

Terie Norelli

**District 27:**

Rebecca Emerson-Brown

**District 28:**

Gerald Ward

**District 29:**

Brian Wazlaw

**District 30:**

Jacqueline Cali-Pitts

**District 31:**

Joe Scarlotto

**District 32:**

Maureen Mann

**District 33:**

Timothy Comerford

**District 34:**

Jeffrey Oigny

**District 35:**

Richard Gordon

**District 36:**

Patricia Lovejoy

**District 37:**

E. Elaine Andrews-Ahearn

**Delegation Officers**

Norman L. Major  
*Chair*

Mary E. Griffin  
*Vice-Chair*

Kevin Waterhouse  
*Clerk*

**Executive Committee**

Gene P. Charron  
*Chair*

Kenneth L. Weyler  
*Vice-Chair*

Kevin Waterhouse  
*Clerk*

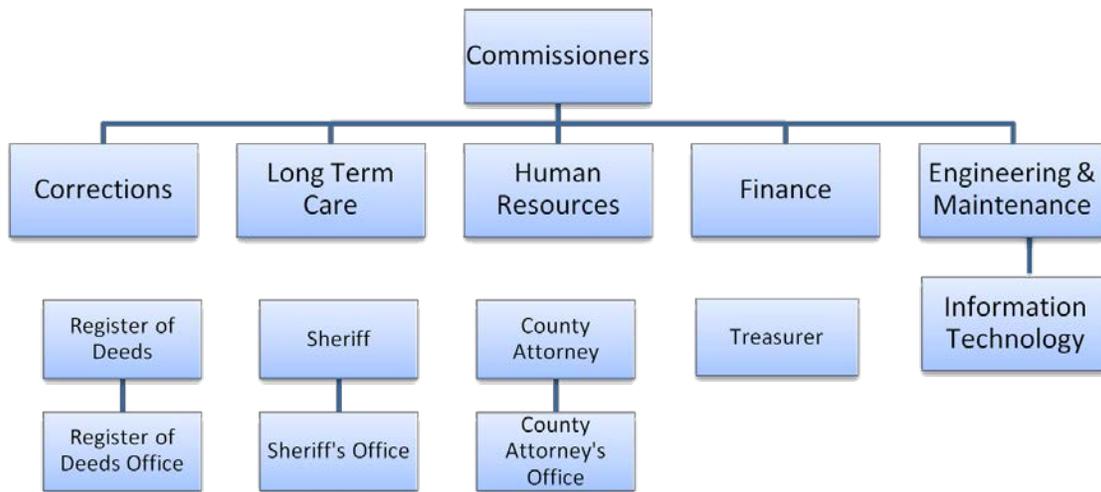
# ROCKINGHAM COUNTY COMMISSIONERS



Chair Katharin K. Pratt, District 1  
Vice Chair Kevin L. Coyle, District 3  
Clerk Thomas Tombarello, District 2

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 structure of county government today is modeled after a basic three-branch system of government. The County Commissioners make up the Executive Branch, which is responsible for the day-to-day operations of county government, in both fiscal and policy matters. The Board of Commissioners is responsible for all county departments and exercise budgetary oversight of all county finances. Other responsibilities include the management of county buildings, and land, and personnel. Authority to permanently hire, discipline, and discharge a county employee is solely the responsibility of the County Commissioners unless otherwise provided for.



This year saw a new Commissioner elected in District I, to be sworn in early 2015. In 2014, the Commissioners reduced the number of employees. Despite significant increased costs downshifted by the State Legislature, the Commissioners managed to keep the tax increase to less than 2 percent.

The Rockingham County Biomass Facility was again operational for the full year in 2014. This heating project changed our heating source at the complex from #6 oil to wood pellets with substantial heating cost savings of more than \$500,000.

The Commissioners continued to work diligently with the Jail Study Committee and the Delegation to address overcrowding in the jail. The Commissioners began a pre-trial electronic monitoring program in

2014. The goal of the Commissioners, Delegation, and the Department of Corrections is to prevent Rockingham County from having to construct a new jail facility.

The Commissioners worked with the Long Term Care Services Director to improve the skilled care nursing program and increase revenues. The restorative rehabilitation program provides focused rehabilitation services for our long term care population.

Finances are in order and once again Rockingham County has the highest short term borrowing rating, MIG1 Rating, by Moody's Investors Service on 7.5 million dollar general obligation tax anticipation note for 2014. Each year Rockingham County borrows funds in anticipation of the county tax receipts paid by the towns and city in the county each December. Moody's cited satisfactory cash flow projections, healthy financial position, and low direct burden debt as facets in the rating issued. This excellent rating resulted in a net interest cost of .214 percent with a 0.50 percent coupon rate. Rockingham County's prudent financial planning and strong budgeting efforts are a direct result of this rating and interest rate.

Grant award activity continued in 2014 from the New Hampshire Highway Safety Agency, United States Department of Justice, and the New Hampshire Department of Safety.

The Commissioners look forward to an improving economy in 2015, and hope to work with all department heads in order to seek continued cost-savings and improved services for County residents.



**Katharin K. Pratt**  
**Chair**  
**District 1**

Serving: Danville, East Kingston, Greenland, Hampton, Hampton Falls, Kensington, Kingston, New Castle, Newington, Newton, North Hampton, Plaistow, Portsmouth, Rye, Seabrook, South Hampton, Stratham

Hampton is my home where my political career began as a member of the Hampton Budget Committee in 1991.

Then, from 1992 to 1996, I was a member of the State Legislature before being elected a County Commissioner in 1997.

My goal is to maintain Rockingham's quality services and traditionally low county taxes in an environment of diminishing federal and state Medicaid funding and to fight further cost shifting by the state of New Hampshire to local property taxes.



**Kevin L. Coyle**  
**Vice Chair**  
**District 3**

Serving: Auburn, Candia, Chester, Deerfield, Derry, Londonderry, Northwood, Nottingham, Windham

I am a 40 year resident of Derry. I proudly served my community on the ZBA, Finance Committee, Trustee of the Trust Funds, and Town Council.

My goal as County Commissioner is to provide County services in a responsible manner without competing with private sector businesses.



**Thomas Tombarello**  
**Clerk**  
**District 2**

Serving: Atkinson, Brentwood, Epping, Exeter, Fremont, Hampstead, Newfields, Newmarket, Raymond, Salem, Sandown

With over a decade of public service, I represent my district with the dedication and thoroughness the taxpayers deserve. My public service ranges from law enforcement, conservation commission, planning board, and Selectman.

As a small business owner I know first-hand the hard work and commitment it takes for a small business to survive.

My family and I live in Sandown and you will often see me at my children's sporting and school events.

## DEPARTMENT OF CORRECTIONS

Stephen A. Church, Superintendent

We have enjoyed steady progress throughout 2014. We were able to institute some new inmate programs and continue existing services that will be outlined in the following report.

2014 was another busy year for the department. We continue to experience significant increase in the use of the Video Arraignment system and the employee man hours needed to accommodate the demand. Two Thirds of our average inmate population continues to be pre-trial offenders. Four of our six cell blocks are dedicated to housing pre-trial inmates. Female Offenders numbers continue to increase and associated housing costs continue to be of budgetary concern.

The following 2013 census is a general breakdown of statistics:

**Average Daily Count: 416**

**Intakes: 4150 / Males: 3195 Females: 955**

**New Offenders: 1784 Repeat Offenders: 2366**

**Total # Charges: 8166**

### ELECTRONIC MONITORING

Our Electronic monitoring program continues to be a popular alternative to incarceration for those convicted offenders that meet the criteria and have the option written into their court sentencing order. The System that the department utilizes is state of the art and incorporates the latest GPS and mapping systems to monitor the location of participants at all times. Participants are required to report to the facility at regular intervals and are subject to random urinalysis screening as well as random home visits by Corrections staff. Participants are also required to fund the cost of the system in order to have the privilege of participating, thus alleviating any cost to the taxpayer to fund this program. We averaged approximately 20 inmates on Electronic Monitoring throughout the year. This translates into a considerable savings on housing, meals and medical expenses. Changes in legislation under RSA 651:19 have been a positive step into utilizing this sentencing alternative.

**Number of Participating inmates in 2014: 56**

**Bed days saved: 6087**

### ADULT DIVERSION

The Rockingham County Adult Diversion Program is a pretrial program designed to divert individuals who have been charged with violation, misdemeanor and/or felony level offenses. Individuals, who are referred to, accepted into and successfully complete the program avoids prosecution/convictions, related fines and/or incarceration. The goal is to redirect offenders away from the criminal justice system and toward healthier choices through support, guidance and education.

In 2014 we have averaged approximately 45.5 inmates weekly in the Adult Diversion Program. There were 40 cases successfully closed and 19 cases that were returned for prosecution. Diversion is an alternative to incarceration and a positive way to reach first time offenders and curb recidivism.

## **Pre-Trial Supervision and Electronic Monitoring**

Pre-Trial Supervision is a cooperative effort in a task force capacity with Department of Corrections working with the County Board of Commissioners, the Rockingham County Sheriff's Department, Superior Court, Prosecutors and Defense Bar. This new program began in April and was designed to keep some pre-trial detainees in the community with added supervision as a bail condition, and has included a component of Electronic monitoring. This has helped to alleviate overcrowding at the jail facility and the tax burden of care and custody of these offenders. In 2014 we have averaged approximately 14 inmates weekly in the Pre-Trial Supervision Program. We are extremely happy with this multi jurisdictional approach to Positive Community Corrections.

## **INMATE WORK HOURS**

Whenever possible we schedule Minimum Security convicted offenders to various work details around the county facilities. These people work for several county departments including the Nursing Home and County Maintenance. We also have several area police agencies that are assigned an inmate worker. The workers will provide general janitorial duties and grounds maintenance services for the local safety complex. This program has saved many paid man hours for the county and area towns that would otherwise have to hire civilian employees to complete these tasks. The following is a representation of the man hours provided with inmate labor.

Complex 101,136+

Municipalities 10,032+

## **DISCIPLINARY BOARD HEARINGS**

There were a total of 296 D-Board Hearings in 2014; this is 18 more scheduled hearings than in 2013. Disciplinary board hearings are held in compliance with federal guidelines for inmates that break institutional rules or commit crimes while incarcerated. Our population within the jail continues the trend of younger offenders. These offenders seem to care less about their charges or their behavior while in custody. There was a considerable drop in inmate fights in 2014, however a 70 percent increase in assaults on Staff and inmates. There were two assaults on Staff in 2013 and 14 assaults in 2014. There was also an increase in the number of inmates found in possession of articles prohibited from 18 to 33 this year; an increase of 54 percent.

### **CLASS A OFFENSES (Most Serious Offenses of Assault, Fights, Drug Use/Possession, etc): 156**

Fighting - 32

Assault on Inmate - 21

Assault on Staff - 14

Attempted Escape - 0

Sexual Misconduct between Inmates - 3

Delivery of Prohibited Article; Possession of unauthorized/illegal drugs - 33

Positive Urinalysis - 26

Hoarding of Medication - 14

Sprinkler Activation - 13

### **CLASS B OFFENSES (Violation of Non-Violent acts where no drug involvement and/or no injuries were involved): 135**

Possession/Consumption/Preparation of Home Brew - 8

Being Away from Work Detail - 1

Removal of I.D. Bracelet - 3  
 Disorderly Conduct including Threats/Intimidation - 51  
 Stealing - 9  
 Destruction of County Property - 3  
 Being in Unauthorized Area - 5  
 Possession/Use of Tobacco (more than 1 offense) - 7  
 Threatening Staff - 6  
 Sexual Misconduct toward Staff - 3  
 Violation of Electronic Monitor - 8  
 Refusal to Lock In - 0  
 Possession of Dangerous Contraband - 18  
 Tampering with Plumbing/Electrical/Ventilation Systems - 4  
 Disobeying Direct Orders - 5  
 Racial Harassment - 3  
 Possession/Use of Tattooing Equipment - 1

**Disposition of Disciplinary Hearings**

Guilty Findings - 186  
 Not Guilty Findings - 22  
 Hearings Dismissed for not being held in the allotted time period - 54  
 Hearings Dismissed due to inmate release / transfer - 27  
 Inmate Appeals to Disciplinary Hearings - 5  
 Appeals Granted due to flawed hearing process - 2

***TOWN COMMITMENTS REPORT  
END OF YEAR 2014***

Atkinson   5    
 Auburn   11    
 Brentwood  28    
 Candia   17    
 Chester   22    
 Danville   14    
 Deerfield   13    
 Derry  388    
 East Kingston   6    
 Epping   56    
 Exeter  113    
 Fremont   29    
 Greenland   21    
 Hampstead   25    
 Hampton  184  

North Hampton  24    
 Northwood   27    
 Nottingham   21    
 Plaistow   53    
 Portsmouth  276    
 Raymond  115    
 Rye   27    
 Salem  551    
 Sandown   12    
 Seabrook  155    
 South Hampton   0    
 Stratham   27    
 TRANSFERS   8    
 Windham   32    
 Immigration   0

Hampton Falls   20    
 Kensington   27    
 Kingston   46    
 Londonderry  120   
 Newcastle    2    
 Newfields    2    
 Newington   70    
 Newmarket   58    
 Newton   24  

COURTESY HOLD   31    
 Rockingham Sheriff  1220   
 Sullivan County    0    
 N.H. State Police   221   
 Self Turn In's   146   
 Northfield    0    
 Probation/Parole   346   
 Federal Marshal    0    
**TOTAL -  4593**

**HUMAN SERVICES**

We have a very pro-active human services/inmate programs staff. They are a small group of very dedicated professionals working to provide the best services for those in their care with the continual focus on positive incarceration to give offenders the tools and life skills needed to break the cycle and ultimately reduce recidivism.

One program that we are especially proud of is our STAR Program.

**STAR = Solutions Transitioning and Recovery**

This is a 28 day in-house residential drug treatment program. Through Court Order, inmates may be released upon completion of this program. Some inmates enter the program through staff recommendation and/or self referral.

2013 STAR Participants: 98  
 Graduations: 84  
 Bed Days Saved: 3151  
 Recidivism of all Bookings: 33%

The following represents other initiatives that the Human Services staff is involved in:

- Case Management**      Assisting inmates with issues that revolve around incarceration and pre release planning.
- Education**            13 inmates completed and earned their HiSET, this is down from 32 in 2013 - The lower number is a result of the NH Dept. of Education changing from using the GED to using the HiSET as the means by which they confer the certificates
- Reasoning Skills**      Individual program where inmates work through modules
- Coping with Anger**    Offered to all sentenced inmates
- Restorative Justice**    This group participates in workshops with a focus on Community involvement, such as various crafts and donations to local shelters.

## **VINE = Victim Identification and Notification Every day**

The department Victim notification program continues to see an increase in use. This program began in 1998 and allows for victims of crime to register for automated notification of an offenders release from the facility. Technology in this area continues to increase and as a result we have seen registration through the internet increase with E-mail notification on the rise. We continually receive positive feedback about this program. In 2015 we will again promote this program to all Law Enforcement and social service/domestic violence protective agencies in the county. This service can be accessed at [www.vinelink.com](http://www.vinelink.com) as is represented by the numbers below, the access and activity with this program continues to rise.

New Registrations = 588  
Phone Calls Generated = 2199  
Vine site searches = 30,011

## **VIDEO ARRAIGNMENT**

We are currently connected to all seven Rockingham County Circuit Courts as well as many other courts and institutions throughout the state and beyond. We have maintained our ability to connect using either an I.S.D.N. (phone lines) or an I.P. connection (cable).

Total for 2014: **1925** This represents a 12% increase from last year.

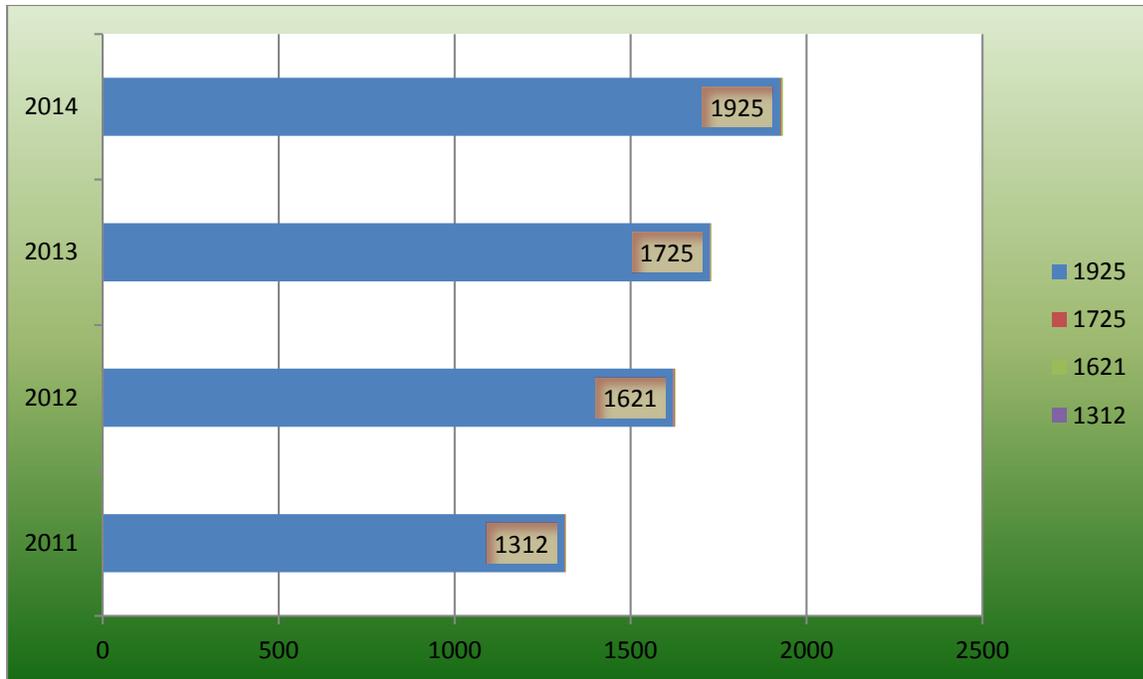
Total for 2013: **1725** Total for 2012: **1621** Total for 2011: **1312**

We continued to host prosecutors who found it more convenient to come here than to travel across the county for an arraignment. In rare instances we also hosted defense counsel for high profile cases where the interests of justice and public safety were best served by allowing them to appear from the jail facility with their client. The courts have made increased usage of our equipment's ability to host multipoint video conferences allowing prosecutors to appear from their home court while the judge and defendant are in two additional locations.

The courts have called upon us to do additional hearings in new areas besides arraignments. We have done family court, child support status hearings, arraignments, parole hearings, waiver of P.C. hearings and sentencing hearings all which otherwise would have required transport. We have also been able to accommodate the Federal Court in Boston.

The courts have made it clear in their directives that they intend to continue putting increased pressure on our services.

Total Video Arraignments conducted for the Year = 1925



**NEW PROJECTS FOR 2015**

Video Visitation - In 2015 we will be implementing a video visitation program. This will offer many more visiting opportunities for offenders with loved ones and greatly reduce the required employee man hours needed to administer visitation. This will be accomplished by adding video visitation booths on each cell block as well as in the current public side visitation area at the facility. Loved ones will also have the availability to log in remotely and this option will be a revenue source for the county. Many jurisdictions in the region utilize this type of visitation program with great success.

**MEDICAL SERVICES**

Prime Care Medical Incorporated continues to provide the care for the inmate population. This company specializes in Jail Healthcare. They provide a team of highly dedicated and professional health care workers to include Nurses, MD, PA, Psychiatrist, Dentist, and Mental Health Services. We continue to be the only corrections agency in the state of NH to be accredited with the National Commission on Correctional Health Care. The current contract with this company runs through December 2015.

**PERSONNEL**

The Rockingham County Department of Corrections represents the largest, full time, uniformed Law Enforcement agency in the county. These dedicated professionals give much of themselves in their chosen public safety profession.

We welcomed 26 new Officers to the department in 2014, filling several slots left vacant as others retired or endeavored upon other opportunities, we wish them well in their training as they embark on their new career.

We had four employees retire in 2014: Officer Sidney Thibeault after 12 years, Officer Roger Anderson after 20 years, Corporal David Estes after 20 years, and Sergeant Harold Whitehouse after 20 years of service. Together they dedicated a combined total of 70+ years of service to Rockingham County. We congratulate them on their retirement and wish them well in the future.

The following is a list of Milestones reached by several of our employees. I congratulate them on achieving these goals and I thank them for their dedication and service to the citizens of Rockingham County.

### **Employee Milestones**

#### **5 Years**

Adriana Fagan  
Jamie Banks  
George Haseltine

#### **10 Years**

Derek Voigt

#### **15 Years**

Gavin Lauder  
Anthony Sherman  
Jesus Soto  
Jess Claridge

#### **20 Years**

Gil White  
Henry Raymond  
Dale Farrar  
David Estes

#### **25 Years**

Stephen Church

In conclusion I would like to express my appreciation to the Rockingham County Board of Commissioners. This past year has come with some new and interesting challenges and the boards support and guidance has been refreshing and most helpful when many tough decisions needed to be made. I would also like to express my thanks to Representative Bob Fesh, the Chairman of the Jail Sub-Committee. He has been a long term member of the delegation and the Jail Sub-Committee and his oversight and thorough and positive review are always welcome and refreshing. Many thanks also to all of the members of the Jail Sub-Committee and the Rockingham County Delegation for their support. A renewed focus on alternative incarceration programs and pre and post release plans has been very effective, as well as financially and socially responsible.

I must recognize the Corrections Staff; the office team, Human Services Staff, medical personnel, Command Staff and the Correctional Officers of the department. This is a group of highly dedicated and career minded individuals. The professionalism and skill the staff projects while dealing with a difficult population is amazing to see. The Correctional Officers work in a direct supervision atmosphere directly on the cell blocks among the inmate population. As the years go on, and society changes, their work becomes more difficult. The work they do and the number of issues they deal with, and are able to resolve, make me proud to be the head of this agency and a member of the corrections profession.

## COUNTY ATTORNEY'S OFFICE

Patricia G. Conway, County Attorney

### INTRODUCTION

Rockingham County Attorney Patricia G. Conway is honored to submit the 2014 Annual Report for the Rockingham County Attorney's Office. The people of Rockingham County elected Patricia Conway to be their next County Attorney in November of 2014. County Attorney Conway appointed Patricia M. LaFrance as Deputy County Attorney. New leadership brings new ideas and a fresh look at how we can better serve the citizens of this County. Public safety and Professionalism are the top priorities for County Attorney Conway and the staff at the County Attorney's Office.

### MISSION STATEMENT

*"The mission of the County Attorney's Office is to provide professional and ethical prosecutorial services for the people of Rockingham County with the ultimate goals of achieving justice for victims of crime and reducing crime and recidivism."*

The County Attorney is a constitutional officer whose duties and responsibilities have been defined by common law and various statutes. The County Attorney is the chief law enforcement official in Rockingham County. She has the responsibility for and exercises general supervisory control over the enforcement and prosecution of the criminal laws of the State.

The year 2014 was a challenging one for the County Attorney's Office. The office experienced great turmoil due to a long and tedious investigative process led by the Attorney General's Office, the sudden departure of our long term County Attorney James Reams and Deputy County Attorney Thomas Reid, and high turnover in staff. Despite these obstacles, the office continued to assist law enforcement in the investigation of crimes, prosecute criminals and obtain convictions in some very significant cases. These accomplishments are truly a reflection of our dedicated assistant county attorneys and support staff who simply chose to focus on the fight against crime despite the chaos and negative press surrounding the office due to the alleged misconduct of a few.

The following are a sample of some very significant and statewide precedent-setting cases that were handled by the Office:

#### State v. Roland Dow - Plaistow

Defendant was charged with numerous counts of assault, witness tampering, endangering the welfare of a child and illegal interception of a wiretap. The defendant violently assaulted his girlfriend's 5 year old little boy in a bathtub numerous times. These assaults were described by the prosecutors as torture sessions. When DCYF became involved after the mother's family became concerned for the little boy's safety, the defendant recorded himself telling the little boy what not to say when the case worker visited. He also recorded the entire visit with the DCYF caseworker. Plaistow Police Department investigated the case and also found that the defendant videotaped the little boy in the bathroom 6-9 times after he had been assaulted. Despite the little boy being in desperate need of medical attention, neither the defendant nor his mother took him to the hospital until weeks later when he told his mother that he could not see. After trial, the

defendant was convicted of 2 counts of first degree assault, 1 count of second degree assault, 2 counts of witness tampering, 5 counts of endangering the welfare of a child and 1 count of illegal wiretapping. He was sentenced to 23.5 -67 years at the New Hampshire State Prison, stand committed. He was also sentenced to 10-30 years at the NHSP suspended for 30 years upon release from the prison.

State v. Darriean Hess - Hampton

Darien Hess was convicted of 2 counts of manslaughter and 2 counts of 2<sup>nd</sup> degree assault. The defendant while under the influence of Fentanyl drove a car and ran into 4 bicyclists during a charity ride in Hampton, New Hampshire. The defendant killed two very loved and respected adult women and she also seriously injury 2 other individuals. Hess is a 19 year old drug addict. As a result of the convictions, the defendant received a sentence of 15-40 years at the prison and 7-14 years at the prison suspended for 20 years after her release.

State v. Zachary O'Neill - Portsmouth

In April of 2013 the defendant went to a drinking establishment in Portsmouth with friends. The young victim in this case also went to the same drinking establishment with his friends. While out on the dance floor, the victim accidentally spilled a drink on the defendant. This angered the defendant. The defendant attacked the victim from behind. When the victim turned around, the defendant punched him in the head. The victim immediately fell to the ground. The victim's friends picked him up and brought him home. The victim, although he had a terrible headache, did not seek medical attention. Unfortunately, the victim passed away due to brain swelling that was caused from a skull fracture; a fracture the defendant caused when he punched the victim. The defendant was convicted of manslaughter in 2014 and sentenced to 10.5 - 22 years at the prison.

State v. Luis Carvalho - Windham

The defendant and two other men broke into a Windham residence after midnight. The Windham Police Department later learned that the owner of the home sold drugs. On the date of the incident, the owner's younger sister was staying at his home alone. The men broke into the home and ran upstairs to the master bedroom where the victim was sleeping. The victim was able to call 911 prior to the men entering the bedroom. When they entered the bedroom they pointed guns at her and told her to get on the ground. They then zip tied her hands behind her back. The men demanded to know where the money was. When 911 called back, the three men fled the home – some on foot and one in a vehicle. The police were eventually able to locate the defendant a few miles away from the home under a tree. During the investigation, police seized DNA, masks, guns, black gloves, zip ties, bandanas, and a fibrous material from the defendant's hair. The defendant's DNA was found on one of the black gloves and the fiber in his hair matched the insulation in the home's attic. After a jury trial, the defendant was convicted of Burglary, Kidnapping, Felon in Possession of a Firearm, and Criminal Threatening with a Deadly Weapon. He was sentenced to 13-26 years at the prison.

PROSECUTORS:

The Rockingham County Attorney's Office employees 19 attorneys, 2 investigators, 3 victim/witness coordinators and 13 support staff. 17 attorneys prosecute felony cases and 2 of the attorneys handle district court cases for various towns throughout the County. The felony Assistant County Attorneys are divided

into teams covering three geographic regions of the county. County Attorney Conway analyzed the three regions upon taking office and changed them in order to guarantee that all of the teams are handling an equal amount of cases.

Rockingham County Superior Court is the busiest superior court in the State. According to the New Hampshire Judicial Branch, 1,592 criminal cases, and 4,265 criminal charges were filed in the Rockingham County Superior Court. The number of indictments filed by this Office increased 39% from the year 2013 to the year 2014 without an increase in staff. From 2012 to 2014, the number of cases that the various police departments sent to the Office increased 34%.

603 jury trials were scheduled for trial by the Superior Court in 2014. The Court did not schedule or hear any trials for 20 weeks out of the calendar year. This Office conducted approximately 80 jury trials in 2014. Jury trials can generally take anywhere from 2 to 14 days to complete. The remainder of the cases were resolved through negotiated dispositions.

In addition, 251 probation violations and 26 New Hope violations were prosecuted by this office. The average caseload for each felony prosecutor was 106. This number does not include probation violations and post – conviction matters that are routinely filed and litigated by the Office.

The County Attorney continues to be proactive in providing assistance during the earliest stages of a case. Prosecutors are available to answer questions and to go to a crime scene to assist in 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 citizens of the County. Duty calls from police departments were 233 in 2014.

#### DISTRICT COURT:

While the County Attorney is responsible for criminal prosecution in her County, many of the police departments prosecute their own cases at the Circuit Court level. 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 into a contract with the County Attorney’s Office to provide a prosecutor for the towns. In December of 2014, the town of Newton pulled out of the contract as the administration felt the cost was too high. Currently, 5 towns are involved in the Plaistow District Court contract: Plaistow, Kingston, Atkinson, Hampstead and Danville. In 2014, the Plaistow District Court prosecutor handled 904 cases.

Additionally, in 2007 the Exeter District Court position was created. Currently, Exeter and Hampton Falls utilize this prosecutor and are very happy with the services provided. In 2014, the Exeter District Court prosecutor handled 801 cases.

## 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 116 telephone conferences, 36 emails and 32 office conferences with victims and witnesses of crime each month.
- . The Coordinators worked on 939 cases in 2014.
- . The Coordinators and interns generated 1061 letters to go out to victims and witnesses.

## INVESTIGATORS

The County Attorney's Office has two investigators. Both are retired law enforcement. 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.

- . The investigators reviewed 183 cases.
- . The investigators located 129 witnesses.
- . They conducted 97 witness interviews.
- . They conducted 120 follow up investigations.

## SUPPORT STAFF

The support staff at the County Attorney's Office consists of an Office Administrator, an Assistant Office Administrator, a Receptionist, a Paralegal and 10 Legal Assistants. The support staff is responsible for duties such as transcribing, drafting pleadings, scanning documents, generating subpoenas, 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 1131 trial subpoenas in 2014 and processed approximately 1592 cases involving multiple items of trial evidence.
- . Additionally, our Assistant Office Administrator processed 17 Interstate Agreement on Detainers and 3 Governor's Warrants in order to prosecute out of state defendants.
- . The reception office received an astonishing 14,259 incoming calls this year.

## CHILD ADVOCACY CENTER OF ROCKINGHAM COUNTY

Our Child Advocacy Center is the first established in New Hampshire. The Child Advocacy Center provides child friendly forums for multidisciplinary interviews of child victims and witnesses at sites in both Portsmouth and Derry. Assistant County Attorneys attend all interviews that involve an adult perpetrator.

Prosecutors attended 100 interviews at the Child Advocacy Center in 2014. The process is time consuming for attorneys, but is critical to successful resolutions to these types of cases. Additionally, one prosecutor will attend monthly case review meetings to ensure that all of the cases are being handled appropriately.

## ALTERNATIVE SENTENCING

County Attorney Conway recognizes that some defendants require alternative sentencing in order to reduce recidivism. Nationally, the recidivism rate is 67%. Thus, 67% of defendants who are incarcerated are arrested for another criminal offense within 3 years after being released from incarceration. This number is unacceptable. Accordingly, since being sworn into office in November of 2014, County Attorney Conway has encouraged the prosecutors in the office to recommend alternative sentencing programs in appropriate cases. These programs are not considered for those defendants who are violent and/or sexual predators.

## DRUG COURT:

A few years ago, Justice Tina Nadeau brought Drug Court to Rockingham County. The program targets high risk, high need offenders. The offenders are highly addicted individuals. The program is divided into 4 separate phases. The participant will graduate after successfully completing the 3<sup>rd</sup> phase. The 4<sup>th</sup> phase focuses on preparing the participant for the “real” world without the support of drug court. It takes most participants 18 months to graduate from the program. The Drug Court Team consists of a superior court judge, the County Attorney or her designee, a public defender, a probation officer, a correctional officer, a police officer and treatment providers. Both the County Attorney’s Office and the Public Defender’s Office essentially volunteer one of their attorneys to work on the drug court team. The task is very time consuming; however, the end results will be worth all of the hard work.

The National Statistics demonstrate that drug courts reduce recidivism rates. The National recidivism rate is 67%. The average recidivism rate for drug court graduates is 27%. The studies have shown that drug courts reduce recidivism rates by approximately 40%.

The initial 3 years of drug court were funded through a federal grant. The federal grant lapsed in 2014. Due to being provided a minimal amount of money, our drug court was limited to 25 participants/defendants. In 2014, the drug court team put together a proposed budget and presented it to the County Delegation. Through the collaborative efforts of Justice Tina Nadeau, Justice Marguerite Wageling, Superintendent Stephen Church and County Attorney Conway, the Delegation voted overwhelmingly to fund the drug court program 100%. The monies for drug court are accounted for within the Department of Corrections’ budget.

Now that the drug court is appropriately funded, we can have up to 50 participants in the program. These are 50 people we can keep out of the County Jail at approximately \$100.00 a day. Ultimately, this program will save the County millions of dollars. More importantly, this program will reduce crime in Rockingham County, save numerous lives and allow drug addicted individuals to become happy, stable, productive members of our community.

In 2014, 20 people participated in the Drug Court Program. 5 participants graduated from the program. Of the 5 participants who graduated only 1 recidivated with a new arrest.

### NEW HOPE

This program also targets high risk, high need offenders. Most are addicted to drugs and/or alcohol. Bad behavior is dealt with in court immediately. The sanctions are swift, consistent and proportionate to the violation. This program is not as structured as the drug court. It is meant for defendants who are not as high risk as our drug court participants. New Hope prevents victimization and crime, helps offenders and their families and saves taxpayers money. The County Attorney has assigned an Assistant County Attorney to the New Hope team.

### COMMUNITY WELLNESS OR MENTAL HEALTH COURT

Currently there are two mental health courts in Rockingham County. Both are in Circuit Courts. Portsmouth Circuit Court has the Community Wellness Court and Brentwood Circuit Court has the Mental Health Court. Both programs essentially work the same. The programs target defendants with mental health issues. Like the drug court, the program requires a team approach. The team involves the circuit court judge, an assistant county attorney, a public defender and a treatment provider. These courts provide the participants with counseling and much needed structure. Just as Drug Court and New Hope, national statistics have also shown that Mental Health Courts reduce crime and recidivism. It generally takes a participant 12 months to complete the mental health court program.

### ADULT FELONY DIVERSION

Adult Felony Diversion targets low risk, low need offenders. The County Attorney recommends this program for first time, non-violent felony level offenders. This program is for defendants who have had little to no contact with the criminal justice system. Essentially, this program gives low risk offenders a second chance. If the participant/defendant agrees to enter Diversion, he/she will sign a contract agreeing to complete a number of tasks within a period of a year. For example, the participant may be required to complete counseling, write a letter of apology or complete community service. If the participant remains of good behavior and completes all of the tasks, the felony charge against him/her will be dismissed.

When County Attorney Conway took office, there were only 5 defendants in the Adult Diversion Program. Currently, there are 63 participants in the program.

### NEW CHALLENGES AND OPPORTUNITIES

Rockingham County will face some significant challenges in 2015. We are currently faced with a drug epidemic. Heroin and Fentanyl are particularly addictive and dangerous. In 2014, 325 people died from drug overdose in the State of New Hampshire. 64 of the deaths took place in Rockingham County. Sadly, the Medical Examiner's Office predicts that these numbers will drastically increase in 2015.

The County Attorney's Office will continue to promote and advocate for alternative sentencing programs for those who are highly addicted; however, the drug dealers will be prosecuted to the fullest extent of the law. Furthermore, the County Attorney's Office will work closely with the Rockingham County Drug Task Force and other local agencies to aggressively fight the sale of drugs in Rockingham County. Additionally, the County Attorney's Office is encouraging and assisting law enforcement agencies in investigating sale of controlled drugs with death resulting cases.

Additionally, the County Attorney will speak at a number of public forums to educate our citizens about the dangers of drugs and to advocate for more treatment facilities in Rockingham County and the State of New Hampshire. Lastly, the County Attorney will educate young people as to the dangers of drugs as prevention is the most cost effective way to battle drug addiction.

Also of particular concern to the County Attorney's Office are sexual assault offenses, human trafficking and internet crimes against children. The County Attorney's Office will continue to work closely with the Internet Crimes Against Children Task Force (ICAC) in order to properly investigate and prosecute those who sexually exploit children through the use of the internet or computers. Additionally, the County Attorney recently met with the Statewide Director of SART (Sexual Assault Resource/Response Team). The County Attorney plans to put together a SART in Rockingham County in 2015. This initiative will help us combat sexual predators.

Furthermore, the Rockingham County Attorney's Office will be collaborating with Homeland Security Investigations, ICAC, Portsmouth Police Department, Salem Police Department and other agencies in the State of New Hampshire to target, investigate and prosecute human traffickers.

Another challenge for the County Attorney's Office is the growing number of cases our staff and the Court's staff will be tasked with managing in the coming years. In order to meet the demands of the growing number of cases, and also to prosecute cases more efficiently, County Attorney Conway implemented an Early Case Resolution (ECR) Program. Currently, 3 towns are participating in the program. Once the program is up and running and we have ironed out all the wrinkles that are bound to come up with a new initiative, the County Attorney will expand the program Countywide. Other Counties have been able to dispose of 40% of their caseload very early on in the criminal justice process with an ECR program.

Along with limited resources comes the need for cost efficient, local, statewide training for newly hired prosecutors. Currently, the State of New Hampshire has no organized statewide training program for newly hired assistant county attorneys. On the flip side of this, the Public Defenders Program provides a statewide 6 week training program for newly hired public defenders. This really places our new prosecutors at a serious disadvantage.

County Attorney Conway proposed a statewide training program for newly hired prosecutors to the County Attorneys' Association and the Attorney General's Office in May of 2015. All of the County Attorneys across the State are very interested in implementing a training program. County Attorney Conway will be spearheading this initiative for the County Attorneys' Association in the coming year.

Yet another challenge in 2015 will be adapting to the Felonies First legislation. Pursuant to this legislation, all felonies will be filed in the Superior Court by the County Attorney or her designee. Currently, all felonies are first filed at the Circuit Court level by the police. Many of these charges are negotiated down to misdemeanor offenses before they reach the County Attorney's Office. This legislation will result in the County Attorney's Office handling more felony offenses than ever from the inception of the crime. In order to handle the increase in cases, the office will require more prosecutors and more legal assistants. The good news is that Rockingham County will be the last county to begin the program. Thus, we can observe and learn from the mistakes of others.

In closing, I want to congratulate the entire staff of the Rockingham County Attorney's Office. They are dedicated and compassionate professionals who are committed to the mission of the 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 and the Delegation for welcoming me to the Rockingham County Team and for working with me on a number of difficult issues. I look forward to working together in the coming year to do what is best for our great county. I am truly humbled and honored to be the County Attorney and I feel blessed to be given an opportunity to make this county safer.

Lastly, I would like to thank the Delegation sitting as the County Convention for their support in funding the Rockingham County Drug Court. This program plays a vital role in the county's battle against drug addiction and drug related crimes.

## **ENGINEERING AND MAINTENANCE SERVICES**

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

The mission of the Engineering & Maintenance Services (E&MS) department is to provide, safely and efficiently, the infrastructure services that contribute to the quality of life for our residents, the safety of the personnel in the Correctional facility, and the maximum productivity of the employees. We place a strong emphasis on responsible management of resources and preventive maintenance to control costs and increase the life expectancy of equipment and systems.

The E&MS department includes boiler operators who work around the clock to ensure that all buildings are safe, properly heated and with a ready supply of hot water. Water and Wastewater Treatment facility Operators manage the safe delivery and disposal of 60,000+ gallons of water daily. Buildings & Grounds Technicians and a Motor Service Mechanic ensure continuous upkeep of the grounds, inclement weather response, hay operations, care of all of the associated equipment to get the work done, plus maintenance of the truck and cruiser fleets. Preventive maintenance and small and large projects are undertaken by our Master Plumber, Master Electricians, Telecommunications Tech, Painter, Complex Projects Tech, IT/Telecomm Manager, Foreman, Purchasing Agent and two support staff. Every member of the E&MS team works hard to meet our Mission. Although we work behind the scenes, evidence of the department's work is clear in every building and throughout the grounds. We are a dedicated and skilled group of individuals who truly touch the lives of every resident, staff person, and visitor every day. I am proud to be a part of this team.

In addition to daily operations and maintenance, E&MS participated in the following projects and upgrades in 2014.

- Upgrade of two tub/shower rooms on the Blaisdell II unit of the Rehabilitation and Nursing Center
- Design and replacement of the Nursing Station at the Driscoll first floor unit; work included upgrade of the lighting in the area with LED fixtures
- Replacement of the flooring in the residents' rooms and hallways in the Underhill wing of the Ernest Barka Assisted Living community
- Replacement of the windows in the Driscoll wing of the Rehabilitation and Nursing Center as well as replacement of the windows in the Staff Dining Room
- With support and assistance from our IT/Telecommunications Manager, continued implementation of security measures in the Rehabilitation and Nursing Center including cameras and locks; development of a comprehensive plan for securing the exterior of the building.
- Engineering and structural work to restore the integrity of the steam tunnel through which the County's steam, electric, network and telephone infrastructure runs
- Restoration, repointing and sealing of the exterior of Blaisdell building as well as repairs to the façade on Fernald building
- Both of the Wastewater Treatment Facility in-line sewage grinders were removed and rebuilt
- The chimney at the main Boiler Plant was inspected; repairs will be undertaken in 2016
- Upgrade to the HVAC systems serving the Administration Building, contributing to energy efficiency and noise reduction
- Replacement of flooring in the Carlisle building
- Replacement of three (of six) replacement HVAC units at the Jail/House of Corrections
- Commencement of project to refurbish and upgrade the showers on the Blocks at the Jail/House of Corrections.

Nearly three quarters of the E&MS operating budget is for utilities expenses. We place a strong emphasis on making energy efficient decisions and purchases, exploring all reasonable avenues for cost savings. The

2014 audited energy savings for energy conservation measures put in place in 2003 is \$257,269. Our biomass facility saved the County in excess of \$550,000 in heat and hot water expenses. Conservation and efficiency are key elements of every work order, every equipment purchase and every project undertaken. We continue to maintain a Wellhead Protection Program, ensuring water quality, saving on annual laboratory fees, and maintaining the natural resources. After treatment our wastewater is used to irrigate the hay fields, recharging the aquifer and producing a source for revenue that is able to absorb the nutrients. The savings and the stewardship of the land and other natural resources are a continuing source of pride.

I am grateful for the comradeship of my colleagues and the continued support and confidence shown to Engineering & Maintenance Services by the Board of Rockingham County Commissioners.

**LONG TERM CARE SERVICES**  
Steven Woods, Administrator/Director

The year 2014 was full of changes and setting new goals while continuing to provide the highest quality care to our nursing home residents, short term rehab clients and assisted living residents according to our mission.

I certainly want to acknowledge all of the staff and departments that ensured our steady course throughout the entire year. A strong team approach assured consistency and a high quality of care delivery to everyone we served.

Our annual Medicare/Medicaid State Survey was conducted in April 2014. Once again Rockingham County Rehabilitation and Nursing Center stands out as one of the best nursing homes in the State of New Hampshire. The nursing home and the assisted living both had terrific surveys.

Our annual education day was conducted in October in the assisted living building. This is an important and mandatory in-service program for all long term care staff. This program reinforces critical knowledge and skills required to run our building safely and according to all current laws and regulations. The event had an 'around the world' theme that made the training fun and positive for everyone involved.

Another initiative that we continued with was our oral health program. Since 1979 we have been providing dental services to our residents. We continued doing upgrades in our superb dental suite.

We continued with our strong rehabilitation program. We served residents in our community that required short term rehabilitative services with a goal of returning many back to their homes. Our contract continued with Select Rehabilitation. Our nursing staff were trained in IV services so we could meet higher acuity needs, as well. We kept moving to the future of long term care delivery by growing as a more regional provider of skilled services and making a more frequent connection with all of the hospitals in our service delivery area.

I am proud of Rockingham County Long Term Care Services and the strong community reputation that it deserves. I look forward to the year ahead with excitement. I am especially proud of the people I work with every day here at the facility. I have so many colleagues who work with loyalty and high professional standards. We spend time letting them know how much they are all appreciated throughout the year and especially during our annual staff appreciation week held in May.

We are all grateful for the dedication, guidance and support of our three County Commissioners and look forward to the year ahead.

**ROCKINGHAM COUNTY REHABILITATION AND NURSING CENTER**

**CENSUS 2014**

**TOTAL CENSUS** **JANUARY 1, 2014 - 213**

**TOTAL ADMISSIONS** **238**

Home	24
Hospital	171
Nursing Home	13
Psych. Hospital	3
Rehab.	17
Assisted Living	9
Group Home	1

**TOTAL DISCHARGES** **316**

<b>Hospital Admit&gt;Returns</b>	<b>101</b>
Expired at Hospital	5
D/C to another facility from hospital	2
D/c home from hospital	2
<b>Permanent Discharges</b>	<b>124</b>
Discharge to another facility	4
Discharged to Assisted Living	16
Discharged Home	104
<b>Deaths</b>	<b>91</b>

**TOTAL CENSUS** **DECEMBER 31, 2014 - 217**

**TOTAL RESIDENT DAYS:**

DAILY AVERAGE CENSUS	217
HIGHEST CENSUS	226
LOWEST CENSUS	205

**DAILY AVERAGE:**

FERNALD BUILDING	39
BLAISDELL BUILDING	106
DRISCOLL BUILDING	69

**AVERAGE AGE OF RESIDENTS DECEMBER 31, 2014** **80**

**AVERAGE AGE OF RESIDENT'S DEATH** **85**

**AVERAGE AGE OF ADMISSION** **80**

**AVERAGE LENGTH OF STAY** **0 yrs. – 8 mos. – 0 days**

**REGISTRY OF DEEDS**  
**Cathy Ann Stacey, Register of Deeds**

As I begin my twenty-first year as Rockingham County Register of Deeds, I first wish to take this opportunity to commend the Registry of Deeds staff for their continued hard work and dedication in fulfilling the mission of this office. In addition, I extend my deepest 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 you and I pledge to continue on my vision to make the Registry of Deeds records more accessible to the public and strive to discover ways to ensure continued fiscal responsibility in the budgeting and administration of this office.

In 2014 the Registry of Deeds implemented a pilot program for E-filing of land records documents. A total of thirty (30) Title Companies and attorneys participated in the pilot program with a total of 2,491 documents being recorded between May and December 2014. The availability of E-filing will speed up the transaction time needed for the public to close on real estate transactions. I anticipate in 2015 the program will be fully opened to all lawyers, title companies and lenders wishing to participate. This transition will result in less mail handling for this office and save on postage fees.

During the past few years I had observed a large volume of what I deemed to be fraudulent liens being recorded at the Registry of Deeds. With this in mind, I spearheaded legislation to establish the filing of fraudulent liens a felony and enabling the Registry of Deeds to index them utilizing a different standard in the grantor index. After significant testimony and hearings I am happy to report NHRSA 478:42 was voted into law. The enactment of this bill will save members of the public thousands of dollars in legal fees and costs having to defend frivolous filings.

The restoration of ancient documents continues to move forward. From the dedicated fund the sum of \$69,046.00 was budgeted and expended for this project. As a reminder, the dedicated fund (surcharge fund) contains non-taxpayer dollars which are statutorily dedicated for use in the Registry of Deeds.

The Registry of Deeds experienced an overall decrease in document recording volumes of twenty-six (-26%) percent for a total of 50,107 filings.

The following chart reflects annual transactions reported to each municipality within Rockingham County. A total of 29855 transactions were reported. 896 went to all communities as no location was specified.

**MUNICIPAL TRANSACTIONS**

Atkinson	638	Greenland	445	Newington	85
Auburn	540	Hampstead	853	Newton	505
Brentwood	444	Hampton F	242	Northwood	477
Candia	325	Hampton	1852	Plaistow	725
Chester	489	Kensington	136	Portsmouth	2093
Danville	396	Kingston	556	Raymond	907

Deerfield	432	Londonderry	2367	Rye	650
Derry	2467	New Castle	104	Salem	2433
E Kingston	209	Newfields	144	Seabrook	800
Epping	764	Nottingham	491	S Hampton	94
Exeter	1391	N Hampton	532	Sandown	672
Fremont	525	Newmarket	753	Stratham	882
				Windham	1561

The foreclosure trend in Rockingham County continues to decline. During 2014 Rockingham County recorded 413 foreclosures which reflect a decrease of 125 or 30% from the previous year.

### Foreclosure Transactions

Atkinson	6	Greenland	4	Newington	0
Auburn	8	Hampstead	10	Newton	12
Brentwood	7	Hampton F	2	Northwood	10
Candia	5	Hampton	14	Plaistow	11
Chester	7	Kensington	0	Portsmouth	15
Danville	6	Kingston	13	Raymond	28
Deerfield	9	Londonderry	39	Rye	1
Derry	56	New Castle	0	Salem	34
E Kingston	0	Newfields	1	Seabrook	4
Epping	14	Nottingham	10	S Hampton	1
Exeter	21	N Hampton	6	Sandown	15
Fremont	15	Newmarket	8	Stratham	12
				Windham	9

The total County revenue collected by the Registry of Deeds in the 2014 calendar year was **\$3,151,782.12**.

### 2014 Revenue Collected by Register of Deeds

State Transfer Tax	\$30,782,587.00
4% RETT commission	<b>\$1,229,461.28</b>
State LCHIP tax	\$842,275.00
4% LCHIP commission	<b>\$ 33,691.00</b>
Copies/Faxes	<b>\$ 317,269.97</b>
Recording Fees	<b>\$1,390,716.87</b>
Document Surcharge offset	\$180,000.00
<b>Total Revenue</b>	<b><u>\$3,151,139.12</u></b>

Total Documents recorded 51,016

Current year documents scanned/filmed	<b>243,950 pages</b>
Current year scanned plans	<b>929 sheets</b>

Current year daybook filmed **9,000 pages**

Historical records rescanned **209 books**

**TOTAL PAGES..... 253,879 pages**

Lastly, I wish to acknowledge the Rockingham County Board of Commissioners and members of the Rockingham County Finance Department for the continued assistance and support provided to this office.

**SHERIFF'S OFFICE**  
Michael W. Downing, High Sheriff

**Arrest Warrant Statistics**  
As of 12-31-2014

**Active Warrants – Superior Court & Family Division**

Active Warrants in NCIC	584
Active Superior Court Civil Warrants non-NCIC (Equity, Family Division, Cost Containment)	170
Active Warrants – Persons Serving Time in Other States	80
<b>Subtotal</b>	<b>834</b>
Active Warrants – Persons Beyond Extradition Limits (included above)	170
<b>Active Warrants - District Court</b>	
Active Warrants	129
Active Warrants Issued to Other Counties	0
<b>Subtotal</b>	<b>129</b>
<b>Grand Total – Active Warrants All Courts</b>	<b>963</b>

**Arrest & Recall Statistics**  
As of 12-31-2014

**Arrests – Superior Court Warrants**

Criminal Warrant Arrests	520
Civil Warrant Arrests	69
Electronic Bench Warrant Arrests	27
Recalls	180
<b>Subtotal</b>	<b>796</b>
<b>Arrests – District Court Warrants</b>	
Arrests	33
Non Est	121
Warrant Recalls After Warning Notice	100
Warrant Recalls After Person Learned a Deputy Was Actively Seeking Their Arrest	162
<b>Subtotal</b>	<b>416</b>
<b>Grand Total – All Warrants Cleared</b>	<b>1,212</b>
<b>Total Warrants Managed – All Courts</b>	<b>2,175</b>

### Court Services Division

The Court Services Division transported 9,900 prisoners in 2014, an increase of approximately 844 prisoners over those transported in 2013. During this period there was also a 12% increase in the number of video arraignments conducted by the jail. Transports to juvenile and adult facilities in the northern part of the state like Berlin and Jefferson continue to place high demand on the personnel assigned to the Transportation Division. The Transportation Division routinely experiences personnel shortages. These shortages are supplemented with Reserve Deputies and reassignment of personnel from other divisions to meet daily transportation needs.

<b>Transports for Other Agencies</b>	<b>9,372</b>
<b>Involuntary Emergency Admissions</b>	<b>345</b>
<b>Juvenile Transports</b>	<b>183</b>
<b>All Other Transports</b>	<b>0</b>
<hr/>	
<b>Total 2014</b>	<b>9,900</b>
Total 2013	9,056

### Patrol / Civil Statistics

The Patrol Division continues to experience a high level of requests for service of court documents. The Patrol / Civil Division processed approximately 902 documents per month for the thirty-seven (37) towns within Rockingham County. Services cover documents which must be served in hand, served by leaving at place of business or residence and services which must be recorded at Rockingham County Registry of Deeds.

Additionally, deputies were involved in traffic enforcement initiatives that contributed to making the roadways in Rockingham County safer for the motoring public. Some of these initiatives were funded by the New Hampshire Highway Agency.

<b>Civil Process Served</b>	<b>10,831</b>
<b>Motor Vehicle Enforcement</b>	<b>2,741</b>

### Criminal Investigations / Warrants Division

The Warrants / Investigations Division was responsible for 165 criminal cases to include drug investigations, background investigations and cases that other towns pass onto this agency due to conflicts of interest. The division is responsible for all investigations that occur on Rockingham County grounds to include all Rockingham County Department of Corrections investigations. The division worked closely with the jail to improve the process in which reports, evidence and the flow of information were given to our agency in order to go forward on investigations and ensure the ability to prosecute individuals on criminal charges.

<b>Criminal Investigations</b>	<b>165</b>
Task Force	24
Backgrounds	6
Death	1
Conflict of Interest	2
Department of Corrections	132

In June 2014, the Investigations Division worked closely with the Rockingham County Department of Corrections on a case where a corrections officer was supplying prescription drugs to inmates. The case was comprehensive and difficult to conduct given the jail type setting. The use of jail informants and hidden cameras along with information coming from a state prison inmate further complicated the case. The cooperation from the Rockingham County Department of Corrections resulted in the arrest and conviction of the correction officer in question.

The Warrants / Investigations Division was responsible for arresting 616 persons on outstanding warrants in 2014. The Sheriff's Office and the United States Marshal's Service have developed a Memorandum of Understanding to work cooperatively to apprehend New Hampshire's most wanted criminals. This effort has resulted in participation in apprehending over one hundred forty six (146) felons with United States Marshal's Service in Rockingham County and throughout New Hampshire in 2014.

**2014 Out of State Extraditions by State**

<b>Connecticut</b>	<b>1</b>	<b>Florida</b>	<b>4</b>
<b>Massachusetts</b>	<b>112</b>	<b>Maine</b>	<b>23</b>
<b>New York</b>	<b>2</b>	<b>Rhode Island</b>	<b>2</b>
<b>Vermont</b>	<b>1</b>		

**Total Out of State Extraditions: 145**

**Drug Task Force**

In 2014, the Rockingham County Sheriff's Office Drug Task Force (RCSO DTF) conducted twenty four investigations focusing mainly in the Epping, Raymond and Seabrook areas of the county to combat the high rate of drug overdoses that have increased in the last year.

In February, the RCSO DTF worked on a heroin trafficking investigation in Epping in which controlled buys of heroin were conducted. This investigation resulted in a search and arrest warrant of a mid-level dealer in Raymond who was a major supplier to the area. This investigation resulted in the seizure of fifteen (15) grams of heroin, several grams of marijuana and three suspects were arrested and charged with drug offenses.

In May, the RCSO DTF, in conjunction with Seabrook Police Officers conducted a month long investigation in Seabrook where controlled buys of cocaine from two street level dealers were made. The suspects supplied a great deal of cocaine to the Seabrook area. The suspects were arrested on arrest warrants.

In July, the RCSO DTF concluded a two month long marijuana trafficking investigation. After several controlled buys of marijuana were made, a search warrant was conducted on the residence and an arrest was made on the mid-level drug dealer in question. This resulted in a second search warrant on the same night to the dealer's supplier. The case resulted in the seizure of eleven (11) bags of packaged marijuana, ten (10) grams of heroin, assorted prescription drugs and a marijuana grow. US Currency, weapons and a vehicle were also seized as evidence. Two suspects were arrested and charged with drug offense.

In November, the RCSO DTF along with the Atkinson Police Department and US Immigration and Customs Enforcement conducted controlled buys of heroin from a dealer. This dealer supplied heroin from the Lawrence Massachusetts area to the Route 125 and Route 93 corridors. This case resulted in an arrest and the seizure of a vehicle for evidence. The suspect was also an illegal immigrant.

In 2014, the RCSO DTF conducted joint narcotics investigations with Raymond, Epping, Northwood, Newmarket, Exeter, Hampton, Fremont, Hampstead, Auburn, Chester, Windham, Seabrook, DEA, ICE, Lawrence MA Police, Salisbury MA Police and Newburyport MA Police which resulted in arrests in other jurisdictions.

### Seizures

<b>Drug Name</b>	<b># Cases</b>	<b>Amount</b>	<b>Street Value</b>
Heroin	13	104.9 gm	\$ 6818.50
Cocaine (powder/crack)	3	6.5 gm	\$ 585.00
Marijuana	12	1.42 lbs.	\$ 7100.00
Suboxone (tablet/strips)	6	46 doses	\$920.00
Morphine (tablet)	3	12 doses	\$ 180.00
Oxycodone	40	40 doses	\$ 800.00
Hash	2	2 grams	\$ 800.00
Methadone	2	5 doses	\$ 175.00
Spice	6	25 grams	\$ 625.00
Other prescription drugs/pills	12	64 doses	\$Unknown

### Rockingham County Supervised Pretrial Release Program

The Rockingham County Supervised Pretrial Release program was designed in 2013 to alleviate many issues experienced by Department of Corrections involving pretrial defendants housed by Rockingham County, and provide options to the pretrial defendant.

Final decisions to release a defendant from incarceration to the RCSPR program are ordered by Rockingham County Superior Court Judges. Defendants referred to the program are interviewed, and assessed which includes residential visits and agreements are completed by the RCSPR Deputy. The entire assessment package is forwarded by Rockingham County Sheriff's Office to the prosecution, defense attorney, and Superior Court for a bail review hearing, or final order.

Participants ordered to RCSPR, are required to abide by all Court orders and any additional conditions set by the program. Any violation of these conditions may result in additional charges, arrest, and / or incarceration. Violations may cause the defendant's removal from the RCSPR program. All violations are reported to the Court, prosecution, and defense attorneys to determine an appropriate course of action.

In February 2014, funding was approved providing RCSPR use of a GPS Electronic Monitoring system. Electronic monitoring bracelets are utilized in conjunction with home / employment visitation, telephonic / in office reporting, curfews, and drug screening to assure the defendant's compliance with the Court Order and the RCSPR program. This electronic technology saves the county \$87.50 per day in housing costs for each defendant participating in the RCSPR program.

In Spring of 2014, Deputy Michael Gilman from Rockingham County Sheriff's Office and Cpl. Raymond from the Rockingham County Department of Corrections relocated to a new office space on Nursing Home grounds which is shared with the Adult Diversion Programs. This relocation allowed Deputy Gilman and Cpl. Raymond to operate jointly on building the RCSPR Program.

RCSPR has maintained a consistent productivity level through a combined effort between the program, the Court system, the New Hampshire Defender's Office, and private defense counsels.

As of December 31, 2014 there were a total of 265 defendants screened; 191 male and 74 female. Of the 265 screened, a total of 37 identified defendants were approved in the pretrial program. Thirteen defendants participated through to sentencing, and seven were terminated from the program due to violation. Seventeen participants are actively enrolled in the program and are monitored via electronic bracelet.

**In 2014 the estimated housing cost savings for individuals participating in the RCSPR Program was \$349,912.**

### **Warrant Entry Team**

The Warrant Entry Team currently operates with one Team Commander, one Team Leader, and one Assistant Team Leader and up to eight operators/members. In 2014, Deputy Malgeri stepped down from the team to focus on other responsibilities. Deputy Dawson retired from the Rockingham County Sheriff's Office at the end of the year. Three members were added to the warrant entry team in 2014 to bring the team to appropriate levels. Deputies, Wiltshire, Costa & Berube joined the team during the summer of 2014 and will be attending the next available SWAT I & II courses.

The Team maintained overall proficiency by participating in scheduled physical training days, twenty-two (22) scheduled SWAT related training days. They participated in five (5) planned operations and call-outs.

On May 9, 2014, the Warrant Entry Team participated in a full scale, training "call-out", that included a briefing, simulated activation, with mission planning, reconnaissance, and inter-agency operability with Windham Police Department, conducting a full execution of a "high risk warrant service" and a staged location with live actors. The team conducted a full speed deployment from vehicles, breaching of the residence and deploying live distraction devices.

On May 12, 2014, members of the Warrant Entry Team responded to an officer down call at Mill Pond Road, Brentwood, N.H. where Brentwood Officer Stephen Arkell was killed by a gunman. Members of the team were some of the first on scene and helped secure the area while forming a possible rescue for Officer Arkell, while under gunfire from the suspect. The team evacuated nearby neighbors with the up-armored HMMWV that were susceptible to the gunfire. The team remained on scene working with the Seacoast Emergency Response Team, the State Police SWAT team, and numerous local agencies until the incident was concluded.

On May 30, 2014, the Warrant Entry Team was deployed to Newmarket, NH to assist the Seacoast Emergency Response Team at Salmon Street, Newmarket, NH, for a report of barricaded subjects firing weapons in a densely populated residential neighborhood. The team relieved SERT members on perimeter and assisted until both suspects were confirmed to be in custody and the residence was secure.

On June 3, 2014, members of the Warrant Entry Team responded to Highland Road, South Hampton, NH, for a reported gunman attempting suicide by cop holding two rifles in the street. The suspect later stole a State Police cruiser to crash into other police vehicles. Members of the team were used to secure the neighborhood around the residence when the suspect's location was unknown. While working with other units, the team moved house to house, advising residents to shelter in place, then remained on perimeter until the suspect was taken into custody.

On Oct 1, 2014, the Warrant Entry Team participated in a full day of cell extraction training at the Rockingham County Superior Courthouse with New Hampshire State Prison, Special Response Team

(SRT) members. Policies and procedures were reviewed and used by the SRT during practice of high risk cell extractions in holding cells at the Rockingham Superior Courthouse.

Additional training was conducted by firearms qualifications, safety training, hostage rescue, active shooter exercises, barricaded subjects, motor vehicle assaults, Sig Sauer Academy, use of force, breaching, officer rescue with shields and vehicles, less lethal systems, cell extractions and high risk arrests and search warrant services.

The team was also activated and instrumental in assisting the narcotics task force, warrants division, by executing search warrants and arrests in and with the following communities / agencies:

Kingston Police Dept.	Raymond Police Dept.	Newmarket Police Dept.
Plaistow Police Dept.	Deerfield Police Dept.	North Hampton Police Dept.
Danville Police Dept.	Newton Police Dept.	Brentwood Police Dept.
Epping Police Dept.	Northwood Police Dept.	Derry Police Dept.
Fremont Police Dept.	Hampton Police Dept.	Londonderry Police Dept.
Exeter Police Dept.	Hampstead Police Dept.	Windham Police Dept.
Portsmouth Police Dept.	Seabrook Police Dept.	Salem Police Dept.
Rockingham County Department of Corrections	Atkinson Police Dept.	South Hampton Police Dept.
Auburn Police Dept.		

Warrant Entry Team Members were successful in apprehending or clearing thirty individuals with outstanding warrants. These warrants and operations met the criteria of a medium to high risk warrant situations. All individuals displayed “special threat considerations” that would be better handled by a specialized tactical team. Special threat considerations include but not limited to; drug warrants, suspects with a propensity toward violence, persons known to be armed, a heavily fortified location (booby traps) or known gang members.

In 2014, the Warrant Entry Team acquired new Ballistic helmets and tactical headsets, using monies from the asset forfeiture account. This new equipment is instrumental in maintaining proper communication and situational awareness. This equipment also increases the safety of team members and the integrated hearing protection will reduce potential hearing injuries during the performance of their duties and training.

The Warrant Entry Team continues to maintain proficiency and actively seeks further training to increase its mission readiness. Team members are frequently recognized for their efforts and actions. The additional training and equipment that team members receive, makes them a much more versatile asset during team assignment as well as regularly assigned duties.

### **Administrative Services Division**

The dispatch center handled 141,840 calls for service (Police, fire/EMS and Sheriff’s Office) in 2014.

The dispatch center continues to dispatch for 25 police departments 18 fire/EMS departments along with dispatching for the Sheriff's Office.

The 2014 authorized strength of the dispatch center was (4) Dispatch Supervisors, (13) full-time Dispatchers and (4) on-call Dispatchers.

This year brought the tragic line of duty death of Brentwood Officer Steven Arkell. The dispatch center took the call that sent Officer Arkell to the residence and handled the response for the call for help. The members of the dispatch center that were on duty that day handled themselves with the up most professionalism and, in reviewing the incident, there appears that there was nothing they could have done to change the outcome of the tragic event.

Network Administrator:

The Network Administrator's authorized strength is (1) computer technician. In 2014, the Network Administrator upgraded 15 PCs to the Windows 7 operating system. Two aged servers were replaced which allowed the division to virtualize all servers. A Sans System was added that backs up server settings and allows the system to recover more quickly in the event of a failure. COPS Sync software was also introduced to the dispatch center. This software enables schools, in the event of an emergency, to have direct access to the dispatch center. In addition, it has the ability to alert units within the area to the emergency.

Radio Shop:

The Radio Shop has an authorized strength is (1) Chief Electronics Technician. A number of large scale projects were completed this year, addressing a number of issues and requests from both within and outside the Rockingham County Sheriff's Office.

The Chief Technician and Lieutenant of Administrative Services secured over \$405,000 in grant funding for three major radio communications related projects to include Simulcasting, a Microwave Ring Network, and Kensington Ridge / East Kingston tower site expansion. Each of these projects address reception related issues, eliminate single points of failure in the event of power failure or a catastrophic event, and upgrade aged or failing equipment. All of these projects enhance communication and ensure backup systems are in place to reduce interruptions in communication.

A tower site in Stratham took a direct lightning strike resulting in the loss of two microwave radios and communication with two sites on the seacoast. The Chief Technician worked with 2-Way Communications to establish a temporary microwave link from Newington to Rye while repairs were being made to damaged equipment. A lightning suppression project was also completed at the Rockingham County Sheriff's Office to prevent catastrophic damage should the building sustain a lightning strike similar to what occurred in Stratham.

Many other maintenance projects and repairs were completed as part of a new preventative maintenance program. The Chief Electronics Technician also assisted other county organizations with radio programming, repairs, and communication related items.

**Organizations Requesting Radio Shop Assistance in 2014:**

Candia Fire

Candia Police

Epping Fire

Epping Police

Atkinson Police

Derry Police

Deerfield Police	Deerfield Fire	Brentwood Police
Kingston Fire	Kingston Police	Chester Fire
Newington Fire	Newton Fire	Nottingham Fire
Greenland Police	Stratham Police	Raymond Police
Brentwood OEM	Raymond Fire	Raymond Ambulance
Danville Fire	Sandown Fire	Auburn Police
Manchester Water Works / Watershed Patrol	Rockingham County Corrections	Rockingham County Nursing Home
Rockingham County Engineering & Maintenance		

The Chief Electronics Technician attended seminars and training courses throughout the year to include the NHSICP Revision Workshop, Jurisdictional THIRA course, and the STSA training.

**TREASURER**  
Edward R. Buck III

Rockingham County ended 2014 in good financial shape. This was indicated by the fact that during 2014, the County:

- Met all financial obligations on a timely basis
- Obtained borrowing at record low interest rates
- Maintained an excellent Moody borrowing rating
- Continued satisfactory banking services relationships
- Collected all tax warrants from towns and cities with no defaults

The highlight of the summer was the sale of \$7.5 million in a Tax Anticipation Note (or TAN). This amount was slightly more than the previous year when the County borrowed \$6.5 million. The amount was substantially less than the \$13.5 million borrowed in two years ago.

The TAN was purchased by Eastern Bank at an interest coupon rate of 0.2140% and was due on Dec. 19, 2014. There were six bidders on this issue. The term of the note was 138 days.

Moody's assigned an MIG-1 rating for the \$7.5 million note, the best note rating possible. The MIG-1 rating applies to short-term loans only. Strong financial operations, substantial tax base continuing to grow, and minimal debt burden were reasons cited by Moody's for the rating.

The relatively low interest rates coupled with the high ratings from Moody's Investor Services were again a definite plus for the County. Rockingham County issues TANS during the year to cover obligations and expenses until receiving tax revenue from the Towns in mid-December of each year.

The established banking services relationship with TD Bank continued in a satisfactory manner. In December, a Request for Proposal for banking services was sent to local NH banks. The Commissioners awarded the contract for banking services to TD Bank on Dec. 30, 2014.

Theresa Young of the Finance Office deserves credit for managing these complicated financial matters and was instrumental in the continued excellent County ratings. The entire finance staff worked hard in all areas to achieve great fiscal health for the County.

The Treasurer's Office collected \$ 44,809,156.00 in taxes, with no defaults, from the thirty-seven cities and towns of Rockingham County. Tax payments were due, by law, December 17<sup>th</sup>.

**MINUTES  
ROCKINGHAM COUNTY  
PUBLIC HEARING  
COMMISSIONER'S PROPOSED 2014 BUDGET  
Thursday, January 23, 2014  
7:00 p.m.  
Hilton Auditorium  
Rockingham County Nursing Home  
Brentwood NH**

The Chairman of the Rockingham County Delegation held a Public Hearing on Thursday, January 23, 2014 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 2014 Budget.

Rep. Kenneth L. Weyler, Acting Chairman, called the Public Hearing to order at 7:03 p.m. in Rep. Norman L. Major's, absence.

Rep. Kenneth L. Weyler delivered the Invocation.

Rep. Walter Kolodziej led the Pledge of Allegiance.

Rep. Weyler provided a brief overview. He stated the purpose of the Public Hearing was to present the Commissioner's Proposed 2014 Budget. Rep. Weyler also reviewed the ground rules for public input.

Rep. Weyler recognized Commissioner Katharin Pratt, Chairman of the Board of Commissioners, who provided an overview of the Commissioners Proposed 2014 Budget. Commissioner Pratt explained that there is a 2.8 percent increase in appropriations, and a 2.08 increase in taxes.

Commissioner Pratt highlighted the areas that are no longer in the 2014 budget as follows: The elimination of the funding for the Adult Medical Day Care Program due to its recent closure; the elimination of the Human Services Department as the function of paying state bills were moved over to the Finance Office resulting in \$130,000 in savings to the County, and the elimination of 14 employee positions in 2013.

Commissioner Pratt highlighted the areas that are included in the 2014 budget as follows: A 3 percent salary increase for non-union county employees; Two grants for the Sheriff's Department for Dispatch - one of them being a 100 percent grant with no matching funds from the County. She noted that 68 percent of the county budget represents salary and benefits.

She touched on the concern of Medicaid costs rising and the County's proportionate share in payments set by the federal government; the increased costs from the New Hampshire Retirement System, and increased costs at the Jail with increasing awareness of community corrections.

Rep. Weyler thanked Commissioner Pratt for the overview.

Rep. Weyler recognized Linda Clements, employee from the Registry of Deeds Office, who read a letter on behalf of the Registry of Deeds employees stating that it has been three years since any county employees have received a step increase and four years since any county employees have received a COLA wage increase. And it was brought to their attention that the decision did not apply to all

employees as the Finance Department was able to reclassify many of the positions in their office resulting in pay increases to their employees.

Rep. Weyler recognized Commissioner Pratt to answer the questions outlined in the letter. Commissioner Pratt asked for more specifics.

Rep. Kappler requested that the Executive Committee receive a PDF copy of Ms. Clements letter.

Rep. Weyler recognized Ms. Young, Finance Officer, who explained that exceptions were made relative to the pay increases that were appropriate and within the personnel policies. She further commented referring to the statements as being inaccurate.

Commissioner Coyle explained supporting the actions of the Commissioners. He stated that the employees in the Finance Office work almost every weekend without any additional compensation. He commented that he stands behind this decision.

Rep. DeSimone questioned if the employees are salary or hourly. Ms. Young noted that they are salaried employees, with the exception of one employee.

Rep. Pantelakos questioned Commissioner Coyle's comments relative to employees working over hours. Commissioner Coyle confirmed his comments. Rep. Pantelakos questioned why this group of employees is required to work every weekend. Commissioner Pratt referred to the situation as a workload and a deadline issue. Rep. Pantelakos referred to the Finance Department growing over the years and questioned why the workload cannot be handled during business hours. She asked if the Human Resources Department is moving into the Finance Department. Commissioner Pratt responded no, noting that there is a study ongoing and the Commissioners are waiting for the recommendations of the study. Rep. Pantelakos asked if there is staff in the Human Resources Department. Commissioner Pratt responded yes, noting that there are currently three employees in the department, but one of them will be leaving.

Rep. Cali-Pitts had questions relative to compensation and the fact that the Commissioners did not come in front of the Delegation to request a form of a bonus. She referred to the increases being compounded if we vote to give county employees a 3 percent increase this year. She questioned administrative employees vs. hourly employees expressing her opinion that they should not fall into the same category and questioned if it has ever been considered to move administrators out of the same category. She commented that this issue will come up again at a future Delegation Meeting.

Rep. Birdsell, Chair of the Salary Subcommittee, commented that she was approached in October about positions in the Finance Office being retitled. She stated that she asked if any increases in pay were attached to the positions, and she was told no.

Rep. Weyler recognized Karen Springer, Prosecutor in the County Attorney's Office, who stated that individuals in the County Attorney's Office work overtime as well. She questioned if they could get raises. She stated that she would not begrudge the employees in the Finance Office, but questioned what about other employees who are also dedicated who have not had raises. She stated that it doesn't seem equitable for the others.

Commissioner Pratt explained that the raises that were given were step increases and not regrades. She noted that the Commissioners have given consideration before on this issue, and that it is not a frequent and common practice.

Commissioner Coyle commented that the Commissioners gave a step increase for an employee in the County Attorney's Office this year as well. Rep. Weyler questioned if this was at the request of the elected official. Commissioner Coyle responded yes. Commissioner Pratt commented that there is a regrade for the County Attorney's Office this year. It will be presented to the Salary Subcommittee and will require approval of the Executive Committee.

Rep. Pantelakos asked how many employees got step increases in the Finance Office. Commissioner Coyle responded 3, and an on-call individual received a \$1.00 per hour increase.

Commissioner Tombarello read a statement from Commissioner Pratt that was sent to Rep. Birdsell as a result of a letter written requesting information on the raises given.

Commissioner Pratt commented about the pending Human Resources/Finance Study and noted that the Board of Commissioners will wait until the completion of the study. Commissioner Pratt noted that adjustments were made in Human Resources Department as well.

Rep. DeSimone wanted to know how many staff members are in the Finance Office. Commissioner Tombarello responded 10. Rep. DeSimone questioned how many unfilled positions. It was explained that the Finance Office was down 4 positions during a period of time.

Rep. Cali-Pitts commented about what she sees as a problem with failing to communicate referring to the comments of an ongoing study. She questioned the status of the reports and the fact that the Commissioners should be communicating to the Executive Committee about the study as these studies are funded with public money, and all communications should be open in accordance with the Right-to-Know Law.

Commissioner Tombarello explained that the Commissioners do not have any information to provide at this time. He explained that the first company that was hired was dismissed, and Matrix is the second company who is currently hired to perform the study.

Rep. Schlachman questioned why the Human Resources staff has been reduced by 20 percent if the study is not complete.

Theresa Young explained that one of the positions from the Human Resources Department was moved over to payroll. She noted that she concurred with this decision and that the consultant is referred to in these instances.

Rep. Schlachman asked if there have been any interviews to replace the vacant positions in the Human Resources Department. Commissioner Pratt noted that an interview was held this evening to replace the Assistant Director who is leaving. Rep. Schlachman expressed concern about the need for County employees to have a Human Resources Department, and the fact that the County is paying an outside contractor to study the situation.

Rep. Weyler recognized Rep. Mary Griffin who read the following proposed budgets by department as follows:

Delegation – \$87,489. Rep. Weyler called for questions. There were none.

Treasurer – \$15,606. Rep. Weyler called for questions. There were none.

County Attorney – \$2,905,454. Rep. Weyler called for questions. There were none.

District Court – \$262,316. Rep. Weyler called for questions. There were none.

Medical Examiner – \$53,504. Rep. Weyler called for questions. There were none.

Rep. Waterhouse questioned the amount of increased transfers in 2013 in the Medical Examiners budget and the increase in the 2014 budget by 32 percent.

Mr. Boffetti, Interim County Attorney, confirmed that the costs have escalated, and they are due to mortality rates. Rep. Weyler questioned if we have had a change in medical examiner. Mr. Boffetti responded not to his knowledge. Rep. Weyler commented that this situation will require more attention.

Rep. Cali-Pitts questioned who was responsible for putting together the County Attorney's budget being proposed and if there is going to be a surplus. Mr. Boffetti explained that salary items were done by the County's Finance Office and that he put together the remaining budget. He explained that he received two resignations last Friday and that will have some effect on the budget. He noted that there is a Victim Witness Advocate positions requested in the proposed budget, and that he has asked permission to post the position, as well as a Deputy County Attorney. He added that he has no intention to act on this until the situation gets resolved. He stated that whoever will succeed him will deal with that issue as he has no intention of filling the position of Deputy County Attorney.

Rep. Kappler questioned what types of cases require the call of the medical examiner. Mr. Boffetti explained from natural causes to drug overdoses.

Rep. Waterhouse commented about acting without an Assistant County Attorney. He questioned who is in charge of the medical examiners, referring to a large increase in cases and no one to supervise. Mr. Boffetti explained that in the absence of the Deputy County Attorney, the Medical Examiners speak to the Assistant County Attorney on call to run any issues and questions about a death. It is a routine process. He noted that it is not relative to the vacancy in the Deputy County Attorney position.

Rep. Cali-Pitts questioned if the Medical Examiner fee includes testing. Mr. Boffetti responded that he assumes it does and the County pays all associated costs.

Sheriff's Department – \$5,322,869. Rep. Weyler called for questions. There were none.

Registry of Deeds – \$1,309,973. Rep. Weyler called for questions. There were none.

Commissioners – \$174,371. Rep. Weyler called for questions. There were none.

General Government – \$2,817,913. Rep. Weyler called for questions.

Rep. Introne questioned the increase of 50 percent. Commissioner Pratt explained that referring to the first bond payment that was approved last year for \$873,000 and \$66,000 for Drug Court. Rep. Introne had a follow-up question asking if the bond payment is a yearly payment. Ms. Young responded yes, and noted that it is a 10-year repayment

Projects – \$537,810. Rep. Weyler called for questions. There were none.

Grants – \$2,066,443. Rep. Weyler called for questions. There were none.

Finance – \$1,179,627. Rep. Weyler called for questions. There were none.

Engineering & Maintenance – \$4,368,514. Rep. Weyler called for questions.

Rep. O'Connor had a question on page 13-Fuel for RC Nursing Home asking what is causing the huge increase. Ms. Young explained referring to the savings for the biomass to be re-budgeted and sent back to the capital fund. She noted that there is a \$500,000 estimated savings, and explained that amounts are allocated to the line where you would have spent the money and then drawn down to pay back the capital fund.

Ms. Gates explained that the County is burning almost exclusively wood. Oil is only burned if we need it as a backup. Rep. Weyler commented that he feels that it would be more appropriate to put this item somewhere else in the budget.

IT – \$339,364. Rep. Weyler asked for questions. There were none.

Human Services Administration – Rep. Griffin reported that the department line has been zeroed out. Rep. Weyler called for an explanation. Commissioner Pratt explained that there was no job left in the department; she noted that the function was just to pay bills to the state.

Jail – \$12,350,459. Rep. Weyler called for questions. There were none. .

Human Resources – \$349,565. Rep. Weyler called for questions. There were none.

Non-County Specials – \$240,750. Rep. Weyler called for questions. There were none.

Long-Term Care Services – \$27,493,128. Rep. Weyler called for questions.

Rep. Schlachman commented on the Adult Medical Day Care no longer in the budget. She questioned if it would come under this department, and wanted to know when the appropriate time would be to advocate for the AMDC Program. She noted that she had a conversation today with someone at an AMDC facility who told her that the programs are closing state-wide. She commented that the legislators were told by the Commissioners that there were other alternatives. She noted that she learned that a Portsmouth Center is closing as well. She asked the Delegation and Commissioners to reconsider the decision. Rep. Weyler commented noting that the Executive Committee unanimously voted that the County's AMDC Program continue and not close, and commented that this will be an ongoing issue for discussion.

Rep. DeSimone commented as well noting that the Commissioners told the legislative study committee that they had contacted all AMDC Programs in the area and around the state. They reported that many were medical programs, and she was furnished with the list. She noted that she called every one of them, to question the criteria that must be met for a medical day care noting staff to take blood pressures and to perform CPR, as well as administer certain medications. She noted that the Commissioners really believed that the residents were going to benefit going to these other programs, but noted that when she spoke with the other programs, they said they were looking to close their doors. She stated that she hopes that we can reinvent the wheel, but wanted to clarify what constitutes a medical day care program and what Rockingham County provided which was much more.

Rep. Cali-Pitts questioned if the Meals on Wheels Program budget was up to date. She stated that it is her understanding that the agency has reached a contract with the Commissioners, expressing concern that one legislature cannot bind another. Commissioner Pratt responded that the agency is aware that the current arrangement is up to the next Board of Commissioners. She stated that it was a compromised agreement.

Total appropriations - \$61,875,156. Rep. Weyler called for questions. There were none.

Home Community Based Care Categorical Assistance – \$16,638,468. Rep. Weyler called for questions. There were none.

Grant Total - \$78,513,624. A 0.8 percent increase over the previous budget.

Rep. Weyler explained the subcommittee's involvement in the budget process.

He thanked the public for their input and urged them to get in touch with their local representatives if there is something they would like to discuss or have addressed.

Rep. Schlachman commented on issues heard tonight relative to the County Attorney's Office, the study of two departments, and the elimination of the Human Services Department, and questioned if the County should investigate the need to hire a County Administrator. She stated that she would like this issue to be brought up for consideration.

Rep. Birdsell commented regarding the Delegation audit line being cut by the Commissioners.

Rep. Weyler also commented that the Delegation may transfer all audits into the Delegation budget.

Rep. Cali-Pitts asked for clarification of the total appropriations and what it represents on the county tax.

Rep. Weyler reported the amount of \$44,785,155 that represents the tax rate, which is a 2.0 percent increase.

Rep. Weyler referred to a document that he prepared that shows taxes and per-capita tax burden in all counties. He pointed out that the county tax in Rockingham County represents 40 cents per day, per person, and that our county ranked number 2 in the state in 2013.

Rep. Kappler commented about the increases in Engineering & Maintenance budget noting that the costs are kept down due to the outstanding work of the Director of Facilities.

There being no further comments, the Public Hearing was adjourned at 8:29 p.m.

Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator

Rep. Kevin Waterhouse, Clerk  
Rockingham County Convention

**MINUTES**  
**ROCKINGHAM COUNTY DELEGATION**  
**PUBLIC HEARING**  
**UNION CONTRACT COST ITEMS**  
**Monday, March 3, 2014 at 7:00 p.m.**  
**Hilton Auditorium**  
**Rockingham County Nursing Home**  
**Brentwood NH**

The Chairman of the Rockingham County Delegation held a Public Hearing on Monday, March 3, 2014 at 7:00 p.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood, NH. The purpose of the hearing was to inform the public of the Union Contract Cost Items being proposed by the Rockingham County Commissioners for approval by the Rockingham County Delegation.

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

Chairman Major recognized Rep. Kenneth Weyler who delivered the Invocation.

Chairman Major recognized Rep. Patricia Lovejoy who led the Pledge of Allegiance.

Chairman Major reviewed the ground rules for the meeting.

Chairman Major reported the three-year gross dollar figures for the following union contracts:

Legal Assistant \$1,785,270

Maintenance and Engineering - \$3,913,748

Corrections Supervisors - \$4,447,424

Sheriff's Dispatch - \$4,459,167

Sheriff's Deputy \$5,254,856

Chairman Major recognized Attorney Elizabeth Bailey, Sheehan, Phinney, and Bass & Green who provided an overview of the cost items. Attorney Bailey explained the cost items for each of the ratified contracts.

Commissioner Coyle explained that the Board of Commissioners is not requesting additional funding in the 2014 budget to cover the contract costs. He explained the additional monies of \$200,000 will be found within the budget and transferred into the appropriate line items where necessary.

Chairman Major recognized members of the Executive Committee and Delegation who had questions relative to the contract costs items. Chairman Major recognized Ms. Bailey and Commissioner Coyle who answered their questions.

Chairman Major called for questions from the public. There were none.

There being no further questions, the Public Hearing was adjourned at 7:30 p.m.

Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator

Rep. Kevin Waterhouse, Clerk  
Rockingham County Convention

KW:cah

**MINUTES**  
**ROCKINGHAM COUNTY**  
**DELEGATION MEETING**  
**Tuesday, March 4, 2014**  
**6:00 PM**  
**Hilton Auditorium**  
**Rockingham County Nursing Home**  
**Brentwood NH**

The members of the Rockingham County Delegation met on Tuesday, March 4, 2014 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 vote the 2014 County budget and Union Contract Cost Items.

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

Chairman Major recognized Rep. Kenneth L. Weyler who delivered the Invocation.

Chairman Major recognized Rep. John O'Connor who led the Pledge of Allegiance.

Chairman Major recognized Rep. Kevin Waterhouse, Clerk, who conducted the roll call.

Those in attendance were: Rep. Norman L. Major, Chairman; Representatives Abrami, Allen, Andrews-Ahearn, Bick, Birdsell, Bishop, Burtis, Cahill, Cali-Pitts, Chirichiello, Copeland, Cushing, DeSimone, Devine, Duarte, Dumaine, Elliott, Emerick, Ferrante, Fesh, Flockhart, Griffin, Harris, Hayes, Heffron, Hodgdon, Hoelzel, Itse, Kappler, Kolodziej, Lovejoy, Major, Mann, McKinney, McMahan, Moody, Muns, O'Connor, Pantelakos, Priestley, Rice, Sanders, Sapareto, Schlachman, Sherman, St. James, Sytek, Till, Ward, Waterhouse, Wazlaw, Webb, Weyler, and Whittemore.

Excused: Representatives Charron, Introne, L. Perkins, Sedensky.

Absent: Representatives Baldassaro, Belanger, Bick, Borden, Briden, Danais, Duarte, Dumaine, Emerson-Brown, Friel, B.R. Garcia, M. Garcia, Hagan, Helmsetter, Khan, Lundgren, Milz, Nigrello, Norelli, Oligny, Packard, Peckham, Scarlotto, Sedensky, Schroadter, Sweeney, Tasker, Tamburello, and Tucker.

Rep. Waterhouse reported a total of 42 members present at the time the roll was called. Shortly thereafter additional members arrived and a quorum was present. A total of 52 members were present.

Chairman Major declared a quorum.

Also Present: Commissioners Coyle and Tombarello; Steven Woods, Long-Term Care Director; Janet Demers, Long-Term Care; Christopher Maxwell, Commissioner's Office; Jude Gates, Engineering & Maintenance Director; Frank Stoughton, IT Manager; Superintendent Stephen Church, House of Corrections; Jayne Jackson, House of Corrections; Sheriff Michael Downing, High Sheriff; Fred Borman, UNH Cooperative Extension; Attorney James Boffetti, Interim County Attorney; Edward "Sandy" Buck, County Treasurer; Cathy Stacey, Register of Deeds; Theresa Young, Finance Officer; Kathy Nikitas, Finance Office and Cheryl A. Hurley, Delegation Coordinator.

Guests: Attorney Elizabeth Bailey and Christopher Cous, Sheehan, Phinney, Bass & Green

Rep. Major, Chairman, recognized Commissioner Coyle who provided an overview of the 2014 County budget, as well as the union contact cost items. He noted that the Commissioners are not requesting any additional dollars to fund the union contract cost items and that they intend to transfer money within the budget to cover the additional costs of \$200,000 in the 2014 budget. He introduced Attorney Elizabeth Bailey, who represented the County in the negotiations process. Attorney Bailey briefly explained.

Rep. Major, Chairman, recognized Rep. Birdsell, Chair of the Salary Subcommittee, who read the report and recommendations of the Salary Subcommittee that includes a 3 percent increase in the pay plan and approval of proposed benefits with the exception of the Wellness Program funded at \$10,000 which was eliminated. She noted a downgrade of a part-time position in the Jail and the addition of a full-time Electronic Monitoring Coordinator. Also, not recommended was a request from the County Attorney's Office for a regrade from Victim Witness Advocate to Director, Victim Witness Advocate. Rep. Birdsell noted that the Executive Committee voted to support the recommendation of the Salary Subcommittee.

Rep. Cali-Pitts expressed concern about the \$200,000 to fund union contract cost items and questioned where the money could be found in the budget. She asked if the Commissioners intend to cut personnel. Commissioner Coyle stated that the Commissioners do not intend to cut any more positions. He stated that the Commissioners will ask for transfers within the budget.

Chairman Major recognized Rep. Griffin who read the following resolutions:

Chairman Major recognized Rep. Griffin who made a motion to approve Resolution 1 – 2014 as follows:

#### **RESOLUTION 1 – 2014**

Be it resolved that the Rockingham County Convention accept the position listing as presented with the total number of authorized positions for 2014 being 630 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 Nursing Home, Jail, and Sheriff's Department, 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. Weyler seconded the motion. The motion was approved by a voice vote.

#### **RESOLUTION 2 – 2014**

Be it resolved that the Rockingham County Convention, upon the recommendation of the Executive Committee, recommend \$310,000 for a 3 percent gross increase or non-discretionary bonus for those employees who are on the pay plan. In addition, the mileage reimbursement rate continues to mirror the Federal rate for 2014.

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

**RESOLUTION 3 – 2014**

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 Chairman of the Delegation and Chairman of 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. An appeal from the decision of the 5 officers may be made to the Executive Committee.

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

**RESOLUTION 4 – 2014**

I move that \$37,735 be appropriated for salary payments for the Delegation Coordinator.

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

**RESOLUTION 5 – 2014**

Be it resolved that the Rockingham County Convention approve the following benefits as described below and approval of all benefits as outlined in the 2014 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 (Fully Insured)**

<u>Membership</u>	<u>HMO</u>	<u>HMO with Co-Insurance</u>
Single	80%	85%
2-Person	80%	85%
Family	80%	85%

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

**Dental Benefits**

Full-Time - 75% of premium

Part-Time - Pro-rated basis

**Workers Compensation and Unemployment**

Worker’s Compensation is funded at 90% of the assigned risk rate per the recommendation of the Executive Committee. Unemployment funding recommended at \$125.00 per position in 2014.

**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.

Full-Time – 100%

Part-Time – Pro-rated basis

The Longevity benefit is as follows:

<u>Years</u>	<u>Payments</u>
5-9	\$150
10-14	\$300
15-19	\$450
20-24	\$750
25 and greater	\$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 \$2,500 employee-funded benefit that will save the County Social Security and Medicare, if applicable, for every salary dollar that the employee puts into the account.

Rep. Waterhouse seconded the motion. Rep. Cali-Pitts asked if the County had a buy-out for employees who have other insurance coverage. Ms. Young responded yes. The motion was approved by a voice vote.

Rep. Major recognized Rep. Griffin who read the 2014 departmental budgets as recommended by the Executive Committee.

**Delegation** – Rep. Griffin made a motion to approve the Delegation budget for \$208,489, a 127 percent increase. Rep. Waterhouse seconded the motion. Rep. Major explained the increases in Audit/Study/Report Fees and Legal Services/Investigations. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**Treasurer** – Rep. Griffin made a motion to approve the Treasurer’s budget for \$15,606, a 0 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**County Attorney** – Rep. Griffin made a motion to approve the County Attorney’s budget for \$2,905,454, a 2 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**District Court** – Rep. Griffin made a motion to approve the District Court budget for \$262,316, a 20 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**Medical Examiner** – Rep. Griffin made a motion to approve \$53,504, a 13 percent decrease. Rep. Kappler seconded the motion. Rep. 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 \$5,322,869, a 0.4 percent increase. Rep. Kappler seconded the motion. Rep. 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 \$1,309,973 a 2 percent decrease. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**Commissioners** – Rep. Griffin made a motion to approve \$174,371 a 3 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**General Government** - Rep. Griffin made a motion to approve \$2,712,913, a 42 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. Rep. Kappler questioned the 42 percent increase. Ms. Young explained noting the first year of a bond payment. Rep. Whittermore questioned the line items. Ms. Young referred to the line items called bond principal. Rep. Major recognized Rep. Rice who questioned the 79 percent increase in legal fees. Commissioner Coyle explained that the legal fees and contract negotiations line items were combined. He further explained the \$525,000 bond payment principal that was not in last year's budget. The motion was approved by a voice vote.

**Projects** – Rep. Griffin made a motion to approve \$537,810, a 3 percent decrease. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**Grants** - Rep. Griffin made a motion to approve \$2,066,443, a 12 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**Finance** – Rep. Griffin made a motion to approve \$1,179,627, a 3 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**Engineering/Maintenance** – Rep. Griffin made a motion to approve \$4,368,514, a 14 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**IT** - Rep. Griffin made a motion to approve \$339,364, a 7 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**Human Services Admin** – Rep. Griffin read the Human Services Department budget at 0 as reflected on the summary page of the budget. Rep. Major recognized Commissioner Coyle who explained that the department was eliminated last year and the duties were turned over to the Finance Department. Rep. Major recognized Rep. Schlachman who questioned the elimination of the position. Commissioner Coyle explained the role of the position was to pay the state bill and the Commissioners felt that a full-time director was no longer needed.

**Jail** – Rep. Griffin made a motion to approve \$12,350,459 at 0.4 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**Human Resources** – Rep. Griffin made a motion to approve \$349,565, a 20 percent decrease. Rep. Kappler seconded the motion. Rep. Major called for questions. Rep. Major recognized Rep. Flockhart who commented expressing concern noting the importance and value of a Human Resources Department, the fact that a Human Resources position was moved over to the Finance Office, as well as the ongoing study to look at combining the two departments. She questioned the status to date and how will it affect the budget. Commissioner Coyle explained that the Commissioners have asked for the appropriate structure to look at Finance to see what functions belong or if the two departments should be combined. He noted that the study has not come back. He stated that the Commissioners hope to follow the consultant’s guidance and will bring that information to the Executive Committee. Rep. Birdsell, Chair of the Salary Subcommittee, commented that she has asked the Commissioners provide her with a quarterly update on the study. The motion was approved by a voice vote.

**Non-County Specials** - Rep. Griffin made a motion to approve \$248,750, a 0 percent increase. Rep. Waterhouse seconded the motion. Rep. Major called for questions. Rep. Major recognized Rep. Webb who made a motion to remove \$4,000 from the Emergency Unit Fire Training. Rep. Major recognized Rep. Allen, Chair of the Non-County Specials Subcommittee, who explained that the agency came before the subcommittee with their proposed budget and agreed to comply with quarterly reporting. Rep. Copeland, Chairman of the IEU Study Committee, reported that the agency is in full compliance and has been for two quarters. Rep. Major recognized Rep. Webb who withdrew his motion. Rep. Major recognized Rep. Rep. Schlachman who questioned the draw down on the Meals on Wheels money and asked the Commissioners if this year’s allocation will be spent at 100 percent of what is allocated. Ms. Nikitas commented that she is unsure if the agency has submitted their fourth quarter request for funding in 2013. There were no further questions. The motion was approved by a voice vote.

**Long Term Care Services** - Rep. Griffin made a motion to approve \$27,493,128, a 5 percent decrease. Rep. Kappler seconded the motion. Rep. Major called for questions. Rep. Major recognized Rep. DeSimone, Chair of the Long-Term Care Subcommittee, who received an email reporting that Rockingham County was listed as the best Nursing Home in 2014 with 5 stars. Rep. Kappler questioned if the rating was given before or after the closure of the Adult Medical Day Care Program. Ms. DeSimone noted that the report was dated February 26, 2014, and the AMDC Program was not an extension of the Nursing Home. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

**Categorical Assistance** -- Rep. Griffin made a motion to approve \$16,638,468, a 2.6 percent increase. Rep. Kappler seconded the motion. Rep. Major called for questions. There were none. The motion was approved by a voice vote.

Chairman Major recognized Rep. Mary Griffin made a motion to approve Resolution 6 - 2014 as follows:

**RESOLUTION 6 – 2014**

**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. Waterhouse seconded the motion. The motion was approved by a voice vote.

#### **RESOLUTION 7 – 2014**

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

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

#### **RESOLUTION 8 – 2014**

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. Such amounts shall be paid as appropriated unless changes are discussed and approved at Executive Committee Meetings.

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. Waterhouse seconded the motion. The motion was approved by a voice vote.

#### **RESOLUTION 9 – 2014**

Be it resolved that County audits under RSA 24:13, 28:3-a, 24:14, and 24:26, shall not be conducted nor expenditure of such authorized without the prior approval of the Executive Committee.

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

Rep. Griffin read the figures for Resolution 10-2014 that were provided by Ms. Nikitas, Deputy Finance Officer, as follows:

#### **RESOLUTION 10 – 2014**

That the Rockingham County Convention, in accordance with RSA 24:13, authorize \$78,537,624 in appropriations and \$157,933 in reserves and encumbrances for the use of the County during 2014. That \$44,809,156 be raised in new county taxes; that \$29,150,467 be accepted as an estimate of revenues from other sources, and that \$4,735,934 is accepted as fund balance for a total of \$78,695,557 in resources.

Rep. Major recognized Rep. Rice who questioned why the numbers the Delegation had before them were different than what the Executive Committee had recommended for approval on February 21, 2014. He noted that there were no changes made to the budget to support a change. Rep. Abrami also questioned.

Ms. Young referred the members to the summary page of the budget and column entitled 2013 Encumbrances/Reserves Delegation in the amount of \$157,933. Chairman Major noted that the Encumbrances/Reserves that were provided to the Executive Committee at the February 21, 2014 meeting were reported as zero, and that the revised number of \$157,933 in encumbrances/reserves was not brought to the attention of the Executive Committee for approval. .

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

#### **RESOLUTION 11-2014**

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

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

#### **RESOLUTION 12-2014**

As the appropriating authority of county government, the Rockingham County Convention must have the tools available to monitor the spending that it has approved. In accordance with RSA 28:3-a, 24:13, 24:14, and 24:16 ALL audits must be approved by the Executive Committee of the County Convention. The Convention must be represented at both final meetings of the auditor with the department, and the Executive Committee must receive a sufficient number of copies of the final report.

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

#### **RESOLUTION 13-2014**

Be it resolved, that the Rockingham County Convention goes on record as being opposed to the closure of the Rockingham County Adult Medical Day Care Program by the County Commissioners, contrary to the unanimous vote of the Rockingham County Executive Committee, which benefited many of our elderly citizens that required the services the County's AMDC Program. Further, that the County Convention urge the Commissioners to come up with a plan to restore the AMDC Program for 2015.

Rep. Waterhouse seconded the motion. Rep. Cali-Pitts wanted to know the intent of the resolution. Rep. Weyler noted that the language is a strongly supported request of the Executive Committee and Delegation. Rep. Major commented that it send a message to the Commissioners as the Delegation cannot force them to do their job. Rep. Abrami questioned is there is funding in the budget. Rep. Major explained that there is no funding. The Commissioners closed the program and got rid of the employees and participants. Rep. DeSimone commented that we are asking the Commissioners to reconsider. More importantly, we are going on record that will stay in the county's records for many years that the delegates were not in favor or the closure and they would like to reopen the program. Commissioner Tombarello stated that he did not vote to close the program and he would like it to go on record. Rep. Flockhart commentd that when the delegation funds a program we expect that the funding will be spent on that program. She stated that she would like it to come back. Commissioner Coyle stated that the program was underutilized for years and it lost millions of dollars for a decade and now private business have benefited directly from the closure. He stated that it is not a program that is viable for the county and that this was determined by a previous legislative subcommittee. Rep. Major commented that he has heard this statement used by the Commissioners many times and he spoke to the legislator who was the subcommittee chairman in previous years and that the statement is not true. There were no further questions. The motion was approved by a voice vote.

### **RESOLUTION 14-2014**

Submission deadline for all requests for approval for the Rockingham County Convention and/or Executive Committee must be submitted to the Delegation Coordinator at least 5 business before the meeting.

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

### **RESOLUTION 15-2014**

By the action of approving this budget, the County Convention hereby appropriates the monies shown line by line item of the 2014 budget with the exception of the contingency items to include audit lines and grants which will be appropriated by the County Convention Executive Committee as the appropriate specific billing is presented.

These resolutions are supporting and backup information to the 2014 Rockingham County Budget and are an integral part of said budget.

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

#### **Union Contract Cost Items**

Chairman Major recognized Attorney Elizabeth Bailey who represented the County on the five union contracts that were ratified. Ms. Bailey provided an overview.

Chairman Major recognized Rep. Mary Griffin who made a motion to approve the following:

#### **Rockingham County Deputy Sheriffs Union for the period ending 12/31/2016 Cost Items**

Motion: In accordance with RSA 273-A:3, I move that the Rockingham County Convention approve the cost items as recommended by the Executive Committee and reflected in the document titled "Rockingham County Sheriff's Deputy Union Cost Items" prepared by Finance.

Cost items for the three year contract ending 12/31/2016 total approximately \$5,254,856.

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

#### **Rockingham County Dispatchers Union for the period ending 12/31/2016 Cost Items**

Motion: In accordance with RSA 273-A:3, I move that the Rockingham County Convention approve the cost items as recommended by the Executive Committee and reflected in the document titled "Rockingham County Dispatch Cost Items" created by Finance.

Cost items for the three year contract ending 12/31/2016 total approximately \$3,300,142.

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

#### **Supervisory employees of the Rockingham County Department of Corrections for the period ending 12/31/2016 Cost Items**

Motion: In accordance with RSA 273-A:3, I move that the Rockingham County Convention approve the cost items as recommended by the Executive Committee and reflected in the document titled “Rockingham County Correction Supervisor Cost Items” created by Finance.

Cost items for the three year contract ending 12/31/2016 total approximately \$4,447,424.

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

**Employees of the Rockingham County Department of Engineering and Maintenance Services for the period ending 12/31/2016 Cost Items**

Motion: In accordance with RSA 273-A:3, I move that the Rockingham County Convention approve the cost items as recommended by the Executive Committee and reflected in the document titled “Rockingham County MNTC Cost Items” created by Finance.

Cost items for the three year contract ending 12/31/2016 total approximately \$3,913,748.

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

**Legal assistant and paralegal employees of the Rockingham County Attorney’s Office for the period ending 12/31/2016 Cost Items**

Motion: In accordance with RSA 273-A:3, I move that the Rockingham County Convention approve the cost items as recommended by the Executive Committee and reflected in the document titled “Rockingham County Legal Assistants Cost Items” created by Finance.

Cost items for the three year contract ending 12/31/2016 total approximately \$1,785,270.

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

**Other Business:**

Chairman Major recognized Rep. Donna Schlachman who explained that she had heard concern by some employees at the public hearing about the Human Resources/Finance Study, so she contacted the two consultants who were involved in the study (Gallagher and Matrix) and requested information from the Commissioners under the Right to Know law. She provided an overview of her findings and explained that because RFP’s had two dates on them, she requested the two contracts. She found that there was no contact from Gallagher so she contacted them and spoke with the project manager. She noted that she was also surprised that the project was suspended by a telephone call from an employee at the County. She noted that she did gather that there were some issues. Also, the company traveled from Illinois on two separate visits and spent a lot of time at the County, but she was told that they were never paid. She then contacted Matrix who currently has a contract for the the study and they are behind because they are waiting to interview new employees in the Finance Department. She expressed concern in what she referred to as the “non-contract” contract. Also, on the County’s website, there were no minutes and no meeting dates and times or agendas, but reported that this is no longer the case. You can go on the Commissioners page and view them. She raised the issue of posting the minutes in a timely manner and reported that they were all approved at once in the first week of January. She noted that these are her concerns in the process.

Rep. Major asked Rep. Schlachman if she received the contract from Gallagher. She explained that an RFP was open in a public meeting on May 1, 2013 and was announced on May 15 that Gallagher was awarded the contract. She stated that it is her understanding that there was no contract.

Rep. Major commented about problems he had encountered with getting information from the Commissioners on their meetings and agenda. He noted that it is only fair that this information be available to legislators and Chairmen of County Departments and should be informed.

Rep. Rice commented referring to multiple cases of things being done by the Commissioners with no apparent procedure. He referred to the issues as being inappropriate, irregular, and perhaps illegal. He questioned if the Delegation is going to do something about it, and questioned if we should get the attorney general's office involved. He commented that he feels these issues should be investigated. He referred to the Gallagher arrangement and questioned who gave them the authority to do the work. He raised concern of the County's exposure to a lawsuit.

Rep. Weyler commented referring to adjustments made in the budget that all audit money from the general government section of the budget was moved to the Delegation budget, and also the resolutions that were approved to tighten controls. Rep. Cali-Pitts commented that she is in favor of this and noted that we as a Delegation need to be accountable as well.

Rep. McMahan commented referring to the interpretation of the law authorizing that information come before the Executive Committee. He questioned if the Delegation should obtain a legal opinion hearing concern that the Commissioners are not complying with the statutes. He referred to people not showing up at the county because they feel disenfranchised. Rep. Major commented referring to additional money appropriated into the legal fees line. He noted that the Delegation has a lot of work to do. He explained the Delegation's role to vote appropriations for a specific cause, and the Commissioner's responsibility to come before the Executive Committee for approval if they want to move money within the budget.

Rep. Abrami questioned if there was or was not a contract for Gallagher. Commissioner Coyle responded that there was not. He noted that they would not sign it. He explained that the company changed their staffing and they were not being effective, so the Commissioners terminated their services. Rep. Major questioned why it took all this time to get the appropriate answer. Commissioner Coyle responded that it is because you never asked. Rep. Major commented about being very specific.

Rep. DeSimone commented that she did contact the Attorney General's Office and they suggested that we make the language in the statutes stronger due to the fact that they can be easily misinterpreted.

Rep. Copeland informed the members that Mr. Stoughton, IT Director, will be retiring in April, and thanked Mr. Stoughton for his years of service at the County.

There being no further business, the meeting adjourned at 8:06 p.m.

Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator

Rep. Kevin Waterhouse, Clerk  
Rockingham County Delegation

KW:cah

**MINUTES**  
**ROCKINGHAM COUNTY**  
**DELEGATION MEETING**  
**Thursday, May 15, 2014**  
**Hilton Auditorium**  
**Rockingham County Nursing Home**  
**Brentwood NH**

The members of the Rockingham County Delegation met on Thursday, May 15, 2014 in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood, NH. The purpose of the meeting was to vote the Salaries and Benefits for Elected Officials for the Term of Office 2015/2016.

Rep. Norman L. Major, Chairman, called the meeting to order at 6:08 p.m.

Chairman Major recognized Rep. Weyler who provided the Invocation.

Chairman Major recognized Rep. Fesh who led the Pledge of Allegiance.

Rep. Major recognized Rep. Kevin Waterhouse, Clerk, who conducted the roll call. Rep. Waterhouse reported a total of 53 members present.

Chairman Major declared that a quorum was present.

Those present were: Rep. Norman L. Major, Chairman; Representatives Abrami, Allen, Belanger, Birdsell, Cahill, Cali-Pitts, Charron, Comerford, Copeland, Cushing, DeSimone, Devine, Duarte, Elliott, Emerick, Ferrante, Fesh, M. Garcia, Gordon, Griffin, Hagan, Harris, Heffron, Helmsetter, Hodgden, Hoelzel, Introne, Itse, Kappler, Kolodziej, Lovejoy, Mann, McKinney, McMahon, Milz, Moody, Nigrello, O'Connor, Pantelakos, Priestley, Sanders, Schlachman, Sedensky, St. James, Sytek, Till, Ward, Waterhouse, Wazlaw, Webb, Weyler, and Whittemore. Rep. Rice arrived late.

Also Present: Commissioners Coyle and Tombarello; Edward Buck, Treasurer; Cathy Stacey, Registrar of Deeds; Sheriff Michael Downing, High Sheriff; George Millot, Human Resources; Theresa Young, Finance Officer; Cheryl A. Hurley, Delegation Coordinator.

Excused: Reps. Bishop, Dumaine, B.R. Garcia; Hayes, Muns, Sapareto, Sherman.

Chairman Major recognized Rep. Weyler who read the report from the Salary Subcommittee dated May 5, 2014. Rep. Weyler highlighted the significant findings. He noted that the elected officials have not received a pay raise since 2008, and reviewed the raises given to county and union employees. He referred to the comparable rates of pay in other counties. He explained that almost all the elected officials have subordinates/deputies who are paid more than the elected officials. He explained that the Chair of the Board of Commissioners in other counties are also paid at a higher rate. Rep. Weyler made a motion to approve the report and presented. Rep. Griffin seconded the motion. The motion was approved by a voice vote.

Chairman Major recognized Rep. Griffin read the proposed resolution by the Executive Committee as follows:

Be it resolved that the Rockingham County Convention, in accordance with RSA 23:7 Establishing Compensation, and RSA 655:14 Filing: General Provisions, approve the following Salaries and Benefits for Elected Officials for the Term of Office 2015/2016:

Treasurer – \$6,500  
County Attorney – \$89,250  
High Sheriff – \$70,350  
Registrar of Deeds – \$65,100  
Board of Commissioners - \$19,750  
Chair, Board of Commissioners - \$21,000

Benefits for County Attorney, High Sheriff, Registrar of Deeds, and Board of Commissioners:

- Health/Dental/Buy-out to mirror the County’s single, 2-person, family, non-union employee cost share.
- Mileage payments at current federal rate (except for officials who use a county provided vehicle which includes gasoline provided by the county).
- Retirement Plan per state statutes.

Rep. Belanger made a motion to amend the resolution to increase the Registrar of Deeds Salary as follows: \$65,000 in 2015, and \$70,000 in 2016. Rep. Elliott seconded the motion.

Chairman Major recognized Rep. Abrami who spoke in favor of the amendment referring to his experience as a member of the Deeds Subcommittee. He noted that the office is the most efficient in the state and the individual’s salary is well below that of the deputy.

Rep. Major recognized Rep. DeSimone who suggested a total of \$10,000 be given this year. She commented that the Registry of Deeds is the only department in the county that makes the county money speaking from her experience as a tax collector. Rep. DeSimone amended the motion to raise the salary to \$70,000 for the next election. Rep. Copeland seconded the motion.

Chairman Major recognized Rep. Cali-Pitts who suggested that the salaries for elected officials be frozen. She explained that the state, cities, and towns in the County are financially in trouble. She referred to the comments made about the individual, not the position. She also noted that there is not a shortage of individuals running for the positions. She noted that there is no shortage of individuals running for the positions. She referred to the language in the RSA’s that say “we may” not must. She referred to the recent closure of the Day Care, the issue of proposing a charge to the cities and towns for dispatch. Chairman Major recognized Rep. Sytek who spoke against the amendment. He commented that he is in favor of accepting the Salary Subcommittee’s recommendation and referred to it as a reasonable plan. He explained that he does not feel that it is appropriate to throw away the subcommittee’s recommendation, and commented that he will vote with the subcommittee and vote against the amendment.

Chairman Major recognized Rep. Pantelakos who commented that the delegation every two years has a discussion about increasing the salaries and does not vote the increase. She commented that this is the time to vote an increase, especially for the Registrar of Deeds.

Chairman Major recognized Rep. Itse who referred to the spreadsheet provided to the members. In summary, he noted that the elected officials in Rockingham County make more than the elected officials in other counties. He commented that he could not vote for an increase referring to his neighbors who have lost their jobs.

Chairman Major recognized Rep. Moody who commented that legislators have taken a pledge across the board to not increase taxes. She noted that as a taxpayer she could not vote in favor of the amendment.

Chairman Major recognized Rep. Kolodziej who commented that he is not in favor of increasing the salary by \$10,000 but would like to vote on the recommendation of the 5 percent increase.

Chairman Major recognized Rep. Duarte who expressed his concerns. He noted that the Board of Commissioners salaries are higher than those paid in other counties on the list commenting that he would vote against the recommendation. Chairman Major recognized Rep. Weyler who explained that they are higher paid because we do not have a county administrator. That was the reason for the subcommittee's decision.

Chairman Major recognized Rep. Schlachman who commented on the fact that Deputies and Subordinates have job descriptions and qualifications.

Chairman Major recognized Rep. Kolodziej who questioned the pay of other employees. Rep. Weyler explained the delegation is charged with setting the salary for the two-year term and the fact that subordinates have the potential of getting raises annually.

Chairman Major recognized Rep. Cahill who expressed concern with giving raises to elected officials with taxpayer money.

Chairman Major recognized Rep. Charron who explained the disparity of the difference in pay in elected officials and employees.

Chairman Major recognized Rep. Belanger who commented referring to Rep. Cali-Pitts comments and reiterated the reason for his motion.

Chairman Major recognized Rep. Cali-Pitts who explained there are no qualifications to run for the office. She commented that it is not personal, it is about the position.

Chairman Major recognized Rep. M. Garcia who commented noting that the comments being made are not constructive. She spoke about the need to separate the individuals from the position and asked that we discuss it objectively.

Chairman Major referred to the motion made by Rep. DeSimone, seconded by Copeland, to increase the Registrar of Deeds Salary to \$70,000.

Chairman Major recognized Rep. Harris who commented in favor of Rep. Cali-Pitts and suggested that we recognize the position, not the individual, and establish the compensation for the job of the Registrar of Deeds.

Chairman Major recognized Rep. Abrami who commented in favor of the individuals in the position and the fact that we would want her to continue to run for office. He referred to the fact that the money spent will save the county money in the long run.

Chairman Major recognized Rep. Ferrante who commented that if the individual does not run and the next person who gets elected has no experience, do we have to maintain this increase. Chairman Major explained yes.

Chairman Major recognized Rep. Weyler who requested a roll call.

Chairman Major suggested that we conduct the vote without a roll call. Those in favor say yes, not in favor say no.

Chairman Major recognized Rep. Elliott who suggested a raise of hands.

Chairman Major recognized Rep. Kolodziej who requested a roll call.

Chairman Major restated the motion.

Chairman Major recognized Rep. Waterhouse who conducted the roll call. The motion failed 33 to 20.

Chairman Major restated the motion proposed by the Executive Committee.

Chairman Major recognized Rep. Cushing who questioned the subcommittee's recommendations on not given the Treasurer a raise. Rep. Weyler explained that it is a part-time position and the Treasurer did not ask for a raise.

Chairman Major recognized Rep. Cushing who questioned if the subcommittee looked at this.

Chairman Major recognized Rep. Waterhouse who noted that the position is part-time and individuals are interested in running for the office, and we did not feel it was necessary to raise the salary to run for that office.

Chairman Major recognized Rep. Cushing who made a motion to recommend an increase in Treasurer's salary by 5 percent. Rep. Pantelakos seconded the motion.

Chairman Major recognized Rep. Waterhouse who commented that we chose not to recommend an increase.

Chairman Major recognized Rep. Cahill who offered an amendment to raise the elected official's salaries. by 2 percent, not 5.

Chairman Major recognized Rep. Cushing who suggested the Treasurer's salary be increased to \$6,825. Rep. Pantelakos seconded the motion.

Chairman Major recognized Rep. Sytek spoke against the amendment and noted that we should respect the work of the Salary Subcommittee. He spoke as a former Treasurer in Salem for 10 years, referring to the position as a ceremonial job.

Chairman Major recognized Rep. DeSimone who commented that it is not fair to separate the positions from part-time to full-time.

Chairman Major recognized Rep. Rice who stated that all the elected officials should receive the same increase referring to it as a sensible personnel policy.

Chairman Major recognized Rep. Wazlaw who questioned whether it is responsible to turn down the Salary Subcommittee recommendations and have them return with a new one, speaking in support of the Salary Subcommittee's recommendations.

Chairman Major restated the motion as follows: Those in favor of increasing the Treasurer's salary by 5 percent raise their hands. Rep. Weyler counted the show of hands. The motion failed.

Chairman Major recognized Rep. Cahill who made a motion to increase the salaries for all elected officials by 2.5 percent, as opposed to 5 percent. Rep. Itse seconded the motion.

Chairman Major recognized Rep. Sytek who was opposed, and suggested that the members support the recommendations of the subcommittee.

Chairman Major recognized Rep. Heffron who questioned how the deputy's salaries got so high and suggested that we take a look at this.

Chairman Major recognized Rep. Mann who spoke in opposition who commented the individuals run and compete for the positions, and referred to the small towns in the county that do not see the value of county government.

Chairman Major recognized Rep. Till who commented that she is not in favor of supporting any raises.

Chairman Major recognized Rep. Waterhouse who noted that there have been no raises in 6 years, noting that 5 percent is a wonderful compromise, and spoke in opposition to the 2.5 percent.

Chairman Major restated the motion to increase the elected officials' salaries by 2.5 percent for those positions that the Salary Subcommittee proposed 5.

Chairman Major recognized Rep. Belanger who stated that he would vote not and support the recommendations of the Salary Subcommittee.

Chairman Major recognized Rep. DeSimone who made a motion to move the question. Rep. Copeland seconded the motion. The motion was approved by a voice vote.

Chairman Major restated the motion to increase the elected officials' salaries by 2.5 percent for those who were voted a 5 percent increase by the Salary Subcommittee. A show of hands revealed 13 in favor. The motion failed.

Chairman Major recognized Rep. Kappler who made a motion to remove the \$1,250 increase for the Chair of the Board of Commissioners. Rep. Schlachman seconded the motion. Rep. Kappler spoke to his motion who explained that he does not feel that the position of chair should get an increase over the other two Commissioner positions who also take on leadership and chairmanship roles.

Chairman Major restated Rep. Kappler's motion to recommend the Chair of the Board of Commissioners salary at \$19,700. The vote was 26 in favor and 21 opposed. The motion passes.

Chairman Major restated the motion as follows:

Be it resolved that the Rockingham County Convention, in accordance with RSA 23:7 Establishing Compensation, and RSA 655:14 Filing: General Provisions, approve the following Salaries and Benefits for Elected Officials for the Term of Office 2015/2016:

Treasurer – \$6,500  
County Attorney – \$89,250

High Sheriff – \$70,350  
Registrar of Deeds – \$65,100  
Board of Commissioners - \$19,750

Benefits for County Attorney, High Sheriff, Registrar of Deeds, and Board of Commissioners:

- Health/Dental/Buy-out to mirror the County’s single, 2-person, family, non-union employee cost share.
- Mileage payments at current federal rate (except for officials who use a county provided vehicle which includes gasoline provided by the county).
- Retirement Plan per state statutes.

The motion was approved 34 in favor, 15 opposed.

Chairman Major informed the members that he has received a request from the Board of Commissioners to approve the union contract cost items for the Sheriff’s Supervisors and announced that there will be a Public Hearing on Thursday, May 22, 2014 at 7:00 p.m. with an Executive Committee Meeting to follow and a Delegation Meeting to approve the cost items on Wednesday, June 4, 2014 during session lunch break or after session at the Legislative Office Building in Concord.

There being no further business, the meeting was adjourned at 8:20 p.m

.Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator

Rep. Kevin Waterhouse, Clerk  
Rockingham County Delegation

KW: cah

PUBLIC HEARING  
Thursday, May 22, 2014  
7:00 p.m.  
Hilton Auditorium  
Rockingham County Nursing Home  
Brentwood NH

The Chairman of the Rockingham County Convention held a Public Hearing on Thursday, May 22, 2014 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 review the union contract cost items for the Rockingham County Sheriff's Supervisors.

Chairman Major called the Public Hearing to order at 7:01 p.m.

Chairman Major recognized Rep. Weyler who delivered the Invocation.

Chairman Major recognized Rep. Waterhouse who led the Pledge of Allegiance.

Chairman Major reviewed the ground rules for the Public Hearing.

Chairman Major recognized Elizabeth Bailey, from the Law Office of Sheehan, Phinney, Bass and Green, who explained the cost items associated with the union contract for the Sheriff's Supervisors. Ms. Bailey explained that the bargaining unit includes a total of 10 employees; the positions being 4 deputy sheriffs, 4 dispatchers, 1 radio technician, and 12 network administrator, with one open position at the present time. She referred to the spreadsheet prepared by Finance. She noted that the costs are spread out over a three-year period and explained the additional cost associated with the agreement which includes a 3 percent increase in salaries and a total of 2.8 million dollars for the contract costs. Commissioner Pratt confirmed that the amount to cover the contract costs would be found in the budget.

Chairman Major recognized Rep. Cali-Pitts who noted confusion regarding the percentages. Ms. Bailey explained. Ms. Young also explained referring to adjustments. Rep. Cali-Pitts noted that it appears from the spreadsheet that the increases will be over 4 percent and questioned if this was accurate. Ms. Young responded yes. Rep. Cali-Pitts questioned where in the Sheriff's budget the money was coming from to fund the contract costs. Ms. Young explained that the Commissioners are committed to finding the money in the budget. Rep. O'Connor questioned. Sergeant Scott Pelletier, from Kingston, also explained. Ms. Young noted that there is an open sergeant position that is actively being filled. Rep. O'Connor had a follow-up question. Ms. Bailey explained.

Rep. Devine questioned the maximum raise amount of 3 individuals. Ms. Young confirmed that it an additional 3 percent. Rep. Devine also questioned the timeline for short-term disability. Ms. Bailey explained that it is a 26-week benefit. Ms. Young further explained the costs associated with the benefit.

Chairman Major called for questions. There were none.

The Public Hearing adjourned at 7:15 p.m.

Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator

Rep. Kevin Waterhouse, Clerk  
Rockingham County Delegation  
KW:cah

**MINUTES  
ROCKINGHAM COUNTY  
DELEGATION MEETING  
Monday, June 30, 2014  
9:30 a.m.  
Hilton Auditorium  
Rockingham County Nursing Home  
Brentwood, NH**

The members of the Rockingham County Delegation held a meeting on Monday, June 30, 2014 at 9:30 a.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood, NH. The purpose of the meeting was to discuss and act on the vacancy of County Attorney per RSA 661:9.

Norman L. Major, Chairman, called the meeting to order at 9:31 a.m.

Chairman Major recognized Rep. Kenneth L. Weyler who delivered the Invocation.

Chairman Major recognized Rep. Gene Charron who led the Pledge of Allegiance.

Chairman Major recognized Rep. Kevin Waterhouse, Clerk, who conducted the roll call.

Those in attendance were: Rep. Norman L. Major, Chairman; Representatives Allen, Belanger, Birdsell, Cahill, Cali-Pitts, Charron, Chirichiello, Copeland, Cushing, Danais, Devine, Duarte, Elliott, Emerick, Ferrante, Fesh, Flockhart, Griffin, Hagan, Harris, Helmstetter, Hodgdon, Hoelzel, Introne, Itse, Kappler, Kolodziej, Lovejoy, McKinney, McMahan, Milz, Moody, Muns, Nigrello, O'Connor, Pantelakos, Perkins, Priestley, Sanders, Sapareto, Sedensky, St. James, Sweeney, Sytek, Tasker, Till, Tucker, Ward, Waterhouse, Wazlaw, Weyler, and Whittemore.

Excused: Reps. Bick, Bishop, Borden, Burtis, Comerford, DeSimone, Mann, Norelli, Oligny, Peckham, Rice, Schlachman, Sherman, and Webb.

Clerk Waterhouse reported a total of 53 members present at the time the roll was called.

Chairman Major declared that a quorum was present. Chairman Major provided an overview of the events leading up to Attorney Reams' retirement. He explained that he, as Chairman of the Delegation, and Rep. Charron, Chairman of the Executive Committee, received a letter from Attorney James Reams, dated June 16, 2014, notifying them of his retirement. This created a vacancy in the County Attorney position. He explained that he had requested a copy of the agreement between Attorney Reams and the Commissioners subsequent to the letter. With that information in hand, he scheduled an Officer's Meeting on June 19, 2014 to discuss the vacancy, at which time RSA 661:9 was reviewed which requires the Delegation to either vote to fill or not to fill the vacancy in an elected official's position if the vacancy is less than a year. With 86 members presently on the Delegation, it was noted that 44 members would need to be present and vote in the affirmative either to fill or not to fill the vacancy to comply with the language of a majority vote. He explained that if the outcome of the vote taken is to fill the vacancy, then the Delegation would vote to appoint an individual by a vote of the Delegation present and voting.

He explained that this process that was reviewed and discussed at length at the Officers Meeting. He also explained that the Attorney General's Office presented the option of sending Assistant Attorney General Boffetti to the County Attorney's Office to handle the prosecutorial and management duties of the County Attorney's Office, due to his past experience with the Office last November when he was appointed to the Office by the courts when Attorney Reams was removed from the County Attorney's Office, as a result of

an investigation with the Attorney General's Office and the FBI. He explained that the investigation ended in April when the Attorney General's Office and the FBI were not able to charge Attorney Reams, at which time Attorney Reams was placed back into Office. We then learned that an agreement was reached between Attorney Reams and the Commissioners, and the Attorney General's Office was willing to send Attorney Boffetti to cover the office until January 2015. He stated that he, as Chairman of the Delegation, was not aware of any upheavals when Attorney Boffetti took over the County Attorney's Office. The Officers agreed that it is important to maintain stability in the Office. He explained that the Officers had a couple of options before them; wait until the election in November at which time the newly-elected County Attorney would be sworn into office in January, 2015, or appoint someone to take over the Office now and the Delegation would vote to appoint the newly-elected County Attorney after the election, who would then resume the Office after being sworn in in January 2015.

Based on the information brought before the Officers, it was recommended that a Memorandum of Understanding be created between the Attorney General's Office and the County to appoint Attorney Boffetti to the County Attorney's Office during this interim period. The MOU language states that Attorney Boffetti would maintain the County Attorney's Office until the November election or until a winner of the election was so noted. Chairman Major read the MOU and highlighted the areas with the greatest importance; one being that Attorney Boffetti's primary duty will be that of Rockingham County Attorney. He also pointed out that the Officers did not feel comfortable with appointing someone to fill the position that is currently working in the Office and is running for that Office in November. Chairman Major explained that Deputy Attorney General Ann Rice attended the June 25, 2014 Officers Meeting at which time it was agreed to draft the MOU to present to the Executive Committee on June 27, 2014, at which time the MOU was presented and she was present to answer any questions.

Rep. Waterhouse made a motion to act, pursuant to RSA 661:9, to fill the position of Rockingham County Attorney. Rep. Pantelakos seconded the motion. Rep. Waterhouse spoke to his motion noting that the Delegation has choices before them; he strongly suggested that at this point, the Delegation must vote unanimously to fill the position. He explained that after that crucial vote is taken, we can discuss and vote on the Memorandum of Understanding. He asked that the members please join the Executive Committee and Officers who feel that the position needs to be filled.

Chairman Major explained that we need a majority of the Delegation, which requires a minimum of 44 members, to vote to fill the vacancy.

Chairman Major recognized Rep. Elliott who referred to article 6 of the MOU. Specifically, he questioned that if Mr. Boffetti is appointed to the County Attorney's Office, then he will not be considered a candidate in the election. Chairman Major responded yes to Rep. Elliott's statement. Rep. Major confirmed that Mr. Boffetti does not and will not be appointed to the Office of County Attorney in 2015.

Chairman Major recognized Rep. Belanger who questioned that if Rep. Waterhouse's motion is approved, the Delegation will be open to recommend candidates for the Office. Chairman Major responded yes.

Chairman Major recognized Rep. Sytek who asked what would happen to the Office if we do not fill the vacancy. Rep. Waterhouse explained that the Attorney General's Office has the oversight in the prosecutorial authority. He explained that the administrative staff works for the Commissioners and he does not believe it is good management to leave the Office without someone in charge. He referred to past problems with an attorney, and noted that we need someone with the authority to handle issues and stand up for the employees so that they have someone to advocate and stand behind them.

Chairman Major called for further questions. There were no further questions.

Chairman Major instructed Rep. Waterhouse to conduct a roll call vote. The results of the roll call vote were 52 in favor to fill the vacancy and 2 opposed. The motion passed.

Chairman Major pointed to the next order of business which was the Memorandum of Understanding. Chairman Major recognized Rep. Griffin who made the motion to present the MOU as written. Rep. Pantelakos seconded the motion. Chairman Major opened the floor for discussion.

Chairman Major recognized Rep. Weyler who stated that he is opposed to the MOU. He referred to what he called the easy way out, which would have been to have the Assistant County Attorney assume the position, but that individual left the Office by resigning early in the investigation. He referred to the similarities of the prior vacancy in the Sheriff's Office. He explained that Deputy County Attorney Reid was convinced to resign, and he believes it was done to intimidate the staff. He stated that he believes that the investigation was wrong and gave Rockingham County bad press. He stated that he does not want to reward bad behavior. He explained that he was the Officer who suggested the MOU. He explained that if the Officers did not agree with his recommendation, they would not have the MOU. He spoke about the Attorney General's Office and their responsibilities. He stated that he does not like the way they went about the process. He stated if you vote the MOU, you are rewarding bad behavior. He referred to intimidation in the Office. He stated for that reason, he is proposing a retired Judge whose name he will present if the members reject the MOU. He noted that the Judge is willing to fill the position until whoever wins the election in November.

Chairman Major recognized Rep. Charron who commented that he does not want to let what happened yesterday interfere with what should happen today. He spoke about the criticality of the County Attorney's Office and his familiarity as a former jailer. He noted that we are talking about filling the vacancy in the Office with a MOU until the newly elected person takes over. He stated that he would like to clear up the rumors regarding the County Attorney's Office because he never received a call from anyone that there was a problem. He stated that if the Office was dysfunctional, we would have heard of it at this level from the Attorneys' or the Sheriff. He urged the members to look at the situation as rational as they can. He explained that the Attorney General's Office did have a right to come to the County Attorney's Office based on allegations made to his Office. He referred to the fact that the County lost a very good Attorney, Tom Reid, as it is his understanding that he did not want to go through the agony of what was to come. We are looking to approve the MOU and continue with the stability until the election. He noted that people were not afraid to come to take action with the MOU. He stated that it is not the easy way out, but rather the most feasible way to solve the issue. We need to maintain the integrity of the County Attorney's Office and let the individual who is chosen to take over. He stated that he strongly supports the MOU.

Chairman Major recognized Rep. Pantelakos who stated that with all due respect to Rep. Weyler's recommendation that a Judge can assume the position, she does not think the Delegation has the right to say that this individual, who we do not know, has the capability to take over the Office.

Chairman Major clarified a previous statement noting that he does not take the easy way out. The MOU was a very necessary document because the Officers recommended a replacement in the Office until the November election. In doing so, we addressed all issue in the MOU and the Officers and the Executive Committee agreed to the language in the MOU. He questioned the administrative ability of a Judge and the fact that this would require the Delegation to seek other candidates. Chairman Major stated that he urges the Delegation to support the vast majority of the Officers and Executive Committee and approve the MOU.

Chairman Major recognized Rep. Kappler who stated that he urges the Delegation to vote no on the MOU and keep the State out of the County. He questioned what makes the Assistant Attorney General qualified

to do the job. He suggested why we do not consider the Judge for the position. He urged the members to vote no on the MOU.

Chairman Major recognized Rep. Whittemore who had questions for those opposing the MOU. She questioned that if we were to lose the vote on the MOU, what is the time frame required to open the position up, and exactly how much more time are we willing to put the Office through this situation. She stated that we had a serious political embarrassment in the County. She stated that she personally urges the recommendation of the Executive Committee to take care of this issue.

Chairman Major recognized Rep. Waterhouse who referred to the situation as an emergency. He stated that we need to appoint someone today. Attorney Boffetti is not my first choice, and I would rather see someone else in the position that is neutral. He stated that he sees the situation as a County problem, not a State problem. The Attorney General took over an issue with Attorney Reams that should have been handled by the County Commissioners and Human Resources. He spoke in opposition of seeking outside candidates. The retired Judge who has offered to fill the vacancy has the qualifications, which requires him to be a member of the NH Bar and live in Rockingham County. He stated that the relationship in the County has been poisoned over the past year and it must change.

Chairman Major recognized Rep. Belanger who commented that the Assistant Attorney General Boffetti has his hands full doing what he is doing at the State. He spoke in support of the Judge and his qualifications, and urged everyone to vote no on the MOU.

Chairman Major recognized Rep. Harris who requested clarification. Specifically, are we to assume it is the Delegation's position that they have no problem allowing the State to pay for a county position? Rep. Major referred to that is the language spelled out in the MOU. Rep. Harris stated that the Delegation then has no problem putting the burden on to the State. He stated that he does have a problem with the situation. He commented that he thinks it is important to realize that the position is not solely in the County, because Attorney Boffetti still has responsibility at the State level. He stated that the individual cannot serve two masters.

Chairman Major recognized Rep. Pantelakos who stated that she is against the Judge taking over the position. She pointed out that the Judge was recommended by former County Attorney Reams.

Chairman Major recognized Rep. Hagan who commented that not all judges can administrate, so do not accept that premise. He thanked Executive Committee for coming up with a solution to the problem.

Chairman Major recognized Rep. Cali-Pitts who stated that she was most vocal about this on the Executive Committee. She too noted that there were no complaints against Attorney Boffetti. This is a very short-term solution that seems to have been working right along. She stated that she supports the MOU as presented.

Chairman Major recognized Rep. Copeland who urged the Delegation to vote yes on the MOU. He explained that Attorney Boffetti knows the strengths and weaknesses of the Office, as well as the aspect of prosecutions. He suggested that we move forward.

Chairman Major recognized Rep. Moody who stated that she agrees with Rep. Copeland's comments and suggests that we vote the MOU. She stated that isn't it true that the County is paying for former Attorney Reams' salary through November? If Attorney Boffetti is coming per the MOU, we do not have to pay a double salary. Chairman Major commented noting that is correct. The salary was given to former Attorney Reams at his retirement.

Chairman Major recognized Rep. Elliott who stated that he is sorry to see that this is turning into a partisan issue noting that the democratic nomination is from the Attorney General's Office and the republican nomination is a Judge. He stated that he will vote neutral and will vote for the Judge. Chairman Major noted that the Executive Committee is made up of democrats and republicans. Also, the vast majority of the Executive Committee is democratic.

Chairman Major recognized Rep. Till who made a motion to move the questions to cut off debate. Rep. Cali-Pitts seconded the motion. The motion passed.

Chairman Major clarified the vote for the MOU noting that a yes vote means that you are in favor of the MOU, and a no vote means that you are not in favor of the MOU. Rep. Waterhouse conducted a roll call vote. The results of the roll call were 32 in favor, and 23 opposed. The MOU passed.

Other Business:

Rep. Weyler spoke about the line item transfer of the County Attorney's salary. He noted that by resolution of the Delegation, we declare that every transfer come before the Executive Committee and that has not been done.

Rep. Pantelakos stated that she would like to apologize to everyone regarding the comments referring to democratic/republican.

Rep. St. James stated that with respect to fellow colleagues, apparently there is an issue with the deputy sheriff's bargaining unit in that longevity checks were paid by the County without the increase, and he understands that the Commissioners reasoning behind this was that they did not have to pay it due to the contract. He asked that the Commissioners to relook at the issue. He commented that the Commissioners are spending more time on the issue, rather than spending money on legal issues. Commissioner Pratt commented that the matter is ongoing and being looked into.

Rep. Waterhouse commented in reference to Rep. Weyler's comments regarding line item transfers. He announced that there is an Officer's Meeting on July 14, 2014, and money in going to be used out of the Delegation audit line to see how we can go with best practices in the Commissioner's Office and the Finance Office. He explained that the Officers are going to propose an internal audit position to help clarify where the legal responsibilities are, and if the Commissioners are acting properly. He noted that this is the type of question to be asked by the auditor as to why the money did not come before the Executive Committee.

Chairman Major recognized Rep. Waterhouse who made a motion to adjourn. Rep. Pantelakos seconded the motion. The motion was approved.

The meeting adjourned at 10:36 a.m.

Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator

Rep. Kevin Waterhouse, Clerk  
Rockingham County Delegation

KW:cah

**MINUTES**  
**ROCKINGHAM COUNTY**  
**CONVENTION MEETING**  
**Monday, August 25, 2014**  
**6:00 p.m.**  
**Hilton Auditorium**  
**Rockingham County Nursing Home**  
**Brentwood NH**

The members of the Rockingham County Convention held a meeting on Monday, August 25, 2014 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 vote two resolutions, proposed by the Executive Committee, to engage the services of an entity to conduct performance auditing and authorize the employment of a Certified Public Accountant.

Rep. Norman L. Major, Chairman, called the meeting to order at 6:05 p.m.

Chairman Major recognized Rep. Weyler who delivered the Invocation.

Chairman Major recognized Rep. Waterhouse who led the Pledge of Allegiance.

Rep. Major recognized Rep. Waterhouse, Clerk, to conduct roll call. Rep. Waterhouse reported a total of 52 members present.

Those present were: Rep. Norman L. Major, Chairman; Reps. Abrami, Allen, Baldassaro, Belanger, Bick, Cahill, Cali-Pitts, Charron, Chirichiello, Copeland, Cushing, DeSimone, Devine, Duarte, Dumaine, Elliott, Emerick, Ferrante, Fesh, Flockhart, Gordon, Grace, Griffin, Harris, Heffron, Helmstetter, Hodgdon, Hoelzel, Introne, Kappler, Kolodziej, Lovejoy, Mann, McMahon, Milz, Moody, Muns, Nigrello, O'Connor, Oligny, Perkins, Rice, Sanders, Sapareto, Sedensky, St. James, Sytek, Tasker, Tamburello, Tucker, Ward, Waterhouse, and Weyler.

Also Present: Attorney Sumner Kalman, Steve Woods, Nursing Home Administrator; Cheryl A. Hurley, Delegation Coordinator.

Chairman Major explained the reason for the meeting. He noted that the Delegation had voted previous language similar to the resolutions, but it did not include the language to designate a contingency fund as well as other language that is required to reflect the statutes.

Rep. Mary Griffin read Resolution I, recommended by the Executive Committee. Rep. Waterhouse made a motion to approve Resolution I as read. Rep. Kappler seconded the motion. Chairman Major recognized Rep. Belanger who asked what would happen if the resolution is not approved. Chairman Major recognized Rep. Waterhouse explained that it was realized after the Delegation had voted to approve the funding of the performance audit line 54100 in the Delegation Office budget, that in order to comply with the language in the statutes the Convention needs to vote that line item as a contingency fund in order to expend the money budgeted for performance auditing.

Chairman Major recognized Rep. Oligny who had questions regarding the contingency line item. Chairman Major recognized Rep. Waterhouse who explained that we are not adding money to the line item. It was when we looked further into the RSA, it was determined that we needed to establish the line item as a contingency fund.

Chairman Major explained that in his 18 years of service at the County, there have not been any performance audits. It is good practice for any entity to have a performance audit.

Chairman Major recognized Rep. Baldassaro who wanted an explanation as to where the \$102,000 went.

Chairman Major recognized Rep. Weyler who explained that \$95,000 was taken from the General Government budget and moved into the Delegation Office budget for a total of \$102,000 in the audit line to support conducting performance audits. He explained that the Delegation has the authority as the appropriating body.

Chairman Major recognized Rep. Kappler who clarified that the resolution already approved has been revised and is being presented to designate the line as a “contingency fund” with the same appropriation as voted by the full Delegation at the budget approval meeting on March 4, 2014.

Chairman Major recognized Rep. Oligny who asked for clarification in that the intent has not changed; rather, it is a reclassification to adhere to the wording of the statute as suggested by Attorney Kalman. Rep. Major confirmed yes.

Chairman Major recognized Rep. Belanger who asked if the county has a bottom line budget and whether the Commissioners have the authority to switch the money to somewhere else. Chairman Major explained that the Executive Committee has the authority to do transfers.

Chairman Major recognized Rep. Tamburello who questioned if the Delegation has an audit performed, will the results be published publicly. Chairman Major responded yes. Chairman Major recognized Rep. Tamburello who asked if the audit services will go out to bid. Chairman Major responded yes.

Chairman Major recognized Rep. Emerick who questioned if the Delegation is looking to do a compliance audit or a performance audit. Rep. Major explained that there was a performance audit that was initiated by the Commissioners in October of 2013, that had a 90-day completion date. He explained that the Executive Committee requested a copy of the report in April of 2014, and received the answer that it has not been completed. He noted that at this point in time, we are still told that it is not completed. Further, the Delegation has asked for interim reports, status reports, etc. that are not available. Rep. Emerick questioned if we think there is mismanagement. Chairman Major, on again, commented that conducting a performance audit is a good practice for any business or municipality. He explained that we want to know that if there are areas in which we can improve efficiency and to be sure that we are in conformance with respect to rules and regulations. It is simply a good business practice, and the authority lies within the Delegation under the statutes.

Chairman Major recognized Rep. DeSimone who explained that it is important for everyone to understand that every municipality is required to audit their municipality annually. Speaking from experience, she noted that she looks forward to an audit. She stated that she does not feel as though it is a witch hunt when an auditor comes to her office. She commented that she believes that we need to move forward on this, and does not think we are significantly and purposely doing something wrong.

Chairman Major recognized Rep. Baldassaro who stated that he believes that this issue is overdue, and thanked Rep. DeSimone for her comments. He questioned what safeguards are in place on the process for bidding. Chairman Major explained that the Audit Committee will make a recommendation to the Executive Committee before going forward with any audit as voted by the Delegation in the resolutions and outlined in the statutes.

Chairman Major recognized Rep. Cali-Pitts who pointed out that we are toward the end of this budget, and does think we should be changing in midstream. She explained that we might have a new Board of Commissioners and we should be looking at the future, not in the past in this late stage. She commented that she believes we should be looking at this issue at the beginning of next year's budget.

Chairman Major recognized Rep. Oigny referred to what he called an administrative change, and noted that we are not challenging the budget. Those questions are not relevant. He noted that we need to decide whether we want to change the line item to make it conform to the statute per Attorney Kalman's recommendation.

Chairman Major recognized Rep. Cushing who explained that he is trying to be clear about the process to allocate the funds, but is also trying to find out how we choose the departments and agencies that require an audit. He further questioned the process. Chairman Major explained.

Chairman Major recognized Rep. Rice who stated that he underscores Rep. Oigny's statement. Rep. Rice respectfully requested that the Delegation take a vote on the issue. Rep. DeSimone was in favor of Rep. Rice's comment.

Chairman Major recognized Rep. Waterhouse who read RSA 24:26 Performance Audits. He referenced the language in RSA 24:26, III, as follows: "The cost of a performance audit shall be paid from a contingency fund appropriated by the county convention under RSA 24:13, II."

Chairman Major pointed out that he has taken the language in the resolution to the DRA and they have confirmed that it is appropriate from their point of view.

Rep. DeSimone had a question for Attorney Kalman relative to the bidding process. Attorney Kalman explained that the statute is specific requiring that a contingency fund be the source of funding for a performance audit, RSA:24:13 Powers II, and that he is in agreement that the contingency fund language was missing when he reviewed the documents. He confirmed that the statute clearly states that the county convention makes these decisions.

Chairman Major recognized Rep. DeSimone who made a motion to move the question. Rep. Kappler seconded the motion. The motion was approved.

The motion to approve Resolution I, made and seconded, was approved by a voice vote.

Rep. Elliott noted a point of order requesting that it be made mandatory that a microphone be provided to the members in the back of the room.

Chairman Major recognized Rep. Waterhouse who made a motion to approve Resolution II as presented. Rep. Weyler seconded the motion. The motion was approved by a voice vote.

Chairman Major recognized Rep. Cushing who questioned if this was always something the Executive Committee planned on doing, but wasn't done correctly when we adopted the budget. Chairman Major responded yes, and not that in the future we will have a line in the budget for fiscal audits and performance audits.

Chairman Major recognized Rep Lovejoy who questioned reading from a document that indicates that there isn't any money left in the line item to conduct an audit. Several members in the room questioned the document that Rep. Lovejoy was referring noting that they had not received the information.

Chairman Major recognized Rep. Cali-Pitts who stated that Rep. Lovejoy is reading from a document that she had requested from the Finance Office that indicated that \$18,189.00 is what is left over from the \$102,000 appropriation. She noted that we have a legal question that needs to be answered asking if the audits were paid for legally. Chairman Major recognized Rep. Weyler who stated that there should be \$102,000 in the audit line.

Chairman Major recognized Rep. Belanger who questioned the document that Rep. Cali-Pitts was referring to and why the rest of the Delegation members were not given a copy. He asked Rep. Cali-Pitts if it is something that we should have all been given a copy of. Rep. Cali-Pitts responded no, explaining that she has a copy of it because she specifically asked for it.

Chairman Major recognized Rep. Baldassaro who questioned who released the information to Rep. Cali-Pitts and not the other legislators.

Chairman Major recognized Rep. Cali-Pitts who stated that she asked for this information from the Commissioners; and she asked for the figures and they made it available to her. Rep. Cali-Pitts responded that she did not know the Delegation has a lawyer.

Chairman Major recognized Rep. Baldassaro who commented on what he called a misappropriation.

Chairman Major referred to the fact that the Governor of the State of New Hampshire is not allowed to take money out of the legislative budget, but that it is happening at the County and it is wrong.

Chairman Major recognized Rep. Lovejoy who referred to the fact that the county has a financial audit every year. The cost of the financial audit comes out of the \$102,000. She questioned how much money needs to be allocated.

Chairman Major recognized Rep. Waterhouse who noted that no money can be spent out of the Delegation budget without the approval of the Chairman. He noted that we do have questions as to why money has been taken out of the Delegation budget without our approval. He assured the members that we will follow the law.

Chairman Major recognized Rep. Lovejoy who questioned if we change the language to a contingency fund, will we be able to pay for the financial audit out of this line item. Chairman Major recognized Rep. Weyler who explained, referring to the \$42,000 in encumbrances from last year.

Chairman Major recognized Rep. DeSimone who made a motion to move the question. The motion was seconded by Rep. Waterhouse and approved by a voice vote.

Other Business:

Chairman Major informed the group that he sent a letter to the Board of Commissioners asking for an explanation on the issue discussed. He explained that if the Board of Commissioners did due diligence they should have asked for a transfer from the Executive Committee. He noted that we are not going to allow any more expenditures to be made out of the Delegation line item without prior approval.

Chairman Major recognized Rep. Baldassaro who wanted to know who took the money out of the line item. He stated that we need answers.

Chairman Major recognized Commissioner Pratt who explained the roughly \$3,000 in question was approved by a warrant and voted at a meeting and approved by the Commissioners. Chairman Major stated that it came out of the Delegation line item. Commissioner Pratt responded yes, and stated that

anyone who has been a selectman knows that this is simply moving the money into the Delegation budget.

Chairman Major recognized Rep. Weyler who commented that this is money used without the authority which is a misappropriation.

Chairman Major recognized Rep. Waterhouse who referenced the warrant noting that a warrant is not legal without the Commissioner's signatures. He noted the fact that a co-equal branch of government has to go request information through 91-A, and we have been asking for copies of certain items as a branch of government.

Chairman Major recognized Commissioner Pratt who stated that she had the signed document.

Chairman Major recognized Rep. Hoelzel who wanted to know what the \$3,100 was spent on. Ms. Young, Finance Officer, stated on a Medicaid cost report. Chairman Major recognized Rep. Weyler to what he referred to as a misuse of appropriation in the Delegation budget without Delegation authority.

Chairman Major noted the issue being the Commissioners having the ability to take money out of the Delegation budget without the authority of asking the Delegation.

Chairman Major recognized Rep. Griffin who made a motion to adjourn. Rep. Waterhouse seconded the motion. The motion was adjourned by a voice vote.

The meeting was adjourned at 7:07 p.m.

Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator  
KW:cah

Rep. Kevin Waterhouse, Clerk  
Rockingham County Convention

**MINUTES**  
**ROCKINGHAM COUNTY**  
**DELEGATION MEETING**  
**Monday, October 6, 2014**  
**6:00 p.m.**  
**Hilton Auditorium**  
**Rockingham County Nursing Home**  
**Brentwood, NH**

The members of the Rockingham County Delegation held a meeting on Monday, October 6, 2014 at 6:00 p.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood, NH. The purpose of the meeting is to vote on a resolution to bring suit against the Rockingham County Commissioner seeking temporary and permanent injunctive relief and a declaratory judgment in response to the Commissioners' transfer of \$83,810.50 from the 2014 Delegation Budget without authority from the Executive Committee to do so and the Commissioners' assertion that the County Convention is not entitled to legal services and their intended refusal to authorize any invoices for such services.

Norman L. Major, Chairman, called the meeting to order at 6:13 p.m.

Chairman Major recognized Rep. Kenneth L. Weyler who delivered the Invocation.

Chairman Major recognized Rep. Gene Charron who led the Pledge of Allegiance.

Chairman Major recognized Rep. Kevin Waterhouse, Clerk, who conducted the roll call. Rep. Waterhouse reported a total of 42 members at the time the roll was called.

Chairman Major noted that there was not a quorum present. He explained that 44 members of the Convention constitute a quorum. He asked that the member present wait 15 minutes to see if we could obtain a quorum.

Those in attendance were: Rep. Norman L. Major, Chairman; Representatives Abrami, Allen, Andrews-Ahearn, Bick, Birdsell, Cahill, Cali-Pitts, Charron, DeSimone, Devine, Duarte, Elliott, Emerick, Fesh, Gordon, Griffin, Hagan, Harris, Hayes, Heffron, Hoelzel, Introne, Itse, Kappler, Kolodziej, Mann, McKinney, Nigrello, Pantelakos, Priestley, Rice, Sanders, Schlachman, Sedensky, St. James, Sytek, Tasker, Till, Waterhouse, Webb, Weyler, and Whittemore.

Excused: Reps. Bishop, Burtis, Comerford, Copeland, Danais, Ferrante, Grace, Helmsetter, Moody, Muns, Norelli, O'Connor, Sherman, and Tucker.

Also Present: Commissioners Coyle, Pratt, Tombarello; Theresa Young, Finance Officer; Georgia Millot, Interim Human Resources Director; Steve Woods, Long-Term Care Services Director; Laura Collins, Commissioner's Office; Cathy Stacey, Register of Deeds; Christopher Cole, Attorney, Sheehan, Phinney, Bass and Green; Cheryl Hurley, Delegation Coordinator.

Chairman Major announced that due to the lack of a quorum, the meeting will be continued and held on Thursday, October 23, 2014 at 7:00 p.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood.

There being no further business to come before the members, the meeting adjourned at 7:47 p.m.

Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator

Rep. Kevin Waterhouse, Clerk  
Rockingham County Convention

KW:cah

**MINUTES**  
**ROCKINGHAM COUNTY**  
**DELEGATION MEETING**  
**Thursday, November 6, 2014**  
**6:00 p.m.**  
**Hilton Auditorium**  
**Rockingham County Nursing Home**  
**Brentwood, NH**

The members of the Rockingham County Delegation held a meeting on Thursday, November 6, 2014 at 6:00 p.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood, NH. The purpose of the meeting is to vote two resolutions.

Norman L. Major, Chairman, called the meeting to order at 6:11 p.m.

Chairman Major recognized Rep. Kenneth L. Weyler who delivered the Invocation.

Chairman Major recognized Rep. Walter Kolodziej who led the Pledge of Allegiance.

Chairman Major recognized Rep. Kenneth Weyler, in Rep. Kevin Waterhouse's absence to conduct the roll call. Rep. Weyler conducted the roll and reported a total of 53 members present at the time the roll was called.

Chairman Major declared that a quorum as present.

Those in attendance were: Rep. Norman L. Major, Chairman; Representatives Abrami, Allen, Baldassaro, Bick, Bishop, Borden, Burtis, Cahill, Cali-Pitts, Charron, Chirichiello, DeSimone, Devine, Duarte, Dumaine, Emerick, Ferrante, Fesh, Flockhart, Friel, Gordon, Grace Griffin, Hagan, Harris, Heffron, Hodgen, Hoelzel, Introne, Itse, Kappler, Kolodziej, Major, McKinney, McMahon, Milz, Moody, Nigrello, O'Connor, Oligny, Packard, Pantelakos, Peckham, Priestley, Rice, Sanders, Sapareto, Schlachman, Sedensky, Sweeney, Sytek, Tasker, Till, Webb, and Weyler.

Excused: Reps. Comerford, Copeland, Danais, Helmsetter, Muns, Norelli, Sherman, and Tucker.

Also Present: Commissioners Coyle, Pratt, Tombarello; Cheryl Hurley, Delegation Coordinator.

Chairman Major explained the purpose of the meeting being vote two resolutions. Chairman Major recognized Rep. Mary Griffin who read Resolution 1 as follows:

To authorize the Rockingham County Convention to bring suit against the Rockingham County Commissioners in response to the Commissioners' unauthorized expenditure of \$95,000 from the 2014 Delegation Budget and the Commissioners' intended refusal to pay Convention legal fees, as appropriated by the Convention for services.

Rep. Pantelakos seconded the motion.

Chairman Major provided a brief explanation for the purpose of voting the resolution. He referred the members to the letter that was sent to the Convention from the Officers dated November 2, 2014, addressing the issues. Chairman Major read the RSA's that pertained to the resolution. He referred to item #1 in the letter pertaining to audits and explained the audit process and noted that the Commissioners

are in violation of the statute which requires the approval of all audits to be approved by the Executive Committee. Chairman Major also read RSA 24:26 Performance Audits and explained.

Chairman Major then read item #2 in the letter pertaining to the fact that \$102,000 in the Delegation line item designated as a contingency fund. He explained that on August 25, 2014, the Convention voted and approved the authority to hire a CPA and conduct performance audits, which has been invaded to the tune of \$95,000. He explained the details involving the situation.

Chairman Major then read item #3 in the letter pertaining to the declaration by the Commissioners that the Convention does not have the authority to retain legal counsel to address their disputes on behalf of the Convention. Chairman Major explained that the Convention has a \$25,000 legal services line item in their budget. He referred to past practice of the Convention hiring and paying for an attorney for an employee grievance issue, which resulted in paying our Attorney for crafting the policies for the Convention's Personnel Commission for employee grievances. He noted that the attorney fees were authorized and approved for payment by the Commissioners without question.

Chairman Major opened the meeting up for discussion and questions. Rep. Webb referred to what he sees as the bottom line being money that the Commissioners took out of the Delegation budget and transferring it for performance audits. He referred to the situation as taking the money out of one pocket and putting it into another, and the fact is the taxpayers are going to pay for the legal battle, and questioned if it is worth it. Chairman Major explained that the Commissioners are not following the statutes, and that we as legislators are the overseers of all county appropriations. He noted that the legislator's authority is clearly spelled out in the statutes. He also referred to the lengthy process which resulted in over a year's time to obtain information relative to the Human Resources/Finance Audit. He explained that members of the Convention tried to obtain information from the company who was performing the audit and the company told them that they did not provide the answers because they were assured that the Commissioners were answering their questions. Rep. Webb asked if the Commissioners could tell their version of the situation. Chairman Major responded yes.

Chairman Major recognized Rep. O'Connor who referred to the letter noting that there have been a total of 6 meetings drafting an MOU. Those meeting were ongoing and positive, but it fell apart. He requested that the Convention get the Commissioners opinion of their MOU and the Conventions opinion of the MOU. Chairman Major commented that he had hoped to get the issues resolved. He explained that negotiations were held and they were confidential. He noted that he honored his commitment to not discuss the issue. Chairman Major read the six bullet items outlined in the negotiations that the officers agreed upon that were presented to Commissioner's attorney. He explained that this went on six times. He further explained that every time we thought we had an agreement, new restrictions were presented to us. He commented that we as legislators have the responsibility to do the right thing.

Chairman Major recognized Rep. Heffron who asked if the Commissioners are going to respond. Chairman Major responded yes.

Rep. Heffron questioned if it would be prudent to suspend deliberations on the motion and take up the next order of business, which is the appointment of County Attorney.

Chairman Major recognized Rep. Heffron who made a motion to delay action on the motion on the floor. Rep. Oligny seconded the motion. The motion was approved by a voice vote.

Chairman Major recognized Rep. Mary Griffin who read Resolution 2.

Chairman Major recognized Rep. Baldassaro who questioned that if we take up Resolution 2, would we risk having a quorum to vote on Resolution 1.

Chairman Major recognized Rep. Cali-Pitts who questioned.

Chairman Major recognized Rep. Peckham who spoke in favor of Rep. Heffron's motion.

Chairman Major called for further questions. A show of hands to vote on delaying Resolution 1 and moving on to Resolution 2 was conducted. Rep. Kappler requested a roll call vote.

Chairman Major recognized Rep. Weyler who conducted a roll call vote. The results were 28 in favor, 25 opposed. The motion passed.

Rep. Griffin read Resolution 2 as follows:

Be it resolved that the Rockingham County Convention, in accordance with RSA 661:9, and the agreement of Memorandum of Understanding between the Rockingham County Convention and Attorney General Joseph A. Foster, voted on June 30, 2014, appoint Patricia Conway as Rockingham County Attorney, who was elected County Attorney in the state general election on November 4, 2014, until she is sworn into Office on January 7, 2015, RSA 653:10.

Rep. Kappler seconded the motion. Chairman Major called for discussion. There was none. The motion was unanimously approved by a voice vote.

Chairman Major recognized Ms. Cathy Stacey, Register of Deeds, and Justice of the Peace, to administer the Oath of Office. The Oath of Office was taken by Attorney Patricia Conway, and she was congratulated by those present.

Chairman Major opened discussion on Resolution 1. Chairman Major recognized Rep. Baldassaro who stated that he has confidence with the Chairman and the Officers, and is going to support them, but wanted to hear from the Commissioners stating that it is the legislator's duty and responsibility to do the right thing.

Chairman Major recognized Rep. Cali-Pitts who, referring to the resolution stated that her hang-up is suing the Commissioners personally. She noted that this would require the Commissioners to hire their personal attorney, and this is not personal business.

Chairman Major recognized Commissioner Coyle who explained the issue of addressing the Commissioners personally. He stated that you all have a copy of the lawsuit, and we did not do anything that we should be sued personally. He explained the \$95,000 that was put into the General Government section of the budget to pay for certain items, one of which was the county audit. The Commissioners paid for the Medicaid cost report as well. These are legitimate county expenses. The Commissioners had two ongoing studies; the Human Resources/Finance Study and the Jail Study, budgeted for it in the \$95,000. Rep. Weyler moved that money into the delegation budget. There was \$7,000 already in the line. He commented that Rep. Major and I sat down and I thought we had an agreement. You agreed on the approximately \$83,000 expenditures. He noted that the lawsuit will cost \$100,000 and a waste of taxpayer money, for lack of a better word "it is a pissing contest." He stated that we know our authority and you know your authority. He also commented about the bill that was put in the legislature, and the fact that the Commissioners are the only ones who have the authority to hire legal counsel. He questioned where is the delegation's contract with their lawyer, noting that they Delegation do not have a contract with their lawyer and that this seems to be irresponsible. Further that the Delegation's bill to date are

over \$16,000. He stated that he does not understand where things broke down, but has his opinion. He referred to this as a frivolous lawsuit.

Chairman Major recognized Rep. Oligny who, referring to RSA 28:3-a, noted that through practice they were not following the law. The Commissioners are doing what they have always been doing. He questioned that if we all agree as the law stands today, can we move forward.

Chairman Major explained that we had agreed to the approximately \$83,000 expenditure, but there were other items addressing other issues that the Commissioners would not agree to. Issues such as the Commissioners unwillingness to pay for our attorney fees and meet with the Officers monthly.

Chairman Major recognized Rep. Oligny, who referring to the four points, suggested that we deal with each item in a series and he believes this will be more effective.

Chairman Major recognized Attorney Sumner Kalman who explained the process to date. He began at the beginning with the first item which was the Executive Committee and Officers running into a situation where they want to have performance audits under the direction of the Executive Committee. It was determined that the money has to come from a contingency fund. The other issue was to hire a CPA due to serious difficulties in the Convention obtaining information and cooperation. The members of the Convention were filing 91-a requests asking for information that was not being given to them. He further explained that he had expected that changing the \$102,000 line from Audit/Study/Investigation and designating it as a Contingency Fund and approval for hiring a CPA as an unanticipated expense would be the end to the issue as the Convention gave approval to those two items. We were also advised at that same meeting that approximately \$83,000 had been drawn from that line and was spent. The Commissioners drew the money that the Convention thought was available. He explained that there were two types of audits – performance and financial and the money was spent. He explained the audit relative to statute, RSA 28:3-a, says that the Executive Committee has to approve the audit, and also is able to direct the subject areas that they want considered by the auditors. I asked the Executive Committee if they had input on this, and they responded no.

Attorney Kalman further explained that when the legislators create a \$78,000,000 budget, there is a template from DRA on the total budget and how much each department should get and every line has a specific appropriation. He explained that the legislators decide this as a Delegation member. Someone at the Delegation Office is designated to sign off on the warrants, and the understanding is that the specific line items for specific purposes should not be expended until the approval is given to them to take from the budget. He stated that the money was spent illegally. Attorney Kalman read the bullet item included in the negotiations for the item relative to the audit and copies of invoices. The Commissioners said they would agree to pay or approve the approximately \$83,000 by way of settlement, in good faith. We hashed out a lot of issues relative to the bullet items. I thought we had a deal, because I had prepared the bullets, so I thought it would be appropriate to have the other side prepare their response. When we got the response, this is not where we were at. We prepared a response to that. There was a response to that, and so on, with a total of 6 attempts to resolve the issues. He stated that it is especially frustrating that at the sixth response new language was developed that was devastating and substantive. We thought that maybe with the authority of the Delegation we could resolve this in good faith. The Officers reviewed it, and realized that there were provisions in it that were not responsible. We took out the language regarding bidding for services over \$5,000 for contracts in Rockingham County, which does not apply to the Delegation. Commissioner Coyle responded that we believe you are a department. Attorney Sumner responded to Commissioner Coyle that that is a legal dispute. He further explained that legal services fall under the statute. The Commissioners offered to waive the requirement for this particular expenditure. This was also offensive. Additionally, the Commissioners said that they will pay this one time attorney fees and no further amounts for legal services on behalf of the Convention. They do not

acknowledge that the Convention can hire an attorney and pay for it out of the legal services line in their budget. He noted that those are the three stumbling blocks in the agreement. Further, that the Executive Committee voted 14 to 1 to authorize the litigation to the County Convention.

Attorney Kalman went on to explain the specific statute for the Commissioners to hire legal counsel. He noted that the research on this law shows that it was there for the Commissioners because of the duties of the County Attorney. He read RSA 7:34, which would have required the Commissioners to have the County Attorney represent them and not be able to hire their attorney, and the County Attorney only does prosecutions at the county level. This left the Commissioners in the counties with no representation and that statute gave them the ability to hire counsel. That does not mean that the Convention do not have the authority to hire an attorney even when they have \$25,000 in their budget for legal services. The Commissioners agreed to let that money be shifted to cover other expenses which left \$14,000 in the legal services line.

Attorney Kalman stated that the petition originally crafted has been reworked. The potential is there for the Commissioners to be sued individually, and it is there because they have acted outside their legal authority. There are some changes, but that is why the language is in there. Unfortunately, if it is not in the lawsuit, the Commissioners have no incentive try and settle the issues.

Chairman Major recognized Rep. Oligny who noted that it sounds like the first item is agreed to. He suggested that the members pass a motion for both sides to collaborate and mediate this matter across the table, rather than drafting an agreement which only breeds contempt and goodwill. He referred to the process as being broken. He suggested a motion where both parties commence a different process that would be one of collaborative law, such as mediation, and that would be his best suggestion.

Chairman Major recognized Rep. Weyler who stated that for years he has been asking for performance audits, and what he has been told is that the Commissioners do studies. He referred to this situation as a lack of trust when he gets this type information from the Commissioners. Rep. Weyler explained that he was moving the money from the General Government budget to the Delegation budget to conduct the audits. The Commissioners did not coordinate this with us, and they did not provide us with the details. We recently saw a list of items that used up that money, and the Human Resources/Finance audit was not on the list. The Medicaid cost report was on the list. He referred to this as misinformation. The legislative body has the authority for all the audit functions, and if we mirror what is done at the state, we are the individuals who approve, appoint, and get audits done. He noted that the Convention also attempted to hire an auditor and noted that we got many alarm blocks. He stated that we are asking the Convention to give us a tool.

Chairman Major recognized Rep. Dumaine who questioned if we have received the audits. Chairman Weyler responded yes, but we did but never got the invoices. Chairman Major recognized Rep. Dumaine who asked Commissioner Coyle why we have not gotten the invoices. Commissioner Coyle responded that they did not ask. Commissioner Coyle also stated that they are public records.

Chairman Major recognized Rep. Peckham who stated that it is clear that the negotiations have broken down. She stated that she echoes Rep. Oligny's concerns. She suggested a mediator and not litigation. She stated that she believes we are close, but not there. Speaking as an Attorney, that is her suggestion.

Chairman Major recognized Rep. Rice who spoke about his experience in negotiating contracts. He noted that we have a solid agreed upon procedure, and thinks we should get a mediator.

Chairman Major recognized Rep. Simone who stated that she also has a problem spending the taxpayers' money. She stated that the Commissioner have an attorney and that shows mistrust on my side. We also

have an attorney and that shows our mistrust. There is no professional courtesy, and if one side asks for a bill then give us the bill, and none of this would have happened. We would not have spent \$16,000 on attorney fees.

Chairman Major recognized Rep. Schlachman who referred to transparency regarding reports with Human Resources, noting that she sent the members of the Convention an email regarding this issue. She stated that every time she has asked the Commissioner's Office for information going back to last winter, she has gotten what she has asked for, including the invoices and the HR/Finance Report.

Chairman Major recognized Attorney Kalman who went over the three bullet points. Attorney Kalman noted that the final version as the fifth version, and that being our final offer. It steered away from the legal controversies of not trying to resolve the issues such as the contingency fund, the audit, and the issues in dispute. It was resolvable and it may still be. He explained that he has settled many cases with mediation; but noted if you do not have risk, you will not settle the case. There is no risk in mediation. He stated that you will not get the result you will want to get.

Chairman Major recognized Commissioner Coyle who stated that he believes that we can get back to what we agreed upon at the first meeting.

Chairman Major recognized Commissioner Coyle who pointed out one of the sticking points is relative to the Convention having the authority to hire a lawyer. He suggested that the legislators put in a bill to allow the Commissioners to pay for Convention legal fees. Chairman Major explained that the Convention has the authority to hire a lawyer. Commissioner Coyle stated that we want to put these issues to bed.

Chairman Major recognized Rep. Baldassaro who asked if we could go back to the original agreement and agree and move it to a vote on the lawsuit, if mediation fails.

Chairman Major recognized Rep. DeSimone who made a motion to amend the resolution to read as follows:

To authorize the Rockingham County Convention, in the event that the agreement or mediation is not successful by November 30, 2014, to bring suit against the Rockingham County Commissioners in response to the Commissioners' unauthorized expenditure of \$95,000 from the 2014 Delegation Budget and the Commissioners' intended refusal to pay Convention legal fees, as appropriated by the Convention for services.

Rep. Baldassaro seconded the motion.

Chairman Major recognized Rep. Kappler who made a motion to have a quorum call, and continue to work on this before the next meeting when we have a quorum if we do not have one now. Rep. DeSimone seconded the motion. Rep. Emerick asked for clarification on the motion.

Chairman Major recognized Rep. Pantelakos who stated that she does not believe that we need a mediator. It is the agreement between Commissioner Coyle and the Executive Committee.

Chairman Major recognized Rep. Cali-Pitts questioned if we are looking for an interpretation of the law or coming to an agreement on the issues.

Chairman Major explained that we want to come to an agreement to what has been done in the past, and as we go forward we are going to agree to follow the statutes.

Chairman Major recognized Commissioner Coyle who stated that we do not believe you follow the statutes.

Chairman Major recognized Rep. DeSimone who made a motion to move the questions. All were in favor.

Chairman Major explained the amended motion on the floor.

Chairman Major recognized Rep. Heffron who questioned the motion as amended asking what we are looking for the court to order.

Chairman Major recognized Attorney Kalman who answered the question with a preliminary injunction to restore the \$102,000 taken away from the Delegation budget without the authority because audits were conducted without the Executive Committee's approval and resolving the attorney issue. Attorney Kalman referred these as urgent issues that need to be addressed before December 31, 2014.

Chairman Major recognized Rep. Heffron who questioned the practical benefit. Chairman Major recognized Rep. DeSimone who made a motion to move the question. The motion was approved by a voice vote.

Chairman Major recognized Rep. Weyler to conduct a roll call vote on the amended resolution. The roll call vote was 42 in favor, 10 opposed. The motion was approved.

Chairman Major explained that the Officers will make a recommendation to the Executive Committee or provide them with the final draft of the lawsuit, if necessary. Chairman Major informed the Convention that the Executive Committee will meet on Monday, December 1, 2014 at 9:30 a.m. at which time they will be presented with an update from the Officers on the issue.

**Other Business:**

Chairman Major announced the next order of business which was an appreciation award to be presented to Rep. Gene Charron, who will be leaving the Convention after ten years of service, and also as Chairman of the Executive Committee. Chairman Major presented the award to Rep. Charron. Rep. Charron took a few minutes to speak to the members and thanked them for the award.

Chairman Major noted that he has another award to present to Rep. Waterhouse who could not be at tonight's meeting. Chairman Major read the award to be presented to Rep. Waterhouse.

Chairman Major recognized Rep. Pantelakos who made a motion to adjourn. Rep. Kappler seconded the motion. The motion was approved by a voice vote.

The meeting adjourned at 8:40 p.m.

Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator

Rep. Kevin Waterhouse, Clerk  
Rockingham County Convention  
KW:cah

**MINUTES**  
**DELEGATION ORGANIZATION MEETING**  
**Wednesday, December 10, 2014**  
**Hilton Auditorium**  
**Rockingham County Nursing Home**  
**Brentwood NH**

The members of the Rockingham County Delegation held an Organization Meeting on Wednesday, December 10, 2014 at 10:00 a.m. in the Hilton Auditorium at the Rockingham County Nursing Home in Brentwood, NH. The purpose of the meeting was to elect Officers and an Executive Committee, and to conduct other county business.

Rep. Norman L. Major, Chairman, called the meeting to order at 10:05 a.m.

Chairman Major recognized Rep. Kenneth L. Weyler who delivered the Invocation.

Chairman Major recognized Rep. Mary Allen who led the Pledge of Allegiance.

Chairman Major recognized Rep. Mary E. Griffin, Acting Clerk, to conduct the roll call.

Those in attendance were: Rep. Norman L. Major, Chairman; Representatives Allen, Barnes, Bates, Belanger, Berrien, Cahill, Cali-Pitts, Chase, Chirichiello, Cook, DeSimone, Devine, Duarte, Emerick, Ferrante, Gannon, Griffin, Guthrie, Harris, Heffron, Hodgdon, Hoelzel, Introne, Itse, Kappler, Katsakiores, Kolodziej, Matthews, Milz, O'Connor, Olinny, Pantelakos, Potucek, Sanders, Simpson Tasker, Thomas, True, Vose, G. Ward, J. Ward, Webb, Welch, Weyler, Woitkun, and Wood.

Excused: Representatives Cardon, Cushing, Elliott, Moody, McMahon, Sytek, DiFranco, Gordon, McBeath,

Absent: Representatives Abrami, Abramson, Azarian, Baldassaro, Borden, Bush, Christie, Doucette, Dobson, Francese, Friel, P. Gordon, R. Gordon, Hagan, Howe, Kellogg, Lovejoy, Lundgren, McKinney, Nigrello, Osborne, Packard, Peckham, Priestley, Prudhomme-O'Brien, Rice, Schroadter, Sherman, Spillane, D. Sweeney, J. Sweeney, Tamburello, Tucker.

Also Present: Sandy Buck, Treasurer, Steve Woods, Long-Term Care; Janet Demers, Long-Term Care; Laura Collins, Board of Commissioners, Judge Gates, Engineering & Maintenance; Georgia Millot, Human Resources; High Sheriff Michael Downing, Sheriff's Office; Superintendent Stephen Church, Department of Corrections; Martha Breen, Sheriff's Department; Theresa Young, Finance Officer; Commissioners Pratt and Tombarello; Attorney Elizabeth Bailey, Sheehan, Phinney, Bass & Green; Cheryl A. Hurley, Delegation Coordinator.

Rep. Griffin, Acting Clerk, reported a total of 48 members present at the time the roll was called.

Chairman Major declared that a quorum was present.

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

Chairman Major recognized Rep. Fesh for the nomination of Convention Vice-Chairman. Rep. Fesh nominated Rep. Mary Griffin for Convention Vice-Chairman. Rep. Pantelakos seconded the nomination. Rep. Major called for further nominations. There were none. Rep. Major instructed the Clerk to case one ballot for Rep. Mary Griffin for Convention Clerk.

Chairman Major recognized Rep. Fesh for the nomination of Convention Clerk. Rep. Fesh nominated Rep. David Welch for Convention Clerk. Rep. Pantelakos seconded the motion. Rep. Major called for further nominations. There were none. Rep. Major instructed the Clerk to cast one ballot for Rep. Kevin Waterhouse for Convention Clerk.

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

Chairman Major recognized Rep. Fesh for the nomination for Executive Committee Vice-Chairman. Rep. Fesh recognized Rep. Walter Kolodziej for Executive Committee Vice-Chairman. Rep. Pantelakos seconded the motion. Rep. Major called for further nominations. There were none. Rep. Major instructed the Clerk to cast one ballot for Rep. Walter Kolodziej for Executive Committee Vice-Chairman.

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

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

**District 1**

Rep. Mary Allen

Rep. Jacqueline Cal-Pitts

Rep. Renny Cushing

Rep. Laura Pantelakos

Rep. Fred Rice

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

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

**District 2**

Rep. Ronald Belanger

Rep. James Devine

Rep. Debra DeSimone

Rep. Kathleen Hoelzel

Rep. L. Mike Kappler

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

Chairman Major recognized Rep. Fesh for the nomination for Executive Committee, District 3. Rep. Fesh presented the following slate:

**District 3**

Rep. Brian Chirichiello  
Rep. Robert Fesh  
Rep. Robert Introne  
Rep. Phyllis Katsakiores  
Rep. John O'Connor

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

Chairman Major noted the next order of business on the agenda was to adopt resolutions.

Chairman Major recognized Rep. Griffin who read Resolution 2014-1 as follows:

**Resolution 2014-1 – Adoption of Procedures for Filling Rockingham County Executive Committee Vacancies (RSA 24:2-b):**

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

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

Chairman Major recognized Rep. Griffin who read Resolution 2014-2 as follows:

**Resolution 2014-2 - Authorization for Rockingham County to Pay 2013 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 \$10 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 \$10 million for 2015 expenses during the months of January and February in anticipation of the subsequent approval of the 2015 budget.

Further, that the \$10 million be allocated proportionately to line items based on 2014 approved net appropriations to fund like operating and personnel expenses in existence as of 12/31/14.

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

Rep. Major recognized Rep. Griffin who read Resolution 2014-3 as follows:

**Resolution 2012-3 – Executive Committee to act as a Subcommittee (RSA 24:2)**

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

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

**Other Business:**

Chairman Major recognized Rep. Griffin who read the following motion for approval:

**Motion to Appoint an Investigations Committee**

The move that we, Rockingham County Convention, under RSA 24:17 Investigations, appoint an Investigations Committee of its own members, not to exceed 5, and not over 3 to be of either of the 2 major political parties, to investigate conditions pertaining to the conduct of county affairs by any county officer or any person appointed or employed by such officer, which committee shall have power to summon witnesses, examine them under oath, secure a transcript of the testimony and do other necessary acts to conduct such an investigation.

Rep. Weyler seconded the motion. Chairman Major recognized Rep. Weyler who provided a brief explanation. A lengthy discussion ensued. There being no further questions, the motion was approved by a voice vote.

Chairman Major recognized Rep. Griffin who read the following resolution for approval:

**Motion to Designate Delegation Officers/Executive Committee Officers Audit Committee Members**

I move that we, the Rockingham County Convention, designate the Rockingham County Delegation Officers and Executive Committee Officers members of the County Convention Audit Committee. (RSA 28:3-a County Audits).

Rep. Weyler seconded the motion. Chairman Major called for questions. Rep. Cali-Pitts questioned. There being no further questions, the motion was approved by a voice vote.

**Announcements:**

Chairman Major informed the members that they will soon be receiving information regarding the county's subcommittee assignment request form and budget schedule. He also asked the members to turn in their mileage forms to either the Finance Office or Delegation Office in order to get paid for attending meetings at the county. Also, the Executive Committee will meet immediately following the meeting.

There being no further business, the meeting adjourned at 10:55 a.m.

Respectfully submitted,

Cheryl A. Hurley  
Delegation Coordinator

Rep. David A. Welch, Clerk  
Rockingham County Convention

DAW:cah

# PROPOSED BUDGET AND ESTIMATE OF REVENUE - COUNTY

For County of: ROCKINGHAM

Date of Convention: 3/4/2014

Fiscal Year Ending: 12/31/14

Mailing Address: 119 North Road, Brentwood NH 03833

Phone #: 603-679-9330

Fax #: \_\_\_\_\_

E-Mail: \_\_\_\_\_

Prepared by: Katherine C. Nikitas, Deputy Finance Officer

Use this form to prepare the county budget for delivery to each member of the county convention who will be in office on the date of appropriation vote and to the chairman of the board of selectmen or mayor for each city/town within the county, and to the Secretary of State as required by RSA 24:21-a. It must also be submitted to the Department of Revenue Administration by September 1 per RSA 21-J:34.

## COMMISSIONERS

Please sign in ink.

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

*[Handwritten signature]*

*Katharin K. Pratt, Chair*

*[Handwritten signature]*

*Thomas Tombarello, Clerk*

FOR DRA USE ONLY

NH DEPARTMENT OF REVENUE ADMINISTRATION  
MUNICIPAL SERVICES DIVISION  
P.O. BOX 487, CONCORD, NH 03302-0487  
(603)230-5090

1	2	3	4	5
Acct.#	APPROPRIATIONS OR EXPENDITURES	Appropriations Previous Fiscal Year	Expenditures Previous Fiscal Year	Proposed Budget Ensuing Year
<b>GENERAL GOVERNMENT</b>				
4110	County Convention Costs	91,741	82,820	87,489
4120	Judicial			
4122	Jury Costs			
4123	County Attorney's Office	3,095,178	2,883,595	3,167,770
4124	Victim Witness Advocacy Program			
4130	Executive	1,133,778	949,050	975,756
4150	Financial Administration	1,142,489	1,010,371	1,179,627
4151	Treasurer	15,606	14,958	15,606
4153	Other Legal Costs	148,000	114,942	265,000
4155	Personnel Administration	435,375	300,695	349,565
4191	Planning and Zoning for Uninc.Places			
4192	Medical Examiner	40,504	37,765	53,504
4193	Register of Deeds	1,339,350	1,243,782	1,309,973
4194	Maintenance of Government Bldg.	4,146,323	3,741,687	4,707,878
4196	Insurance, Not Otherwise Allocated			
4198	Contingency			
4199	Other (grants; non-county specials; drug court assistance; energy savings)	2,096,750	771,895	2,799,371
<b>PUBLIC SAFETY</b>				
4211	Sheriff's Department	5,301,596	4,981,145	5,322,869
4212	Custody of Prisoners			
4214	Sheriff's Support Services			
4219	Other Public Safety			
<b>CORRECTIONS</b>				
4230	Corrections	12,295,242	10,423,834	12,350,459
4235	Adult Probation and Parole			
<b>COUNTY FARM</b>				
4301	Administration			
4302	Operating Expenditures			
4309	Other County Farm Expenditures			
<b>COUNTY NURSING HOME</b>				
4411	Administration	27,179,171	22,685,184	25,829,272
4412	Operating Expense			
4439	Other Health (assisted living)	1,714,718	1,355,056	1,663,858
<b>HUMAN SERVICES</b>				
4441	Administration	164,016	148,079	0
4442	Direct Assistance	16,217,170	15,426,436	16,638,468
4443	Board and Care of Children			
4446	Diversion Program			
4447	Special Outside Services			
	Other (Specify)			

1	2	3	4	5
Acct.#	APPROPRIATIONS OR EXPENDITURES	Appropriations Previous Fiscal Year	Expenditures Previous Fiscal Year	Proposed Budget Ensuing Year
<b>COOPERATIVE EXTENSION</b>				
4611	Administration	378,599	378,599	386,549
4619	Other Conservation			
<b>ECONOMIC DEVELOPMENT</b>				
4651	Administration			
4652	Economic Development			
4659	Other Economic Development			
<b>DEBT SERVICE</b>				
4711	Principal Long-Term Bonds/Notes	0	0	525,000
4721	Interest Long-Term Bonds/Notes	1	0	347,800
	Other (bond anticipation expense)	414,000	414,000	0
<b>INTERGOVERNMENTAL TRANSFERS</b>				
4800	Intergovernmental Transfers			
<b>CAPITAL OUTLAY</b>				
4901	Land and Improvements (detail below)	552,400	539,689	537,810
4902	Machinery			
4903	Buildings (detail below)			
4904	Improvements Other than Bldg.			
<b>INTERFUND OPERATING TRANSFERS</b>				
4912	To Special Revenue Fund			
4913	To Capital Projects Fund			
4914	To Proprietary Funds			
4915	To Capital Reserve Funds			
4916	To Trust and Fiduciary Funds			
<b>TOTAL APPROPRIATIONS</b>		77,902,007	67,503,582	78,513,624

**OPTIONAL:** Use this box to provide additional detail of amounts in account lines.

ACCT #	Additional Description	Amount

1	2	3	4	5
Acct.#	SOURCES OF REVENUES	Estimated Revenue Previous Fiscal Year	Actual Revenue Previous Fiscal Year	Estimated Revenue Ensuing Fiscal Year
<b>ASSESSMENTS/TAXES</b>				
3110	Property Taxes Levied for Unincorporated Places	43,873,563	43,873,563	44,785,155
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			
<b>3319</b>	<b>REVENUE FROM THE FEDERAL GOVERNMENT</b>	<b>1,157,702</b>	<b>3,210,290</b>	<b>1,645,279</b>
<b>REVENUE FROM THE STATE OF NH</b>				
3351	Shared Revenue for Unincorporated Places			
3352	Incentive Funds			
3354	Water Pollution Grants			
3355	Housing and Community Development			
3356	State & Fed. Forest Land Reim. in Unincorporated Places			
3359	Other (escheat, grants, nh recoveries)	1,880,000	846,276	2,023,443
3379	<b>INTERGOVERNMENTAL REVENUES</b>			
<b>REVENUES FROM CHARGES FOR SERVICES</b>				
3401	Sheriff's Department	1,174,000	1,082,040	1,180,564
3402	Register of Deeds	3,240,000	3,155,853	3,090,000
3403	County Corrections	135,000	122,664	120,000
3404	County Nursing Homes	21,598,207	20,501,296	20,660,805
3405	County Farm	22,920	16,074	23,200
3406	Cooperative Extension Service			
3407	Maintenance Department			
3409	Other (county attorney dist court prosecution services)	235,679	236,236	263,682

1	2	3	4	5
Acct.#	SOURCES OF REVENUES	Estimated Revenue Previous Fiscal Year	Actual Revenue Previous Fiscal Year	Estimated Revenue Ensuing Fiscal Year
<b>REVENUE FROM MISCELLANEOUS SOURCES</b>				
3501	Sale of County Property			
3502	Interest on Investments	50,000	33,720	50,000
3503	Rents of Property			
3508	Contributions and Donations			
350_	Other (misc rev maint, comm, IT, adult diversion, hr/finance)	37,000	79,901	37,000
350_	Other (specify)			
<b>OTHER FINANCIAL SOURCES</b>				
3912	Transfer from Special Revenue Funds	43,613	0	56,495
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			
REVENUE SUBTOTAL		73,447,684	73,157,913	73,935,623
FUND BALANCE TO REDUCE TAX RATE		4,454,323	4,454,323	4,578,001
<b>TOTAL REVENUES</b>		<b>77,902,007</b>	<b>77,612,236</b>	<b>78,513,624</b>

**BUDGET SUMMARY**

Proposed Total Appropriations	78,513,624
Total Estimated Revenues	78,513,624
Proposed Amount to be Raised by Taxes	44,785,155

**COUNTY OF  
ROCKINGHAM, NEW HAMPSHIRE**

**Annual Financial Statements**

**For the Year Ended December 31, 2014**

County of Rockingham, New Hampshire

TABLE OF CONTENTS

	<u>Page</u>
<b>INDEPENDENT AUDITORS' REPORT</b>	1
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	4
<b>BASIC FINANCIAL STATEMENTS:</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Position	11
Statement of Activities	12
<b>Fund Financial Statements:</b>	
<b>Governmental Funds:</b>	
Balance Sheet	13
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities in the Statement of Net Position	14
Statement of Revenues, Expenditures, and Changes in Fund Balances	15
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16
Statement of Revenues and Other Sources, and Expenditures and Other Uses - Budget and Actual - General Fund	17
<b>Proprietary Funds:</b>	
Statement of Net Position	18
Statement of Revenues, Expenses, and Changes in Fund Net Position	19
Statement of Cash Flows	20
<b>Fiduciary Funds:</b>	
Statement of Fiduciary Net Position	21
<b>Notes to Financial Statements</b>	22

**REQUIRED SUPPLEMENTARY INFORMATION:**

Schedule of Funding Progress	45
------------------------------	----

**SUPPLEMENTARY INFORMATION:**

Combining Balance Sheet – Nonmajor Governmental Funds	46
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	47
Combining Statement of Net Position – Proprietary Funds	48
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	49
Combining Statement of Cash Flows – Proprietary Funds	50
Combining Statement of Fiduciary Net Position	51

## INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
County of Rockingham, New Hampshire

Additional Offices:  
Nashua, NH  
Andover, MA  
Greenfield, MA  
Ellsworth, ME

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Rockingham, New Hampshire, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County of Rockingham, New Hampshire's basic financial statements as listed in the Table of Contents.

### **Management's Responsibility for the Financial Statements**

The County's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such

opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **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 the County of Rockingham, New Hampshire, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and Schedule of Funding Progress be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

## **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying supplementary information appearing on pages 46 through 51 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records

used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Melanson Heath*

June 9, 2015

## **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, 2014. This discussion and analysis is designed for 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 \$68,210,961 (net position).
- The County's total net position reflects an increase of \$4,747,944. The increase was planned to prepare for self-insured health funding.

### **B. FINANCIAL HIGHLIGHTS – FUND STATEMENTS**

- As of the close of the year, the County's reported combined ending fund balances of \$40,667,231 were a decrease of \$1,333,999 in comparison to the prior year. The decrease is mostly due to specific planning by management to fund self-insured benefits, as funds were transferred to the Health Fund in 2014.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$24,936,517, or 32% of total 2014 General Fund (budgeted) appropriations. The primary component of unassigned fund balance is stabilization reserves of \$19,673,889. A goal of the County has been to maintain reserves equivalent to three months of budgeted appropriations, a portion of which could be used if certain conditions are met.
- The County's total long-term debt decreased by approximately \$935,000 during the current year, due to the \$525,000 scheduled principal payment on general obligation bonds issued in July 2013 and approximately \$410,000 of scheduled principal payments on capital lease obligations.
- The County retains an Aa1 bond rating for its long-term borrowing and maintained its MIG-1 rating on its short-term borrowing. The consistent level of bond rating is a clear indication of the sound financial condition of the County.
- In 2014, the County reestablished self-insurance for Health Fund and Compensated Absences. \$3.4 million in General Fund committed fund balance, set aside for this purpose, was transferred to these two internal service funds (also classified as proprietary funds) which partially accounts for the decrease in total General Fund balances.

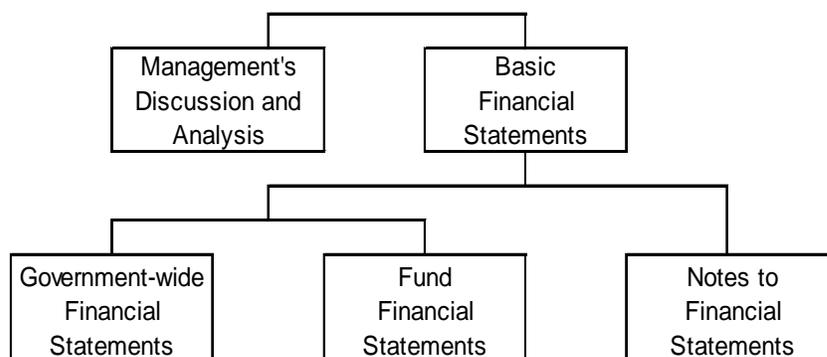
### **C. OVERVIEW OF THE FINANCIAL STATEMENTS**

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 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 11 and 12 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 supports the information in the financial statements.

**Required Components of Annual Financial Report**

Figure 1



### **D. ANALYSIS OF NET POSITION**

The following analysis focuses on net position (Table 1) and changes in net position (Table 2). Net position may serve, over time, as one useful indicator of a government's financial condition. Unrestricted net position can be used to finance day-to-day operations of the County and reduce the effect of property taxes.

**Table 1****NET POSITION**

	Governmental <u>Activities</u>	
	<u>2013</u>	<u>2014</u>
Current assets	\$ 58,149,771	\$ 60,996,077
Noncurrent assets	<u>32,418,942</u>	<u>32,364,946</u>
Total assets	90,568,713	93,361,023
Current liabilities	16,754,822	14,471,855
Noncurrent liabilities	10,337,202	10,661,055
Deferred inflows of resources	<u>13,672</u>	<u>17,152</u>
Total liabilities and deferred inflows of resources	27,105,696	25,150,062
Net position:		
Net investment in capital assets	30,764,090	32,301,468
Restricted	499,328	475,617
Unrestricted	<u>32,199,599</u>	<u>35,433,876</u>
Total net position	<u>\$ 63,463,017</u>	<u>\$ 68,210,961</u>

**Table 2****CHANGE IN NET POSITION**

	Governmental <u>Activities</u>	
	<u>2013</u>	<u>2014</u>
Revenues:		
Program revenues:		
Charges for services:		
Long term care services	\$ 23,887,394	\$ 23,650,977
Corrections	205,798	366,669
Administration and other	3,676,803	3,120,082
Sheriff's office	1,208,733	1,360,576
County attorney	<u>241,663</u>	<u>225,103</u>
Total charges for services	29,220,391	28,723,407
Operating grants and contributions	691,576	268,716
Capital grants and contributions	23,552	162,940
General revenues:		
Taxes	43,873,563	44,809,156
Investment income	46,691	58,429
Miscellaneous	<u>183,867</u>	<u>943,430</u>
Total revenues	74,039,640	74,966,078

(continued)

(continued)

**Table 2**

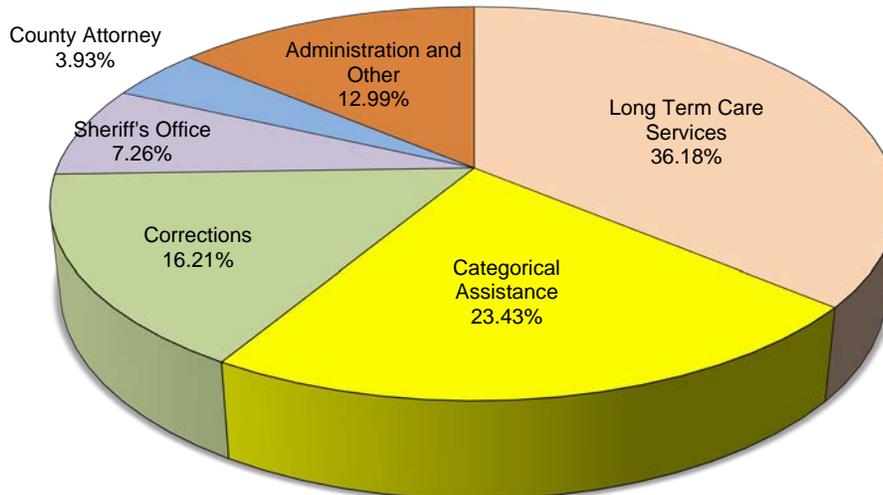
**CHANGE IN NET POSITION**

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2014</u>
Expenses:		
Long term care services	25,313,379	25,402,222
Categorical assistance	15,652,117	16,452,555
Corrections	11,152,313	11,379,142
Administration and other	9,602,985	9,127,987
Sheriff's office	5,242,391	5,099,953
County attorney	<u>2,959,649</u>	<u>2,756,275</u>
Total expenses	<u>69,922,834</u>	<u>70,218,134</u>
Change in net position	4,116,806	4,747,944
Net position - beginning of year	<u>59,346,211</u>	<u>63,463,017</u>
Net position - end of year	<u>\$ 63,463,017</u>	<u>\$ 68,210,961</u>

**E. GOVERNMENTAL ACTIVITIES**

Below is a graph that presents actual expenditures under each of the major governmental activities as a percentage of total expenditures.

**Expenses by Function - Governmental Activities For the Year Ended December 31, 2014**



The following tables present the costs and net costs of the major County departments/functions. Costs are based upon total expenses and net costs are calculated by taking the total function-specific expenses, less direct revenues related to that particular function. The net costs represent amounts that are funded by general revenues, notably taxes.

**Table 3 - Total and Net Cost of Services**

<b>Function / Program</b>	<b>2013</b>			<b>2014</b>		
	Total Cost of Services	Revenues	Net Cost of Services	Total Cost of Services	Revenues	Net Cost of Services
Long Term Care Services	\$ 25,313,379	\$ 23,887,394	\$ 1,425,985	\$ 25,402,222	\$ 23,650,977	* \$ 1,751,245
Categorical Assistance	15,652,117	-	15,652,117	16,452,555	-	16,452,555
Corrections	11,152,313	205,798	10,946,515	11,379,142	529,609	10,849,533
Administration and Other	9,602,985	4,176,710	5,426,275	9,127,987	3,120,082	6,007,905
Sheriff's Office	5,242,391	1,386,295	3,856,096	5,099,953	1,600,937	3,499,016
County Attorney	2,959,649	279,322	2,680,327	2,756,275	253,458	2,502,817
	<u>\$ 69,922,834</u>	<u>\$ 29,935,519</u>	<u>\$ 39,987,315</u>	<u>\$ 70,218,134</u>	<u>\$ 29,155,063</u>	<u>\$ 41,063,071</u>

*\*This amount reflects the budgetary net cost; actual net cost of services (a portion of which is reflected in Administration and Other) is \$7,080,943 as cited in the December 31, 2014 Rockingham County Nursing Home Medicaid Cost Report.*

**Table 4 - Comparative Net Cost of Services**

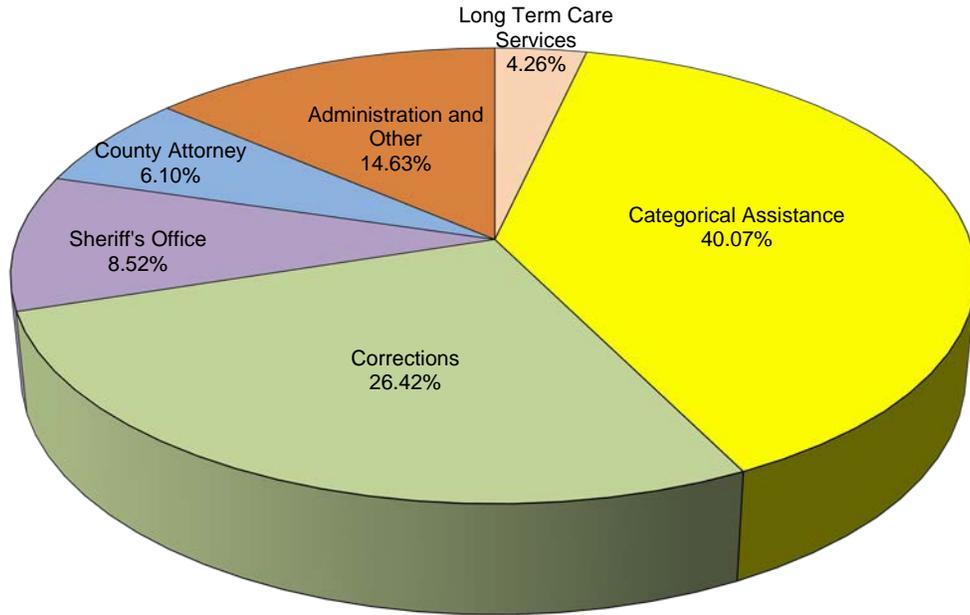
<b>Function / Program</b>	<b>2013</b>	<b>2014</b>	Change in Net Cost of Services
	Net Cost of Services	Net Cost of Services	
Long Term Care Services	\$ 1,425,985	\$ 1,751,245	\$ 325,260
Categorical Assistance	15,652,117	\$ 16,452,555	800,438
Corrections	10,946,515	\$ 10,849,533	(96,982)
Administration and Other	5,426,275	\$ 6,007,905	581,630
Sheriff's Office	3,856,096	\$ 3,499,016	(357,080)
County Attorney	2,680,327	\$ 2,502,817	(177,510)
	<u>\$39,987,315</u>	<u>\$ 41,063,071</u>	<u>\$ 1,075,756</u>

*Note: For Table 3 and Table 4 presentation purposes, Debt Interest costs are included in the "Administration and Other" function.*

The increase in net costs for Long Term Care Services in 2014 was largely due to decreased revenues which outpaced cost cutting measures taken by management. The increase in net costs for Categorical Assistance was mostly the result of the increased expenditure caps established by the State of New Hampshire. The increase in net costs for Administration and Other is primarily due to increases in legal expenses and debt interest expense.

The following chart is a graphical presentation of the components of the 2014 Net Costs of Services from Table 4. The primary source of funding for Net Costs is tax revenues.

**Net Cost of Services - by Function/Program for the Year Ending December 31, 2014**



**F. COUNTY GOVERNMENTAL 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, unassigned 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 unassigned fund balance and total fund balance to total fund appropriations. At December 31, 2014, unassigned fund balance represents 32% of total General Fund (budgeted) appropriations, while total fund balance represents 40.2% of that same amount. General Fund stabilization reserves totaling \$19,673,889 (currently a component of unassigned fund balance) represent 25% (equivalent to three months) of budgeted appropriations.

## **G. CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** At December 31, 2014 the County reported approximately \$32.4 million in capital assets, net of depreciation, which includes construction in progress of approximately \$2.6 million. These assets include land, buildings and improvements, machinery, equipment and furnishings, and vehicles.

**Long-term debt.** At December 31, 2014 the County had approximately \$12.4 million in outstanding long-term debt. Most of this amount is comprised of general obligation bonds issued in 2013, with the remaining balance including compensated absences, net OPEB obligation, and capital leases payable.

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

## **H. ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

- Property taxes accounted for 57% of expected resources for 2014 and account for 58% of revenues in the 2015 budget.
- The State of New Hampshire is revisiting its plan to institute a Managed Care Program, originally expected to be in place in late 2012. This program was predicted to have far reaching negative effects on the County nursing homes. The State has delayed its implementation and has begun discussion with the counties for alternate plans.
- The caps for Categorical Assistance payments are expected to increase as part of the State's new biennial budget proposal effective for July 1, 2015. Categorical Assistance will continue to be the largest net County expenditure, followed by Corrections.
- Jail expenditures, including facility maintenance and correctional services, will be an increasing cost to the County. The County's ability to maintain a stable financial position and ample reserves, while continuing to control jail expenditures, will be a key factor in the future and is dependent on the development of community corrections programs and State impacts on the court systems.

## **REQUESTS FOR INFORMATION**

This financial report is intended to provide report users with a general overview of the County's finances at December 31, 2014. 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](http://www.co.rockingham.nh.us).

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE  
STATEMENT OF NET POSITION  
DECEMBER 31, 2014

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current:	
Cash and short-term investments	\$ 54,610,647
Restricted cash	1,006,999
Investments	73,750
Receivables:	
Accounts, net	1,254,955
Due from other governments, net	2,835,009
Due from fiduciary funds	171,475
Prepaid expenses	274,428
Inventory	768,801
Other assets	13
Total current assets	<u>60,996,077</u>
Noncurrent:	
Capital Assets:	
Land	578,857
Construction in progress	2,560,966
Other assets, net of accumulated depreciation	<u>29,225,123</u>
Total noncurrent assets	<u>32,364,946</u>
<b>TOTAL ASSETS</b>	<b>93,361,023</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	
Liabilities	
Current:	
Accounts payable	1,394,602
Accrued payroll and related liabilities	122,112
Due to other governments	9,220,968
Incurred but not reported claims liability	1,902,325
Security deposits	14,512
Accrued interest payable	107,102
Current portion of noncurrent liabilities:	
Bonds payable	1,114,914
Capital leases payable	60,879
Compensated absences	<u>534,441</u>
Total current liabilities	14,471,855
Noncurrent:	
Bonds payable, net of current portion	7,434,663
Capital leases payable, net of current portion	2,378
Compensated absences, net of current portion	2,338,588
Net OPEB obligation	<u>885,426</u>
Total noncurrent liabilities	<u>10,661,055</u>
<b>TOTAL LIABILITIES</b>	<b>25,132,910</b>
Deferred Inflows of Resources	<u>17,152</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>25,150,062</b>
<b>NET POSITION</b>	
Net investment in capital assets	32,301,468
Restricted for:	
Grants and other statutory restrictions	447,464
Permanent funds:	
Nonexpendable	28,153
Unrestricted	<u>35,433,876</u>
<b>TOTAL NET POSITION</b>	<b>\$ <u>68,210,961</u></b>

The accompanying notes are an integral part of these financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Governmental Activities:</b>					
Long Term Care Services:					
Nursing home	\$ 23,781,111	\$ 22,016,882	\$ -	\$ -	\$ (1,764,229)
Assisted living	1,621,111	1,634,095	-	-	12,984
Categorical Assistance:					
Public assistance	16,452,555	-	-	-	(16,452,555)
Corrections	11,379,142	366,669	-	162,940	(10,849,533)
Administration and Other:					
Maintenance	3,983,816	32,567	-	-	(3,951,249)
General government	1,403,148	-	-	-	(1,403,148)
Deeds	1,158,443	3,073,901	-	-	1,915,458
Finance	972,639	-	-	-	(972,639)
Information technology	258,503	13,614	-	-	(244,889)
Human resources	315,447	-	-	-	(315,447)
Interest	360,851	-	-	-	(360,851)
Non-county specials	248,750	-	-	-	(248,750)
Commissioners	171,763	-	-	-	(171,763)
Delegation	187,521	-	-	-	(187,521)
Medical examiner	62,086	-	-	-	(62,086)
Treasurer	5,020	-	-	-	(5,020)
Sheriff's Office:					
Sheriff/dispatch/radio	5,099,953	1,360,576	240,361	-	(3,499,016)
County Attorney	<u>2,756,275</u>	<u>225,103</u>	<u>28,355</u>	<u>-</u>	<u>(2,502,817)</u>
Total Governmental Activities	\$ <u>70,218,134</u>	\$ <u>28,723,407</u>	\$ <u>268,716</u>	\$ <u>162,940</u>	(41,063,071)
<b>General Revenues:</b>					
Taxes					44,809,156
Investment income					58,429
Miscellaneous					<u>943,430</u>
Total general revenues					<u>45,811,015</u>
Change in Net Position					4,747,944
<b>Net Position:</b>					
Beginning of year					<u>63,463,017</u>
End of year					\$ <u>68,210,961</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2014

	<u>General</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and short-term investments	\$ 34,455,843	\$ 8,550,554	\$ 74,883	\$ 43,081,280
Restricted cash	790,685	-	216,314	1,006,999
Investments	-	-	73,750	73,750
Receivables:				
Accounts, net	1,223,102	-	84	1,223,186
Due from other governments, net	2,713,548	-	-	2,713,548
Due from other funds	4,316,504	615,458	170,672	5,102,634
Prepaid expenses	149,355	-	-	149,355
Inventory	768,801	-	-	768,801
Other assets	13	-	-	13
<b>TOTAL ASSETS</b>	<b>\$ 44,417,851</b>	<b>\$ 9,166,012</b>	<b>\$ 535,703</b>	<b>\$ 54,119,566</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 1,030,846	\$ 183,959	\$ -	\$ 1,214,805
Accrued payroll and related liabilities	122,112	-	-	122,112
Due to other funds	2,380,769	432,696	60,086	2,873,551
Due to other governments	9,219,351	-	-	9,219,351
Security deposits	14,512	-	-	14,512
<b>TOTAL LIABILITIES</b>	<b>12,767,590</b>	<b>616,655</b>	<b>60,086</b>	<b>13,444,331</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>8,004</b>	<b>-</b>	<b>-</b>	<b>8,004</b>
Fund Balances:				
Nonspendable:				
Prepaid expenses	149,355	-	-	149,355
Inventory	768,801	-	-	768,801
Nonexpendable permanent funds	-	-	28,153	28,153
Total Nonspendable	918,156	-	28,153	946,309
Restricted:				
Long term care (RSA 24:13)	441,161	-	-	441,161
Capital projects	-	7,469,178	-	7,469,178
Special revenue funds	-	-	447,464	447,464
Total Restricted	441,161	7,469,178	447,464	8,357,803
Assigned:				
Subsequent year budget	5,178,000	-	-	5,178,000
Encumbrances	168,423	1,080,179	-	1,248,602
Total Assigned	5,346,423	1,080,179	-	6,426,602
Unassigned	24,936,517	-	-	24,936,517
<b>TOTAL FUND BALANCES</b>	<b>31,642,257</b>	<b>8,549,357</b>	<b>475,617</b>	<b>40,667,231</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 44,417,851</b>	<b>\$ 9,166,012</b>	<b>\$ 535,703</b>	<b>\$ 54,119,566</b>

The accompanying notes are an integral part of these financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE  
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND  
 BALANCES TO NET POSITION OF GOVERNMENTAL  
 ACTIVITIES IN THE STATEMENT OF NET POSITION

DECEMBER 31, 2014

<b>Total governmental fund balances</b>	<b>\$ 40,667,231</b>
<ul style="list-style-type: none"> <li>• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</li> </ul>	32,364,946
<ul style="list-style-type: none"> <li>• Internal service funds are used by management to account for certain activities. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.</li> </ul>	6,120,302
<ul style="list-style-type: none"> <li>• In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due.</li> </ul>	(107,102)
<ul style="list-style-type: none"> <li>• Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:</li> </ul>	
Bonds payable	(8,549,577)
Capital leases payable	(63,257)
Compensated absences (unfunded)	(1,336,156)
Net OPEB obligation	<u>(885,426)</u>
<b>Net position of governmental activities</b>	<b><u>\$ 68,210,961</u></b>

The accompanying notes are an integral part of these financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>General</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
Taxes	\$ 44,809,156	\$ -	\$ -	\$ 44,809,156
Charges for services	28,488,880	-	276,444	28,765,324
Intergovernmental	230,548	-	-	230,548
Investment income	42,629	14,272	1,232	58,133
Miscellaneous	<u>641,398</u>	<u>83</u>	<u>-</u>	<u>641,481</u>
Total Revenues	74,212,611	14,355	277,676	74,504,642
<b>Expenditures:</b>				
Current:				
Long Term Care Services:				
Nursing home	23,446,088	-	-	23,446,088
Assisted living	1,524,410	-	-	1,524,410
Categorical Assistance:				
Public assistance	16,452,595	-	-	16,452,595
Corrections	11,179,722	-	-	11,179,722
Administration and Other:				
Maintenance	3,679,175	-	-	3,679,175
General government	1,307,958	-	-	1,307,958
Deeds	1,196,703	-	-	1,196,703
Finance	993,821	-	-	993,821
Grants	234,548	-	-	234,548
Information technology	269,418	-	-	269,418
Human resources	329,585	-	-	329,585
Non-county specials	248,750	-	-	248,750
Commissioners	159,257	-	-	159,257
Delegation	189,907	-	-	189,907
Medical examiner	62,086	-	-	62,086
Treasurer	11,930	-	-	11,930
Sheriff's Office:				
Sheriff/dispatch/radio	5,157,758	-	92,593	5,250,351
County Attorney	2,921,619	-	-	2,921,619
Capital outlay	25,431	1,690,876	-	1,716,307
Debt service:				
Principal	525,000	319,449	-	844,449
Interest	<u>399,651</u>	<u>7,074</u>	<u>-</u>	<u>406,725</u>
Total Expenditures	<u>70,315,412</u>	<u>2,017,399</u>	<u>92,593</u>	<u>72,425,404</u>
Excess (deficiency) of revenues over expenditures	3,897,199	(2,003,044)	185,083	2,079,238
<b>Other Financing Sources (Uses):</b>				
Transfers in	208,794	1,015,943	-	1,224,737
Transfers out	(1,015,943)	-	(208,794)	(1,224,737)
Transfer of ProShare funds	(1,485,978)	1,485,978	-	-
Transfer of prior year committed funds	<u>(3,413,237)</u>	<u>-</u>	<u>-</u>	<u>(3,413,237)</u>
Total Other Financing Sources (Uses)	<u>(5,706,364)</u>	<u>2,501,921</u>	<u>(208,794)</u>	<u>(3,413,237)</u>
Change in fund balance	(1,809,165)	498,877	(23,711)	(1,333,999)
Fund Equity, at Beginning of Year	<u>33,451,422</u>	<u>8,050,480</u>	<u>499,328</u>	<u>42,001,230</u>
Fund Equity, at End of Year	<u>\$ 31,642,257</u>	<u>\$ 8,549,357</u>	<u>\$ 475,617</u>	<u>\$ 40,667,231</u>

The accompanying notes are an integral part of these financial statements.

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, 2014

**Net changes in fund balances - Total governmental funds** \$ (1,333,999)

- 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 asset purchases	2,260,343
Capital asset donations	162,940
Disposal of capital assets	(5,921)
Depreciation	(2,471,356)

- 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 position:

Repayments of debt - bonds	525,000
Repayments of debt - capital leases	410,259
Amortization of bond premium	157,238

- In the Statement of Activities, interest is accrued on outstanding long-term debt, whereas in governmental funds interest is not reported until due. 37,989

- 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	519,884
Net OPEB obligation	(84,770)

- Internal service funds are used by management to account for certain activities. The net activity of internal service funds is reported with governmental activities. 4,570,337

**Change in net position of governmental activities** \$ 4,747,944

The accompanying notes are an integral part of these 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, 2014

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
<b>Beginning Budgetary Fund Balance</b>	\$ 4,735,935	\$ 4,735,935	\$ 4,735,935	\$ -
<b>Revenues (Inflows):</b>				
Taxes	44,809,156	44,809,156	44,809,156	-
Charges for services:				
Long Term Care Services:				
Nursing home	20,787,643	20,787,643	22,005,941	1,218,298
Assisted living	1,520,657	1,520,657	1,633,995	113,338
Corrections	142,001	142,001	326,896	184,895
Administration and Other:				
Deeds	2,910,000	2,910,000	2,971,869	61,869
Property management	23,200	23,200	19,377	(3,823)
Information technology	15,000	15,000	13,614	(1,386)
Maintenance	-	-	13,190	13,190
Sheriff's Office:				
Sheriff/dispatch/radio	1,236,841	1,236,841	1,250,541	13,700
County Attorney	293,682	293,682	253,457	(40,225)
Intergovernmental	1,966,443	1,966,443	230,548	(1,735,895)
Investment income	50,000	50,000	42,629	(7,371)
Miscellaneous	16,000	16,000	641,398	625,398
Transfers from other funds	189,000	189,000	208,794	19,794
	<u>78,695,558</u>	<u>78,695,558</u>	<u>79,157,340</u>	<u>461,782</u>
Amounts Available for Appropriation				
<b>Charges to Appropriations (Outflows):</b>				
Current:				
Long Term Care Services:				
Nursing home	25,860,472	25,860,403	23,395,640	2,464,763
Assisted living	1,663,857	1,663,857	1,522,842	141,015
Categorical Assistance:				
Public assistance	16,638,468	16,615,968	16,452,595	163,373
Corrections	12,351,600	12,304,675	11,179,722	1,124,953
Administration and Other:				
Maintenance	3,868,023	3,870,624	3,667,432	203,192
General government	1,905,269	1,926,540	1,307,958	618,582
Deeds	1,322,494	1,322,494	1,196,703	125,791
Finance	1,202,463	1,202,463	993,821	208,642
Grants	2,066,443	2,066,443	234,548	1,831,895
Information technology	341,265	341,265	269,418	71,847
Human resources	349,566	349,566	329,585	19,981
Non-county specials	248,750	248,750	248,750	-
Commissioners	174,371	174,371	159,257	15,114
Delegation	208,489	208,489	189,907	18,582
Medical examiner	53,504	58,904	62,086	(3,182)
Treasurer	15,606	15,606	11,930	3,676
Sheriff's Office:				
Sheriff/dispatch/radio	5,322,869	5,368,491	5,157,757	210,734
County Attorney	3,167,770	3,162,370	2,921,619	240,751
Capital outlay	45,536	45,536	25,431	20,105
Debt service:				
Principal	525,000	525,000	525,000	-
Interest	347,800	347,800	399,651	(51,851)
Transfers to other funds	1,015,943	1,015,943	1,015,943	-
	<u>78,695,558</u>	<u>78,695,558</u>	<u>71,267,595</u>	<u>7,427,963</u>
<b>Ending Budgetary Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,889,745</u>	<u>\$ 7,889,745</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 DECEMBER 31, 2014

	Governmental Activities <hr/> Internal Service Funds
<b>ASSETS</b>	
Current:	
Cash and short-term investments	\$ 11,529,367
Receivables:	
Accounts	31,769
Due from other governments	121,461
Due from other funds	1,627,826
Prepaid expenses	<u>125,073</u>
Total current assets	<u>13,435,496</u>
<b>TOTAL ASSETS</b>	13,435,496
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	
Liabilities	
Current:	
Accounts payable	179,797
Due to other governments	1,617
Due to other funds	3,685,434
Incurred but not reported claims liability	1,902,325
Current portion of noncurrent liabilities:	
Compensated absences	<u>534,441</u>
Total current liabilities	6,303,614
Noncurrent:	
Compensated absences, net of current portion	<u>1,002,432</u>
Total noncurrent liabilities	<u>1,002,432</u>
<b>TOTAL LIABILITIES</b>	7,306,046
Deferred Inflows of Resources	<u>9,148</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	7,315,194
<b>NET POSITION</b>	
Unrestricted	<u>6,120,302</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 6,120,302</u></u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2014

	Governmental Activities <u>Internal Service Fund</u>
<b>Operating Revenues:</b>	
Employee and employer contributions	\$ <u>10,002,595</u>
Total Operating Revenues	10,002,595
<b>Operating Expenses:</b>	
Employee benefits	<u>8,740,435</u>
Total Operating Expenses	<u>8,740,435</u>
Operating Income (Loss)	1,262,160
<b>Nonoperating Revenues (Expenses):</b>	
Investment income	297
Miscellaneous	<u>(105,357)</u>
Total Nonoperating Revenues (Expenses), Net	<u>(105,060)</u>
Income (Loss) Before Transfers	1,157,100
<b>Transfers:</b>	
Transfers in	<u>3,413,237</u>
Change in Net Position	4,570,337
Net Position at Beginning of Year	<u>1,549,965</u>
Net Position at End of Year	\$ <u><u>6,120,302</u></u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Governmental Activities</u>
	<u>Internal Service Fund</u>
<b><u>Cash Flows From Operating Activities:</u></b>	
Receipts from users	\$ 9,985,258
Payments to providers	(7,860,559)
Payments to employees	(1,000,074)
Other receipts (payments)	<u>1,888,076</u>
Net Cash Provided By Operating Activities	3,012,701
<b><u>Cash Flows From Noncapital Financing Activities:</u></b>	
Net change in due to/from other funds	2,151,232
Transfers from other funds	<u>3,413,237</u>
Net Cash Provided By Noncapital Financing Activities	5,564,469
<b><u>Cash Flows From Investing Activities:</u></b>	
Investment income	<u>297</u>
Net Cash Provided By Investing Activities	<u>297</u>
Net Change in Cash and Short-Term Investments	8,577,467
Cash and Short-Term Investments, Beginning of Year	<u>2,951,900</u>
Cash and Short-Term Investments, End of Year	<u>\$ 11,529,367</u>
<b><u>Reconciliation of Operating Income to Net Cash Provided By (Used For) Operating Activities:</u></b>	
Operating income (loss)	\$ 1,262,160
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Nonoperating revenues (expenses)	(105,357)
Changes in assets and liabilities:	
Accounts receivable	(17,337)
Due from other governments	(51,883)
Prepaid expenses	(120,198)
Accounts payable	133,465
Due to other governments	1,617
Incurred but not reported claims liability	369,319
Accrued compensated absences	1,536,873
Deferred inflows of resources	<u>4,042</u>
Net Cash Provided By Operating Activities	<u>\$ 3,012,701</u>

The accompanying notes are an integral part of these financial statements.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2014

	Agency Funds
<b><u>ASSETS</u></b>	
Cash and short-term investments	\$ 394,471
Accounts receivable	<u>25</u>
Total Assets	<u>\$ 394,496</u>
<b><u>LIABILITIES</u></b>	
Accounts payable	\$ 397
Due to other funds	171,475
Due to specific individuals	<u>222,624</u>
Total Liabilities	<u>\$ 394,496</u>

The accompanying notes are an integral part of these financial statements.

# COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

## Notes to Financial Statements

### 1. Summary of Significant Accounting Policies

The accounting policies of the 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 (as amended) 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 independency is defined by the GASB as the ability to complete certain essential fiscal events without substantive approval by a primary government, (a) determine its budget without another government's having the authority to approve and modify that budget, (b) levy taxes or set rates or charges without approval by another government, and (c) issue bonded debt without approval by another government. For the current year there were no potential component units identified upon which the application of these criteria were applied.

## B. Government-wide and Fund Financial Statements

### Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) 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, charges for services, 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 is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

### Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds 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. Generally, all other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The 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** 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) **Inmate Funds** - To account for funds held by the County for individuals incarcerated at the County Corrections Facility, and (2) **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 financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type are included under investment income.

For purpose of the Statement of Cash Flows, the proprietary funds consider investments with original maturities of three months or less to be short-term investments.

#### E. Investments

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 are stated at fair value, in accordance with GASB Statement 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools". The fair value of investments is 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.

*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 nonspendable fund balance.

*H. Capital Assets*

Capital assets, which include land, construction in progress, buildings and improvements, machinery, equipment and furnishings, and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the County 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, where assets are capitalized at \$500 or 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.

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 sizable amount of capital asset projects in process at December 31, 2014 totaling \$2,560,966. The projects in process are included in the reporting of \$32,364,946 net capital assets in the related statements. Once a project is completed it is reported in the asset category (see Note 9).

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

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

*I. Compensated Absences*

Certain County employees are entitled to 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, 2014 is \$2,873,029.

Until December 31, 2011, the County had a Compensated Absences Fund; a proprietary fund that had provided funding for known separations and long term absences. Since its creation, the fund had increased its amount of funding available to provide for the growing liability. The fund accounted for all funded liabilities and expenditures. Any expense ineligible for fund use based on County policy was accounted for through the General Fund. Pursuant to GASB Statement 34, “*Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*”, the fund was closed effective December 31, 2011. The fund reopened January 1, 2014. The funded portion of the compensated absences liability reported in the Compensated Absences Fund at December 31, 2014 is \$1,536,873. Any liability for which no funding is currently available is reported in the government wide Statement of Net Position long term liabilities.

The calculation of compensated absences can include vacation, sick time, earned time and holiday pay that are 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 are reported as liabilities in the applicable governmental activities or proprietary fund type Statement of Net Position.

*K. Fund Equity*

Fund equity at the governmental fund financial reporting level is classified as “fund balance”. Fund equity for all other reporting is classified as “net position”.

Fund Balance – Generally, fund balance represents the difference between current assets and current liabilities/deferred inflows. The County reserves those portions of fund balance that are legally segregated for a specific future use or which do not represent available, spendable resources and, therefore, are not available for appropriation or expenditure. For governmental funds, unassigned fund balances represent the amount that may be available for budgeting future operations. The County has set and exceeded a financial management goal of attaining an unassigned fund balance of at least three months of budgeted appropriations.

The County’s fund balance classification policies are as follows:

- 1) Nonspendable funds are either unspendable in the current form (\$149,355 and \$768,801 for prepaid expenses and inventory, respectively, as of December 31, 2014) or can never be spent (\$28,153 principal portion of permanent fund as of December 31, 2014).
- 2) Restricted funds are used solely for the purpose in which the fund was established. In the case of amounts restricted for Long Term Care, these funds are created by statute or otherwise have external constraints on how the funds can be expended. The County’s special revenue funds fall under this category.
- 3) Committed funds are reported and expended as a result of motions passed by the highest decision making authority in the County (i.e., the Board of County Commissioners).
- 4) Assigned funds are used for specific purposes as established by management. These funds, which include encumbrances, have been assigned for specific goods and services ordered but not yet paid for. The amount of fund balance designated for use in the next year to reduce the tax burden is categorized as assigned.
- 5) Unassigned funds are available to be spent in future periods. The County has made it a goal to maintain fund balance reserves (currently part of unassigned funds) equivalent to at least three months of current

year appropriations. The County has continually been able to meet and exceed this measure, with three months of reserves being equivalent to \$19,673,889 for 2014, with an ending unassigned balance amount of \$24,936,517. The intent of the County was for these reserves to be part of committed fund balance for 2014.

When an expenditure is incurred that would qualify for payment from multiple fund balance types, the County uses the following order to liquidate liabilities: restricted, committed, assigned, and unassigned.

Net Position – Net position represents the difference between assets and liabilities/deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The remaining net position is reported as unrestricted.

L. Use of Estimates

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

**2. Stewardship, Compliance, and Accountability**

A. Budgetary Information

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 bud-

gets. For the County year ended December 31, 2014, \$4,378,000 of the beginning General Fund unassigned 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 assigned 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:

Long Term Care Services	\$ 6,160
Corrections	7,550
Administration and Other:	
Maintenance	4,612
General government	8,375
Deeds	25,904
Finance	114,156
Information technology	<u>1,666</u>
Total Encumbrances	<u>\$ 168,423</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 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.

<u>General Fund</u>	<u>Revenues and Other Financing Sources</u>	<u>Expenditures and Other Financing Uses</u>
Revenues/Expenditures (GAAP Basis)	\$ 74,212,611	\$ 70,315,412
Other financing sources/uses (GAAP Basis)	<u>208,794</u>	<u>5,915,158</u>
Subtotal (GAAP Basis)	74,421,405	76,230,570
Adjustment for inventory budgeted on the cash basis	-	(63,760)
Reverse unbudgeted transfers out		(4,899,215)
Recognize use of fund balance as funding source	<u>4,735,935</u>	<u>-</u>
Budgetary Basis	<u>\$ 79,157,340</u>	<u>\$ 71,267,595</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's deposit policy for custodial credit risk is that all deposits with banks are to be fully insured and collateralized.

As of December 31, 2014, the County's bank balance of \$56,657,223 was fully insured or collateralized.

### 4. Restricted Cash

Restricted cash represents cash and cash equivalents where use is limited by legal requirements. Within the Governmental Funds, the General Fund restricted cash amount of \$790,685 is composed of a \$441,161 non-lapsing reserve account to fund Long Term Care Services (established in accordance with RSA 24:13) and \$349,524 for an account that is segregated for LCHIP surcharges (in accordance with RSA 478:17-g). These surcharges are collected by the Registry of Deeds, remitted to the State and are used to fund the State of New Hampshire's Land and Community Heritage Investment Program ("LCHIP"), which was established with RSA 227-M.

The \$216,314 restricted cash that is part of Nonmajor Governmental Funds is composed of amounts from the Nursing Home Special Account and Deeds Equipment funds, both of which are special revenue funds. The cash for each

of these funds is restricted as it can only be disbursed for expenditures as appropriated by the County Convention for Long Term Care Services and the Registry of Deeds, respectively.

**5. 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.):

<u>Investment Type</u>	<u>Fair Value</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Year-end</u>		
				<u>Aaa</u>	<u>Aa</u>	<u>Not Rated</u>
Mutual funds	\$ <u>73,750</u>	N/A	\$ <u>73,750</u>	\$ -	\$ -	\$ -
Total investments	\$ <u>73,750</u>		\$ <u>73,750</u>	\$ -	\$ -	\$ -

**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 has formal policies for custodial credit risk.

The County has a custodial credit risk exposure of \$73,750 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 that may be invested in any one issuer. At December 31, 2014, no investments in any one issuer 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.

**6. Accounts Receivable, Net**

Accounts receivable consist of the following at December 31, 2014:

	General Fund	Nonmajor Governmental Funds	Internal Service Fund	Total
Nursing home	\$ 1,318,389	\$ 45	\$ -	\$ 1,318,434
Refunding of advanced lease payments	191,366	-	-	191,366
Health premiums	19,418	-	23,954	43,372
Outside detail	33,056	-	-	33,056
Vendor credits	19,826	-	1,501	21,327
Civil services	17,145	-	-	17,145
Assisted living	13,705	-	-	13,705
Energy efficiency rebate program	9,000	-	-	9,000
Phone commissions	6,255	-	-	6,255
Adult Diversion Program	3,800	-	-	3,800
Deeds	3,413	-	-	3,413
Other	3,566	39	6,314	9,919
Total	1,638,939	84	31,769	1,670,792
Less: allowance for doubtful accounts	(415,837)	-	-	(415,837)
Total accounts receivable, net	\$ <u>1,223,102</u>	\$ <u>84</u>	\$ <u>31,769</u>	\$ <u>1,254,955</u>

**7. Due From Other Governments, Net**

Due from other governments consist of the following at December 31, 2014:

	General Fund	Internal Service Fund	Total
State of New Hampshire	\$ 2,128,716	\$ 121,461	\$ 2,250,177
U.S. Treasury	1,357,219	-	1,357,219
Other	21,871	-	21,871
Total	3,507,806	121,461	3,629,267
Less: allowance for doubtful accounts	(794,258)	-	(794,258)
Total due from other governments, net	\$ <u>2,713,548</u>	\$ <u>121,461</u>	\$ <u>2,835,009</u>

**8. 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, 2014 balances in interfund receivable and payable accounts:

<u>Fund</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 4,316,504	\$ 2,380,769
Special Revenue Funds:		
Expendable Trust	-	28,043
Nursing Home Special Account	-	14,489
Assisted Living Donations	7,071	-
Inmate Commissary	152,606	-
Inmate Chapel	10,475	-
Deeds Equipment	520	-
Capital Projects Fund	615,458	432,696
Internal Service Funds:		
Health	1,142,570	2,633,905
Dental	241,621	133,571
Workers' Compensation	108,929	192,968
Compensated Absences	134,706	724,990
Permanent Trust Fund	-	17,554
Agency Funds:		
Inmates	-	113,134
Nursing Home Residents	-	10,423
Assisted Living Security Deposits	-	47,918
Total	<u>\$ 6,730,460</u>	<u>\$ 6,730,460</u>

## 9. Capital Assets

Capital asset activity for the year ended December 31, 2014 was as follows (in thousands):

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets, being depreciated:				
Buildings and improvements	\$ 55,689	\$ 218	\$ -	\$ 55,907
Machinery, equipment, and furnishings	12,938	455	(79)	13,314
Vehicles	1,483	216	(198)	1,501
Total capital assets, being depreciated	70,110	889	(277)	70,722
Less accumulated depreciation for:				
Buildings and improvements	(30,982)	(1,670)	-	(32,652)
Machinery, equipment, and furnishings	(7,080)	(653)	74	(7,659)
Vehicles	(1,236)	(148)	198	(1,186)
Total accumulated depreciation	(39,298)	(2,471)	272	(41,497)
Total capital assets, being depreciated, net	30,812	(1,582)	(5)	29,225
Capital assets, not being depreciated:				
Land	579	-	-	579
Construction in progress	1,028	1,632	(99)	2,561
Total capital assets, not being depreciated	1,607	1,632	(99)	3,140
Governmental activities capital assets, net	<u>\$ 32,419</u>	<u>\$ 50</u>	<u>\$ (104)</u>	<u>\$ 32,365</u>

Depreciation expense was charged to functions of the County as follows:

Governmental Activities:	
Long Term Care Services:	
Nursing home	\$ 1,118,464
Assisted living	159,617
Corrections	585,934
Administration and Other:	
Maintenance	357,055
General government	28,521
Deeds	9,503
Finance	693
Information technology	4,877
Human resources	7,803
Commissioners	23,994
Delegation	604
Sheriff's Office:	
Sheriff/dispatch/radio	170,803
County Attorney	<u>3,488</u>
Total	<u>\$ 2,471,356</u>

**10. Accounts Payable**

Accounts payable represent 2014 expenditures paid after December 31, 2014.

**11. Due To Other Governments**

Due to other governments consist of the following at December 31, 2014:

	General Fund	Internal Service Fund	Total
State of New Hampshire	\$ 9,084,445	\$ 1,617	\$ 9,086,062 *
Hillsborough County	70,380	-	70,380
Other	<u>64,526</u>	<u>-</u>	<u>64,526</u>
Total	<u>\$ 9,219,351</u>	<u>\$ 1,617</u>	<u>\$ 9,220,968</u>

\* = Includes approximately \$2.4 million of transfer taxes and \$5.8 million related to human services liabilities.

## 12. Tax Anticipation Notes Payable

In 2014, the County issued tax anticipation notes in advance of property tax collections, depositing the proceeds in the General Fund. These notes were necessary because property taxes are a major source of funding for appropriations but the tax collections are not received until shortly before their December 18, 2014 due date. The annual interest rate for the notes was 0.50%, with a net interest cost of 0.214% after taking into account the premium paid by the purchaser.

The following summarizes activity of tax anticipation notes payable during 2014:

	Balance Beginning of Year	8/1/2014 Proceeds	12/18/2014 Repayment	Balance End of Year
Tax anticipation	\$ <u>-</u>	\$ <u>7,500,000</u>	\$ <u>(7,500,000)</u>	\$ <u>-</u>

## 13. Long-Term Debt

### A. Changes in General Long-Term Liabilities

During the year ended December 31, 2014, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 1/1/14	Additions	Reductions	Total Balance 12/31/14	Less Current Portion	Equals Long-Term Portion 12/31/14
<u>Governmental Activities</u>						
Bonds payable	\$ 8,695	\$ -	\$ (525)	\$ 8,170	\$ (985)	\$ 7,185
Bond premium	<u>537</u>	<u>-</u>	<u>(157)</u>	<u>380</u>	<u>(130)</u>	<u>250</u>
Subtotal	9,232	-	(682)	8,550	(1,115)	7,435
Other:						
Capital leases payable	473	-	(410)	63	(61)	2
Compensated absences	3,006	-	(133)	2,873	(534)	2,339
Net OPEB obligation	<u>801</u>	<u>268</u>	<u>(184)</u>	<u>885</u>	<u>-</u>	<u>885</u>
Totals	\$ <u>13,512</u>	\$ <u>268</u>	\$ <u>(1,409)</u>	\$ <u>12,371</u>	\$ <u>(1,710)</u>	\$ <u>10,661</u>

### B. General Obligation Bonds

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

<u>Governmental Activities:</u>	<u>Serial Maturities Through</u>	<u>Interest Rate(s) %</u>	<u>Amount Outstanding as of 12/31/14</u>
General Obligation Municipal Purpose Loan of 2013 Bonds	5/15/23	3.0 - 4.0%	\$ <u>8,170,000</u>

The annual payments to retire all general obligation long-term debt outstanding as of December 31, 2014 are as follows:

<u>Governmental</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 985,000	\$ 268,200	\$ 1,253,200
2016	1,040,000	227,700	1,267,700
2017	1,095,000	185,000	1,280,000
2018	1,160,000	139,900	1,299,900
2019	735,000	105,675	840,675
2020 - 2023	<u>3,155,000</u>	<u>192,525</u>	<u>3,347,525</u>
Total	<u>\$ 8,170,000</u>	<u>\$ 1,119,000</u>	<u>\$ 9,289,000</u>

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 annual installments the next of which is \$56,260 including interest, through November 2015 at 2.28%	\$ 55,006
Equipment, due in monthly installments the next of which is \$129 including interest, through July 2017 at 3.14%	3,821
Equipment, due in annual installments the next of which is \$4,552 including interest, through November 2015 at 2.75%	<u>4,430</u>
Totals	<u>\$ 63,257</u>

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

Year Ended <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 60,879	\$ 1,475	\$ 62,354
2016	1,488	53	1,541
2017	<u>890</u>	<u>9</u>	<u>899</u>
Totals	<u>\$ 63,257</u>	<u>\$ 1,537</u>	<u>\$ 64,794</u>

**14. Deferred Inflows of Resources**

Deferred inflows of resources are the acquisition of assets by the County that are applicable to future reporting periods. Deferred inflows of resources have a negative effect on net position, similar to liabilities. For 2014, deferred inflows of resources are comprised of revenues received in advance.

**15. Operating Leases**

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

Year Ended <u>December 31</u>	<u>Office Space</u>	<u>Equipment Rental</u>	<u>Total</u>
2015	\$ 179,448	\$ 11,440	\$ 190,888
2016	-	5,494	5,494
2017	<u>-</u>	<u>2,237</u>	<u>2,237</u>
Totals	<u>\$ 179,448</u>	<u>\$ 19,171</u>	<u>\$ 198,619</u>

**16. Restricted Net Position**

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

Permanent fund restricted net position is 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.

## 17. **Stabilization Reserves**

The County has established a goal of maintaining stabilization reserves equivalent to three months of current year budgeted appropriations. Usage of reserves can only be authorized if certain conditions are met. The intention was for such reserve funds to be classified as committed fund balance within the general fund, but the current technical classification under GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, is for the stabilization reserves to be included under unassigned funds. The 2014 reserve amount, \$19,673,889, comprises 78.9% of the unassigned fund balance total. If this amount was not included in unassigned fund balance, \$5,262,628 would have been the ending unassigned funds total for 2014.

## 18. **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, 2014, 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.

## 19. **Post-Employment Healthcare Insurance Benefits**

GASB Statement 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, 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 Activities 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 Position 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 coverage to retirees as those offered to active employees, including spousal, and family coverage. 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, 2014 (the interim actuarial valuation date), 78 retirees and 472 active employees met the eligibility requirements. The plan does not issue a separate financial report.

B. Benefits Provided

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

C. Funding Policy

The contributions policy of the County is established by the County and state law. The contributions are based upon a pay-as-you-go financing plan. Retirees under age 65 may participate in these same coverage plans as active employees by paying 100% of the required premium.

D. Annual OPEB Costs and Net OPEB Obligation

The County of Rockingham's fiscal 2014 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 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 thirty years. This calculation is performed using an open amortization and level service. The following table shows the components of the County's annual OPEB cost for the year ending December 31, 2014, the amount actually contributed to the plan, and the change in the County's net OPEB obligation based on an interim actuarial valuation as of December 31, 2014.

Annual Required Contribution (ARC)	\$ 282,674
Interest on net OPEB obligation	32,026
Adjustment to ARC	<u>(46,302)</u>
Annual OPEB cost	268,398
Contributions made*	<u>(183,628)</u>
Increase in net OPEB obligation	84,770
Net OPEB obligation - beginning of year	<u>800,656</u>
Net OPEB obligation - end of year	<u><u>\$ 885,426</u></u>

\*The County made no separately identified contributions. The excess morbidity cost for retirees under age 65 are implicit in the premiums paid for active lives. "Contributions made" is the estimated portion of premiums for retirees under age 65.

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

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
2014	\$ 268,398	68.4%	\$ 885,426
2013	\$ 289,944	58.1%	\$ 800,656
2012	\$ 323,608	57.3%	\$ 679,180
2011	\$ 339,125	50.1%	\$ 540,869
2010	\$ 258,837	53.6%	\$ 371,739
2009	\$ 251,548	0.0%	\$ 251,548

*E. Funded Status and Funding Progress*

The funded status of the plan as of December 31, 2014, the date of the most recent interim actuarial valuation was as follows:

Actuarial accrued liability (AAL)	\$ 2,660,000
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 2,660,000</u></u>
Funded ratio (actuarial value of plan assets/AAL)	<u><u>0%</u></u>
Covered payroll (active plan members)	<u><u>\$ 19,847,839</u></u>
UAAL as a percentage of covered payroll	<u><u>13.4%</u></u>

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 determined 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, 2014 interim actuarial valuation, the entry age normal level dollar 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. Healthcare inflation is calculated based upon a secular trend of 8.5% grading to down to 5.0% over 8 years. UAAL is being amortized over a 30-year period (level dollar method, on an open basis) using a 4.0% interest rate discount factor.

## **20. Pension Plan**

The County follows the provisions of GASB Statement 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, 54 Regional Drive, Concord, New Hampshire 03301.

**B. Funding Policy**

Covered public safety (Group II) and general employees (Group I) are required to contribute 11.55% or 7.0% of their covered salary, respectively, and the County is required to contribute at an actuarially determined rate. The County's contribution rates were 25.30% (Group II) and 10.77% (Group I) at December 31, 2014. Effective July 1, 2011, the County contributes 100% of the employer cost for general employees and police employed by 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, 2014, 2013, 2012, and 2011 were \$3,177,658, \$2,642,349, \$2,675,847, and \$2,886,088, respectively, which were equal to the required contributions for each year.

**21. Self-Insurance**

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

**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 health insurance coverage for nonunion employees (and those of one union, Sheriff's Supervisors), the County is liable for all medical claims up to \$150,000 for a covered individual. Claims exceeding this amount are the responsibility of the stop loss (or reinsurance) carrier, which funds these specific claims in advance to the County, which then pays the claims to the providers. 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 respon-

sibility 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.

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.

Changes in the aggregate liability for claims for the year ended December 31, 2014 are as follows:

	<u>Health</u>	<u>Dental</u>	<u>Workers'</u> <u>Compensation</u>	<u>Total</u>
Claims liability, beginning of year \$	-	\$ 17,006	\$ 1,516,000	\$ 1,533,006
Claims incurred/recognized in 2014	3,764,084	332,373	577,330	4,673,787
Claims paid in 2014	<u>(3,465,328)</u>	<u>(333,514)</u>	<u>(505,626)</u>	<u>(4,304,468)</u>
Claims liability, end of year	\$ <u>298,756</u>	\$ <u>15,865</u>	\$ <u>1,587,704</u>	\$ <u>1,902,325</u>

**22. 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.

**23. Implementation of New GASB Standards**

The GASB has issued Statement 68, *Accounting and Financial Reporting for Pensions*, which is required to be implemented in 2015. Management's current assessment is that this pronouncement will have a significant impact on the County's basic financial statements by recognizing as a liability and expense, the County's applicable portion of the New Hampshire Retirement System's actuarially accrued liability.

**ROCKINGHAM COUNTY, NEW HAMPSHIRE  
SCHEDULE OF FUNDING PROGRESS  
REQUIRED SUPPLEMENTARY INFORMATION**

**December 31, 2014**

**(Unaudited)**

**(Amounts Expressed in Thousands)**

**Other Post-Employment Benefits**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - 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]
12/31/14	\$ -	\$ 2,660	\$ 2,660	0.0%	\$19,848	13.4%
12/31/13	\$ -	\$ 2,878	\$ 2,878	0.0%	\$19,270	14.9%
12/31/11	\$ -	\$ 2,808	\$ 2,808	0.0%	n/a	n/a
12/31/09	\$ -	\$ 2,184	\$ 2,184	0.0%	n/a	n/a

See Independent Auditors' Report.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2014

	Drug Task Force	Expendable Trust	Nursing Home Special Account	Assisted Living Donations	Inmate Commissary	Inmate Chapel	Deeds Equipment	WF Sturtevant Memorial	Permanent Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>										
Cash and short-term investments	\$ 69,682	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,201	\$ -	\$ 74,883
Restricted cash	-	-	89,462	-	-	-	126,852	-	-	216,314
Investments	-	28,043	-	-	-	-	-	-	45,707	73,750
Receivables:										
Accounts, net	-	-	45	-	39	-	-	-	-	84
Due from other funds	-	-	-	7,071	152,606	10,475	520	-	-	170,672
<b>TOTAL ASSETS</b>	<b>\$ 69,682</b>	<b>\$ 28,043</b>	<b>\$ 89,507</b>	<b>\$ 7,071</b>	<b>\$ 152,645</b>	<b>\$ 10,475</b>	<b>\$ 127,372</b>	<b>\$ 5,201</b>	<b>\$ 45,707</b>	<b>\$ 535,703</b>
<b>LIABILITIES AND FUND BALANCES</b>										
Liabilities:										
Due to other funds	\$ -	\$ 28,043	\$ 14,489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,554	\$ 60,086
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>28,043</b>	<b>14,489</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,554</b>	<b>60,086</b>
Fund Balances:										
Nonspendable	-	-	-	-	-	-	-	-	28,153	28,153
Restricted	69,682	-	75,018	7,071	152,645	10,475	127,372	5,201	-	447,464
<b>TOTAL FUND BALANCES</b>	<b>69,682</b>	<b>-</b>	<b>75,018</b>	<b>7,071</b>	<b>152,645</b>	<b>10,475</b>	<b>127,372</b>	<b>5,201</b>	<b>28,153</b>	<b>475,617</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 69,682</b>	<b>\$ 28,043</b>	<b>\$ 89,507</b>	<b>\$ 7,071</b>	<b>\$ 152,645</b>	<b>\$ 10,475</b>	<b>\$ 127,372</b>	<b>\$ 5,201</b>	<b>\$ 45,707</b>	<b>\$ 535,703</b>

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, 2014

	Drug Task <u>Force</u>	Expendable <u>Trust</u>	Nursing Home <u>Special Account</u>	Assisted Living <u>Donations</u>	Inmate <u>Commissary</u>	Inmate <u>Chapel</u>	Deeds <u>Equipment</u>	WF Sturtevant <u>Memorial</u>	Permanent <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
<b>Revenues:</b>										
Charges for services:										
County attorney	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Deeds	-	-	-	-	-	-	102,032	-	-	102,032
Sheriff/dispatch/radio	123,598	-	-	-	-	-	-	-	-	123,598
Corrections	-	-	-	-	37,183	2,590	-	-	-	39,773
Nursing home	-	-	10,941	-	-	-	-	-	-	10,941
Assisted living	-	-	-	100	-	-	-	-	-	100
Investment income	<u>58</u>	<u>204</u>	<u>93</u>	<u>-</u>	<u>309</u>	<u>21</u>	<u>210</u>	<u>13</u>	<u>324</u>	<u>1,232</u>
Total Revenues	123,656	204	11,034	100	37,492	2,611	102,242	13	324	277,676
<b>Expenditures:</b>										
Current:										
Sheriff/dispatch/radio	<u>92,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,593</u>
Total Expenditures	<u>92,593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,593</u>
Excess (deficiency) of revenues over expenditures	31,063	204	11,034	100	37,492	2,611	102,242	13	324	185,083
<b>Other Financing Sources (Uses):</b>										
Transfers out	<u>-</u>	<u>(174)</u>	<u>(5,691)</u>	<u>-</u>	<u>(21,537)</u>	<u>(1,392)</u>	<u>(180,000)</u>	<u>-</u>	<u>-</u>	<u>(208,794)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(174)</u>	<u>(5,691)</u>	<u>-</u>	<u>(21,537)</u>	<u>(1,392)</u>	<u>(180,000)</u>	<u>-</u>	<u>-</u>	<u>(208,794)</u>
Change in fund balance	31,063	30	5,343	100	15,955	1,219	(77,758)	13	324	(23,711)
Fund Equity, at Beginning of Year	<u>38,619</u>	<u>(30)</u>	<u>69,675</u>	<u>6,971</u>	<u>136,690</u>	<u>9,256</u>	<u>205,130</u>	<u>5,188</u>	<u>27,829</u>	<u>499,328</u>
Fund Equity, at End of Year	<u>\$ 69,682</u>	<u>\$ -</u>	<u>\$ 75,018</u>	<u>\$ 7,071</u>	<u>\$ 152,645</u>	<u>\$ 10,475</u>	<u>\$ 127,372</u>	<u>\$ 5,201</u>	<u>\$ 28,153</u>	<u>\$ 475,617</u>

See Independent Auditors' Report.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

PROPRIETARY FUNDS

COMBINING STATEMENT OF NET POSITION

DECEMBER 31, 2014

	Health Fund	Dental Fund	Workers' Compensation Fund	Compensated Absences Fund	Governmental Activities Total Internal Service Funds
<b>ASSETS</b>					
Current:					
Cash and short-term investments	\$ 5,865,976	\$ 212,261	\$ 3,305,878	\$ 2,145,252	\$ 11,529,367
Receivables:					
Accounts	23,954	4,623	3,192	-	31,769
Due from other governments	-	-	121,461	-	121,461
Due from other funds	1,142,570	241,621	108,929	134,706	1,627,826
Prepaid expenses	99,524	4,424	21,125	-	125,073
Total current assets	<u>7,132,024</u>	<u>462,929</u>	<u>3,560,585</u>	<u>2,279,958</u>	<u>13,435,496</u>
<b>TOTAL ASSETS</b>	<b>7,132,024</b>	<b>462,929</b>	<b>3,560,585</b>	<b>2,279,958</b>	<b>13,435,496</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
Liabilities					
Current:					
Accounts payable	98,549	13,344	49,828	18,076	179,797
Due to other governments	1,617	-	-	-	1,617
Due to other funds	2,633,905	133,571	192,968	724,990	3,685,434
Incurred but not reported claims liability	298,756	15,865	1,587,704	-	1,902,325
Current portion of noncurrent liabilities:					
Compensated absences	-	-	-	534,441	534,441
Total current liabilities	<u>3,032,827</u>	<u>162,780</u>	<u>1,830,500</u>	<u>1,277,507</u>	<u>6,303,614</u>
Noncurrent:					
Compensated absences, net of current portion	-	-	-	1,002,432	1,002,432
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,002,432</u>	<u>1,002,432</u>
<b>TOTAL LIABILITIES</b>	<b>3,032,827</b>	<b>162,780</b>	<b>1,830,500</b>	<b>2,279,939</b>	<b>7,306,046</b>
Deferred Inflows of Resources	<u>1,622</u>	<u>7,526</u>	<u>-</u>	<u>-</u>	<u>9,148</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>3,034,449</b>	<b>170,306</b>	<b>1,830,500</b>	<b>2,279,939</b>	<b>7,315,194</b>
<b>NET POSITION</b>					
Unrestricted	<u>4,097,575</u>	<u>292,623</u>	<u>1,730,085</u>	<u>19</u>	<u>6,120,302</u>
<b>TOTAL NET POSITION</b>	<b>\$ <u>4,097,575</u></b>	<b>\$ <u>292,623</u></b>	<b>\$ <u>1,730,085</u></b>	<b>\$ <u>19</u></b>	<b>\$ <u>6,120,302</u></b>

See Independent Auditors' Report.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

PROPRIETARY FUNDS

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

FOR THE YEAR ENDED DECEMBER 31, 2014

	Health Fund	Dental Fund	Workers' Compensation Fund	Compensated Absences Fund	Governmental Activities Total Internal Service Fund
<b>Operating Revenues:</b>					
Employee and employer contributions	\$ 7,892,272	\$ 402,192	\$ 1,317,122	\$ 391,009	\$ 10,002,595
Total Operating Revenues	7,892,272	402,192	1,317,122	391,009	10,002,595
<b>Operating Expenses:</b>					
Employee benefits	6,522,871	401,918	815,572	1,000,074	8,740,435
Total Operating Expenses	6,522,871	401,918	815,572	1,000,074	8,740,435
Operating Income (Loss)	1,369,401	274	501,550	(609,065)	1,262,160
<b>Nonoperating Revenues (Expenses):</b>					
Investment income	-	24	263	10	297
Miscellaneous	(75,998)	-	(29,368)	9	(105,357)
Total Nonoperating Revenues (Expenses), Net	(75,998)	24	(29,105)	19	(105,060)
Income (Loss) Before Transfers	1,293,403	298	472,445	(609,046)	1,157,100
<b>Transfers:</b>					
Transfers in	2,804,172	-	-	609,065	3,413,237
Change in Net Position	4,097,575	298	472,445	19	4,570,337
Net Position at Beginning of Year	-	292,325	1,257,640	-	1,549,965
Net Position at End of Year	\$ 4,097,575	\$ 292,623	\$ 1,730,085	\$ 19	\$ 6,120,302

See Independent Auditors' Report.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE  
 PROPRIETARY FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED DECEMBER 31, 2014

	Health Fund	Dental Fund	Workers' Compensation Fund	Compensated Absences Fund	Governmental Activities Total Internal Service Fund
<b><u>Cash Flows From Operating Activities:</u></b>					
Receipts from users	\$ 7,868,318	\$ 402,363	\$ 1,323,568	\$ 391,009	\$ 9,985,258
Payments to providers	(6,622,395)	(401,467)	(836,697)	-	(7,860,559)
Payments to employees	-	-	-	(1,000,074)	(1,000,074)
Other receipts (payments)	<u>324,546</u>	<u>(12,865)</u>	<u>21,437</u>	<u>1,554,958</u>	<u>1,888,076</u>
Net Cash Provided By (Used In) Operating Activities	1,570,469	(11,969)	508,308	945,893	3,012,701
<b><u>Cash Flows From Noncapital Financing Activities:</u></b>					
Net change in due to/from other funds	1,491,335	41,190	28,423	590,284	2,151,232
Transfers in from other funds	<u>2,804,172</u>	<u>-</u>	<u>-</u>	<u>609,065</u>	<u>3,413,237</u>
Net Cash Provided by Noncapital Financing Activities	4,295,507	41,190	28,423	1,199,349	5,564,469
<b><u>Cash Flows From Investing Activities:</u></b>					
Investment income	<u>-</u>	<u>24</u>	<u>263</u>	<u>10</u>	<u>297</u>
Net Cash Provided By Investing Activities	-	24	263	10	297
Net Change in Cash and Short-Term Investments	5,865,976	29,245	536,994	2,145,252	8,577,467
Cash and Short-Term Investments, Beginning of Year	<u>-</u>	<u>183,016</u>	<u>2,768,884</u>	<u>-</u>	<u>2,951,900</u>
Cash and Short-Term Investments, End of Year	<u>\$ 5,865,976</u>	<u>\$ 212,261</u>	<u>\$ 3,305,878</u>	<u>\$ 2,145,252</u>	<u>\$ 11,529,367</u>
<b><u>Reconciliation of Operating Income to Net Cash Provided By (Used In) Operating Activities:</u></b>					
Operating income (loss)	\$ 1,369,401	\$ 274	\$ 501,550	\$ (609,065)	\$ 1,262,160
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Nonoperating revenues (expenses)	(75,998)	-	(29,368)	9	(105,357)
Changes in assets and liabilities:					
Accounts receivable	(23,954)	171	6,446	-	(17,337)
Due from other governments	-	-	(51,883)	-	(51,883)
Prepaid expenses	(99,524)	451	(21,125)	-	(120,198)
Accounts payable	98,549	(14,144)	30,984	18,076	133,465
Due to other governments	1,617	-	-	-	1,617
Incurred but not reported claims liability	298,756	(1,141)	71,704	-	369,319
Accrued compensated absences	-	-	-	1,536,873	1,536,873
Deferred revenue	<u>1,622</u>	<u>2,420</u>	<u>-</u>	<u>-</u>	<u>4,042</u>
Net Cash Provided By (Used In) Operating Activities	<u>\$ 1,570,469</u>	<u>\$ (11,969)</u>	<u>\$ 508,308</u>	<u>\$ 945,893</u>	<u>\$ 3,012,701</u>

See Independent Auditors' Report.

COUNTY OF ROCKINGHAM, NEW HAMPSHIRE

FIDUCIARY FUNDS

COMBINING STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2014

	<u>Inmates</u>	<u>Nursing Home Residents</u>	<u>Assisted Living Security Deposits</u>	<u>Total Agency Funds</u>
<b><u>ASSETS</u></b>				
Cash and short-term investments	\$ 161,794	\$ 116,580	\$ 116,097	\$ 394,471
Accounts receivable	<u>-</u>	<u>25</u>	<u>-</u>	<u>25</u>
Total Assets	<u>\$ 161,794</u>	<u>\$ 116,605</u>	<u>\$ 116,097</u>	<u>\$ 394,496</u>
<b><u>LIABILITIES</u></b>				
Accounts payable	\$ -	\$ 397	\$ -	\$ 397
Due to other funds	113,134	10,423	47,918	171,475
Due to specific individuals	<u>48,659</u>	<u>105,786</u>	<u>68,179</u>	<u>222,624</u>
Total Liabilities	<u>\$ 161,793</u>	<u>\$ 116,606</u>	<u>\$ 116,097</u>	<u>\$ 394,496</u>

See Independent Auditors' Report.