

**REPORT
OF THE
COUNTY COMMISSIONERS
COUNTY TREASURER
AND OTHER
OFFICERS OF CHESHIRE COUNTY
NEW HAMPSHIRE**

For the year ending December 31, 2013



The Keene Sentinel
Keene, NH
Printed in 2014

Of Historical Note

2013 marked a major transition for the Cheshire County courts. For more than 40 years the Keene District Court operated out of Keene City Hall and the Cheshire County Superior and Probate Courts were in the County Courthouse. The original County Courthouse was constructed in 1858. An addition was built in 1911. In 1978 a new courthouse was constructed, connected by a glass connector to the original courthouse. The newest building, finished in 2013, was built without the use of any county tax dollars, is owned by the Monadnock Economic Development Corporation and leased to the State. Other than the County Sheriff providing courthouse security, there is no longer any connection between court functions and County Government. This new building now houses all court functions, including District Court (now called Circuit Court), Probate and Superior Court. The County provided the land on which the courthouse was built and retained an option to purchase the building in the future.

Shown here is, from left to right, the 2013 building, the 1978 building (in the middle) and the historic courthouse of 1858/1911



Photo by Michael Moore

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CHESHIRE COUNTY OFFICERS

COMMISSIONERS	352-8215
John M. Pratt, Chairman Roger Zerba, Clerk Stillman Rogers, Vice Chairman	
COUNTY ADMINISTRATOR	352-8215
John G. Wozmak, JD	
ASSISTANT COUNTY ADMINISTRATOR	283-3304
Rodney A. Bouchard	
COUNTY ATTORNEY	352-0056
D. Chris McLaughlin	
ASSISTANT COUNTY ATTORNEYS	352-0056
Keith Cloutre, David Lauren, Kathleen O'Reilly, John Webb, John Gasaway Jr., Jean Kilham, Mary Cloutier, Mary B. Orlep Vanessa M. Wilson	
REGISTER OF DEEDS	352-0403
Anna Z. Tilton	
SHERIFF	352-4238
Eliezer Rivera	
TREASURER	357-0793
William Lynch	
REGISTER OF PROBATE	
Susan Castor	
DIRECTOR, ALTERNATIVE SENTENCING PROGRAM	209-1526
Michael Potter	
SUPERINTENDENT, DEPARTMENT OF CORRECTIONS	399-7794
Richard N. Van Wickler	
DIRECTOR, INFORMATION TECHNOLOGIES	355-3034
Robert Hummel	
DIRECTOR, FINANCE	355-3036
Sheryl Trombly	
DIRECTOR, HUMAN RESOURCES	399-7317
Wendy Hurley	
ADMINISTRATOR, MAPLEWOOD NURSING HOME	399-4912
Kathryn Kindopp, NHA	399-7302
DIRECTOR, NURSING SERVICES	399-4912
Dodi Sheltra	

**CHESHIRE COUNTY
DELEGATION 2013-2014**

<u>District 1</u>	<u>Chesterfield, Hinsdale, Walpole, Westmoreland</u> Lucy M. Weber, 217 Old Keene Road, Walpole, NH 03608 Tara A. Sad, 82 North Road, Walpole, NH 03608 William Butynski, P. O. Box 105, Hinsdale, NH 03451 Paul S. Berch, 956 River Road, Westmoreland, NH 03467	756-4338 756-4861 336-7498 399-4960
<u>District 2</u>	<u>Alstead, Marlow, Surry</u> John E. Mann, 35 Prentice Hill Rd, Alstead, NH 03602	835-9095
<u>District 3</u>	<u>Gilsum, Nelson, Stoddard, Sullivan</u> Daniel A. Eaton, 1 Shedd Hill Road, Stoddard, NH 03464	446-3535
<u>District 4</u>	<u>Keene</u> Kris E. Roberts, 58 Grove Street Keene, NH 03431	352-1105
<u>District 5</u>	<u>Keene</u> Larry R. Phillips, 171 Roxbury Street, Keene, NH 03431	357-4315
<u>District 6</u>	<u>Keene</u> Timothy N. Robertson, 3 James Hill Drive, Keene, NH 03431	352-7006
<u>District 7</u>	<u>Keene</u> Gladys Johnsen, 417 Pako Ave, Keene, NH 03431	358-5164
<u>District 8</u>	<u>Keene</u> Cynthia L. Chase, 110 Arch Street #38, Keene, NH 03431	357-2381
<u>District 9</u>	<u>Dublin, Harrisville, Jaffrey, Roxbury</u> Richard Ames, 12 Blackberry Lane, Jaffrey, NH 03452 Douglas A. Ley, 28 School Street, Jaffrey, NH 03452	532-6781 532-8556
<u>District 10</u>	<u>Marlborough, Troy</u> Marjorie J. Shepardson, 94 Pleasant St, Marlborough, NH 03455	876-4027
<u>District 11</u>	<u>Fitzwilliam, Rindge</u> John B. Hunt, 165 Sunridge Road, Rindge, NH 03461 Susan Emerson, P. O. Box 646, Rindge, NH 03461	899-6000 899-6529
<u>District 12</u>	<u>Richmond, Swanzey</u> Jane B. Johnson, 329 Sawyers Crossing, Swanzey, NH 03446 Alfred C. Lerandeau, 19 Swanzey Factory Rd., N. Swanzey, NH 03431	352-4057 352-7991
<u>District 13</u>	<u>Winchester</u> Henry A. L. Parkhurst, One Parkhurst Place, Winchester, NH 03470	239-8945
<u>District 14</u>	<u>Dublin, Fitzwilliam, Harrisville, Jaffrey, Rindge, Roxbury</u> Harry L. Young, 125 Jaquith Road, Jaffrey, NH 03452	532-9998
<u>District 15</u>	<u>Marlborough, Richmond, Swanzey, Troy, Winchester</u> Bruce L. Tatro, 208 Old Richmond Road, Swanzey, NH 03446	352-3904
<u>District 16</u>	<u>Keene</u> Charles F. Weed, 28 Damon Court, Keene, NH 03431	352-8309

2013 Report of the Board of Commissioners

In 2013 significant changes took place in Cheshire County government. In January a new Sheriff, Eliezer (Eli) Rivera, a new Register of Deeds, Anna Z. Tilton, and a new County Attorney, Chris McLaughlin, were sworn into office. We are pleased to report that the three of them are doing an outstanding job managing their departments with effectiveness and efficiency.

Together with our major Department heads, Kathryn Kindopp at Maplewood, Rick Van Wickler at the House of Corrections and Sheryl Trombly at Finance, Cheshire County's management team oversees the work of over 400 dedicated and skilled County employees. The Board is indebted to them all.

In 2013 the Board decided the time had come to make a careful examination of the future of Maplewood, the County-owned 150 bed Nursing Home in Westmoreland. Two major factors drove this decision. The first was the fact that the building housing the nursing home is nearing 40 years old and approaching the time when significant improvements would have to be made to its infrastructure such as plumbing, electrical, air conditioning, etc. The second factor was that for the past decade a significant portion of the daily cost of care per resident has shifted from State funding to the County taxpayers. It has become increasingly more difficult to hold down the cost of county government with this cost shifting taking place.

Accordingly, in June the Board appointed a Task Force to make a thorough examination of the County's options with regard to Maplewood; whether to build a new nursing home, renovate the existing building, or let the private sector take over all of the County's nursing home needs by leasing or selling the existing property.

Ablly chaired by John E. Hoffman, Jr. of Sullivan, the Task force has worked diligently and is now approaching the time when it will report its findings and recommendations to the Board of Commissioners and to the County delegation. A series of public meetings in several of the county towns is planned in 2014 to give the public access to information that the task Force has developed and to receive public input. (Task Force Membership: <http://co.cheshire.nh.us>).

In 2013 the State of New Hampshire moved all of the courts in Keene into a new Court facility located next to the old County Courthouse. The consolidation did not affect Jaffrey District Court. As a result of this move, the County will begin renovation of the old Courthouse which should provide adequate space for County government for the foreseeable future. The Commissioners and staff worked closely with officials of the City of Keene, Monadnock Economic Development Corporation and area citizens to provide this new, combined, location for all of the Keene based County Courts.

In 2013 the County greatly expanded the writing and/or managing of grants for the County, for towns and local law enforcement agencies and for educational institutions in the County. In the past year Cyndi Desrosiers, our Grant Specialist and her staff wrote over \$2.5 million in grant applications and now manages nearly \$5 million.

We are pleased to report that 2013 did not bring a change to our efforts to hold the line on taxes to be raised. Due to the outstanding efforts of all our department heads, and of the County Delegation, for the third year in a row Cheshire County presented a budget to our taxpayers which called for no increase in taxes to be raised.

Finally, the Board acknowledges its deep indebtedness to our County Administrator, Jack Wozmak and Assistant County Administrator, Rod Bouchard, for their day-to-day oversight of County government. It is a great pleasure to work with them.



Commissioner, Chairman Commissioners, Clerk Commissioner, Vice-Chair

Respectfully submitted

THE CHESHIRE COUNTY BOARD OF COMMISSIONERS

CHESHIRE COUNTY ATTORNEY

STATE OF NEW HAMPSHIRE

VICTIM/WITNESS PROGRAM

ASSISTANT COUNTY ATTORNEYS

Kathleen G. O'Reilly
David Lauren
John S. Webb
Jean Kilham
Keith Clouatre
John M. Gasaway
Mary B. Orlep
Vanessa M. Wilson



D. Chris McLaughlin
COUNTY ATTORNEY

Sarah McKenzie Hoskins
Julie J. Short
Superior Court House
12 Court Street
Keene, NH 03431
TEL (603) 352-0056
FAX (603) 355-3012

Office of the Cheshire County Attorney - Annual Report 2013

The primary responsibility of the Office of the Cheshire County Attorney is the prosecution of felony level crimes in the Cheshire County Superior Court. The attorneys at the County Attorney's Office oversee major felony investigations, working closely with police officers and investigators. When an investigation is completed and referred to our office, the attorneys then review the reports, and a determination is made as to whether criminal charges will be brought. This process can include filing complaints in the 8th Circuit Court (formerly Keene District Court and Jaffrey District Court) and making presentations before a Grand Jury. The attorneys handle all pre-trial procedures, and if a case is not resolved by a plea or other non-trial resolution, it proceeds to a jury trial.

The case load at the Office of the Cheshire County Attorney continues to be heavy. During 2013, approximately 452 felony level case files and more than 117 probation violations were handled by this office. Attorneys formally presented approximately 596 charges to the Grand Jury for indictment consideration, and approximately 228 individuals were indicted. Additionally, attorneys from this office evaluated 74 DCYF reports, issued 60 "one party" authorizations (primarily to the New Hampshire Attorney General's Drug Task Force), and reviewed 146 untimely death investigations in Cheshire County.

The Cheshire County Circuit Court Prosecutor Program ("CCCCPP"), under the direct supervision of the County Attorney, continues to be successful. The program consists of the Regional Prosecutor Program ("RPP"), which prosecutes cases for ten (10) towns in Cheshire County (since 2008), and the City of Keene Prosecutor, who prosecutes cases for the Keene Police Department (since 2009). The prosecutors in the CCCCCPP are all Assistant Cheshire County Attorneys. The attorneys in the CCCCCPP handle all misdemeanor offenses that arise in the eleven (11) participating towns/City, and also handle the initial stages of most felony cases, including bail arguments and probable cause hearings. Additionally, the RPP handles many of the ten (10) towns' serious juvenile matters. During 2013, approximately 703 case files were handled and processed from the ten (10) towns served by the RPP. The Keene Police Department Prosecutor's Office handled and processed approximately 1,440 cases during 2013. The cases handled by the CCCCCPP account for the large majority of all cases coming before the 8th Circuit Court — Keene District Division. The CCCCCPP has increased efficiency, improved officer training, and provided more uniform prosecution policies among participating police departments in Cheshire County. The towns and the City of Keene both benefit from the expertise and resources of the County Attorney's Office. Conversely, the County Attorney's Office benefits from increased communication between its Circuit Court and Superior Court prosecutors, who often encounter the same defendants, victims, and legal issues in the two different Courts. This leads to efficiency in prosecution through, whenever appropriate, a quick resolution of minor felony cases as

misdemeanor pleas and sentences in the Circuit Court, which, in turn, leads to a reduction in the number of felony cases proceeding through the Superior Court process.

In 2013, Attorney Mary Orlep (nee Cloutier), who began her employment with us in 2012, took over the lead prosecutor position for the RPP. Mary (who grew up in Rumney, New Hampshire, attended Carleton College in Minnesota, graduating in 2006, and received her law degree in 2010 from the University of Minnesota) took over the lead prosecutor position when Jean Kilham took over the Keene Police Prosecutor position after I was appointed County Attorney. For most of 2013, Mary was the only prosecutor in the RPP. However, by the fall of 2013, Mary's case load had increased to the point where we needed to hire a part-time prosecutor to help Mary in the RPP. The RPP was fortunate to welcome Adam Woods in November 2013. Adam is a 2013 graduate of UNH School of Law who came with extensive clinical experience, including a prior internship with this office.

Additionally, one of the Assistant County Attorneys, David Lauren, works under a federal grant, which requires 35% of his case load to be devoted to the prosecution of cases involving domestic violence. Consequently, David, in addition to handling felony cases in Superior Court, , handles (in the 8th Circuit Court) some of the RPP's misdemeanor cases involving crimes of domestic violence.

As noted above, Jean Kilham left the RPP in early 2013 to take over the prosecution of cases for the Keene Police Department after I left that position to take over the county attorney position. Jean graduated from the University of New Hampshire in 2001, and received her law degree from the Massachusetts School of Law in June of 2006. She has worked very hard, is respected by law enforcement and the Defense Bar, and her transition into the Keene Police Prosecutor position has been seamless.

In addition to the attorneys in the CCCCPP, retired Police Officer John Dudek assists as a part-time prosecutor for the RPP, handling mostly arraignments and review hearings in the Circuit Court. Further, in 2013 we welcomed the addition of Administrative Assistant Robin Eldridge to the RPP. Robin replaced Melissa Gardner who left that position at the end of 2012.

In the Superior Court, the County has five experienced Assistant County Attorneys handling felony cases — Kathleen O'Reilly, David Lauren, John Webb, Keith Clouatre, and John Gasaway, Jr. Kathleen O'Reilly is now in her 18th year with the office. Kathleen is extremely hard working and shoulders a heavy case load. I am pleased to say that Kathleen was named County Attorney Employee of the Year in the fall of 2013 at the Annual Association of Counties Conference. David Lauren is an experienced attorney in his 8th year with the office. He previously worked for the Maine Attorney General's Office, and as an Assistant County Attorney in Hillsborough County. David's focus is the area of domestic violence. Assistant County Attorney John Webb is one of our more experienced trial attorneys, having joined the office in 2007. John is formerly of the Merrimack County Attorney's Office, where he was a veteran prosecutor. Prior to that, John served as a Law Clerk to the Superior Court. John's experience and expertise are highly valued. Joining our staff in late 2009 was Attorney Keith Clouatre. Keith is an experienced trial attorney, and previously served as both an Assistant County Attorney and the County Attorney in Coos County. The latest addition to our staff is Assistant County Attorney John

Gasaway, Jr. Attorney Gasaway is also an experienced prosecutor, with specialized experience and expertise in complex financial cases. He previously prosecuted for the Rockingham County Attorney's Office, the New Hampshire Attorney General's Office and, more recently, he worked for The Competition Authority, in Dublin, Ireland.

The responsibilities of the Assistant County Attorneys in our office are many. All Assistant County Attorneys are available to assist local law enforcement with major case investigations and one-party authorizations. Additionally, an attorney must be available to consult on fatal accident scenes where potential criminal charges may be brought, as well as to consult on untimely deaths, and related investigations. Furthermore, I and one of the Assistant County Attorneys, continue to meet monthly with investigators from the Keene Police Department and, upon request, with other law enforcement agencies. I also attend the monthly meetings of the Cheshire County Chiefs of Police Association, the Cheshire County SART (Sexual Assault Resource Team), the Cheshire County Domestic Violence Coalition and the Cheshire County Alternative Sentencing Program. Moreover, I also attend the weekly team meetings of the Cheshire County Drug Court ("CCDC"), and I am responsible for overseeing all the cases that are resolved with a plea and sentence that involves participation in the CCDC.

In addition, the attorneys in our office meet regularly with members of law enforcement, social services, crisis workers, victim witness coordinators, mental health professionals, and medical specialists in order to ensure the continued success of the Child Advocacy Center in Cheshire County. The ideology behind the center is the institution of multidisciplinary teams trained in the investigation and prosecution of physical and sexual abuse against children. They work together as a unified team from the inception of any report of child abuse that occurs anywhere in Cheshire County. The Child Advocacy Center is having a significant and positive impact on the investigation and prosecution of perpetrators of physical and/or sexual abuse on children.

Another important service provided by this office is that of liaison between victims/witnesses and the court system. The success of any prosecution hinges on victims and witnesses being informed of and feeling comfortable with the intricacies and nuances of the court system. Throughout 2013, this office had two victim/witness coordinators, Sarah Hoskins and Julie Short. Sarah Hoskins is a victim/witness coordinator of vast experience, originally starting with this office in 2004 as part of an AmeriCorps program focusing on victims of domestic violence. Julie Short is in her 6th year of working as a victim/witness coordinator for felony level offenses. Prior to her work as a victim/witness coordinator, Julie served as the Office Manager for the Cheshire County Attorney's Office.

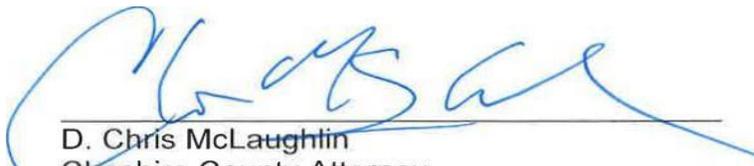
Lastly, the Cheshire County Attorney's Office administrative staff is responsible for the day to day operations of the office. In 2013, the administrative staff consisted of Office Manager Chloe Bosquet, and Administrative Assistants Laurie Burt, Gayle Buchanan and Robin Eldridge. Both Chloe and Gayle joined the staff during 2009. Robin joined in 2013 and Laurie has been with the office since 2006. We are very fortunate to have an administrative staff that is incredibly hard working and dedicated to the success of the office. They bring a positive attitude and a high level of professionalism to the office each and every day. Furthermore, the administrative staff has been invaluable in implementing a relatively new computer based case management system

(Karpel), which will ultimately do away with the need to store paper files for years and will provide quick access to old files and to data compiled over the years.

The biggest news from 2013 was the launching of the CCDC. The CCDC currently has 8 participants, with 3 more candidates/applications pending. By all accounts, the CCDC's use of intensive treatment, random urinalysis, close supervision, support, sanctions and incentives has proven effective in reducing relapse and bettering the participants' lives. Further, many of the CCDC participants reside at Second Chance, which provides additional support and supervision to those participants. In sum, the CCDC is effectively addressing the challenge of reducing recidivism and relapse in those defendants with a long-term addiction to controlled drugs.

In conclusion, I look forward to the challenges facing the office of the Cheshire County Attorney in 2014. One of those challenges will involve responding to the influx of cheap, potent heroin to the region. It is anticipated that with that influx we will see an uptick in crimes related to addiction. This office will respond to that challenge as it has in the past; namely we will continue to seek justice for victims of criminal conduct, which, ultimately, encompasses diligent prosecutions coupled with sentences that, where appropriate, balance punishment, deterrence (both specific and general) and rehabilitation.

Respectfully submitted,



D. Chris McLaughlin
Cheshire County Attorney
2/24/2014



County of Cheshire Registry of Deeds

33 West Street, Keene, NH 03431
<http://www.co.cheshire.nh.us/Deeds>

Registry of Deeds

As the County of Cheshire Register of Deeds, it is my pleasure to provide this annual report for the year ending December 2013. Some changes that were made in 2013 are:

The Cheshire County Deeds website: <http://www.co.cheshire.nh.us/Deeds> was completely reconfigured.

The Cheshire County NH Deeds website <http://nhdeeds.com/cheshire/ChHome.html> was also updated.

Both the County and the NH Deeds websites now provide more specific detailed instructions and information which should prove helpful to the general public.

There were changes to accounting practices and office procedures to take advantage of our software and technology, improve the collecting and tracking of revenues, and increase public access to our records.

In February 2013, towns which received paper records of monthly real estate transactions, were requested and instructed in how to go on-line and access their own records, available on the Cheshire/NH Deeds website. This eliminated staff gathering the information for each individual town, then printing, and mailing the documents each month. Presently only two towns, Roxbury and Surry continue to receive their transactions via paper.

In March, 2013, the Registry eliminated a \$50/month subscription plan which allowed the printing of unlimited copies on-line. The subscription plan was replaced with a \$1/per page charge for all account holders. Prior to the change, staff had to manually track money paid for subscriptions. The change allowed for on-line printing charges to be compiled via our print tracking software program. The added benefit was staff time and attention previously spent on manually tracking revenues was now spent increasing our on-line presence.

In September, 2013, the Registry started accepting documents via e-recording. This has been well received by those who do business with the Deeds office. Transaction fees submitted with e-recordings are electronically deposited and were approximately 27% to 31% of monthly revenues deposited in the last three months of 2013.

E-recording has the added advantage of decreased postage/stationary costs and reduced the need to handle money, paper and document returns.



County of Cheshire Registry of Deeds

33 West Street, Keene, NH 03431
<http://www.co.cheshire.nh.us/Deeds>

There are several projects that have been started to save and update records. Over 2000 plans stored in plastic envelopes needed attention as the plastic was degrading, causing the plans and ink to stick to the envelope and the envelopes to stick to each other. The plans have been removed from the envelopes, where possible, and placed into flat file storage. Where that wasn't possible, the image of the map was printed to ensure that we retain a paper copy of each map filed.

Old books are being scanned to allow the images to be available to the public in the on-line search. After the old books are scanned, the copy department then prints a new volume that takes up less space, allowing us to more than double our available shelving space. We are presently scanning old books for the year 1924.

All staff members have been cross-trained to be able to index, and the old Grantor/Grantee books are being indexed to allow searching by name. The index searchable-by-name records are presently only available to 1975. Our records date back to 1771. Inputting this data and making these names searchable is an extremely time consuming and detailed process. When completed we hope to have all county records indexed and searchable by name.

In 2013 we recorded 10,038 documents, 1,142 more than in 2012. There was a slight decrease in the number of foreclosures but there was an uptick in liens from 90 in 2012 to 362 in 2013.

Revenue collected for and sent to the State of NH in 2013 were:

- Transfer Tax: \$3,382,080.00
- L-Chip: \$204,912.00

Revenue turned over to Cheshire County in 2013 was: \$551,317.00.

Respectfully submitted,

Anna Z. Tilton, Register

Cheshire County Sheriff's Office

ELIEZER "Eli" RIVERA
Sheriff

TREVOR S. CROTEAU
Captain

ARLENE W. CROWELL
Director of Communications



12 Court Street
Keene, New Hampshire 03431

Telephone: (603)352-4238
Fax: (603)355-3020

www.co.cheshire.nh.us/sheriff

2013 ANNUAL REPORT

Two Thousand Thirteen marked my first year in office. During this year I reviewed the daily operations of the Sheriff's Office, its connection with the community, how we served the public and how we were addressing issues around public safety. My priority was to make sure we were being efficient, had the resources to keep our deputies safe, we were connecting with the community and services were being provided in a timely manner.

In 2013 we saw increases and decreases in some of our services, compared to 2012:

Investigations increased by 69.5% from 59 to 100
Arrests decreased by 15.6% from 282 to 238
Motor vehicles stops increased by 8% from 1035 to 1118
Transports decreased by 18.7% from 3070 to 2497
Civil Process decreased by 2.4% from 3061 to 2988

Calls for service increased by 3.33%, from 46615 to 48167

We were fortunate to receive the following grants in 2013:

- ◆ US Department of Justice Ballistic Vest Grant
- ◆ NH Highway Safety "Safe Commute Patrols" Grant
- ◆ Byrne's Justice Assistance Grant shared with Keene Police Department

We took possession of our Mobile Command Post purchased with 2012 Homeland Security funds and we continue to improve our communications infrastructure with 2012 Homeland Security funds.

The Sheriff's Office reviewed and updated its memorandum of understanding with the Town of Gilsum, New Hampshire. The 2013 contract generated approximately \$25,000 in revenue for the county, the updated memorandum will increase revenue to approximately \$35,000 for 2014.

The Sheriff's Office also provided temporary contracted police services to the Town of Sullivan due to the retirement of Police Chief Karl Wheeler during the months of September to December. This led to the Town of Sullivan and the Sheriff's Office entering into a memorandum of understanding for police services for 2014, which will generate approximately \$35,000 in revenue, as well.

Office personnel participated in over 600 hours of training, such as:

- ◆ Critical Legal Issues for Police Executives
- ◆ Internal Affairs
- ◆ Background Investigations
- ◆ SPOTS Operator
- ◆ Prosecutor School
- ◆ Drug Investigation
- ◆ ICS 300 and 400
- ◆ National Sheriff's Institute Academy
- ◆ Active Shooter
- ◆ Field Training Officer
- ◆ Surveillance Detection
- ◆ Work Zone Flagger
- ◆ Domestic Violence
- ◆ Communications Training Officer
- ◆ Customer Service

We are in the process of developing a comprehensive Field Training Program for newly hired Deputies and Dispatchers.

Some of our community service activities included:

- ◆ Tough Mudder, supports the Wounded Warrior Project
- ◆ Men Who Cook, supports Monadnock Family Services
- ◆ Big Brothers/Big Sister Bowlathon
- ◆ Keene Kiwanis, supports multiple child organizations
- ◆ Monadnock Alcohol and Drug Abuse Coalition
- ◆ Monadnock Voices for Prevention

- ◆ Greater Monadnock Public Health Network
- ◆ Monadnock United Way
- ◆ Cheshire Coalition for Tobacco Free Communities
- ◆ Safe School's Coalition
- ◆ Connecticut Valley Crime Stoppers
- ◆ Keene Community Kitchen
- ◆ Healthy Monadnock 2020
- ◆ SHEPPARDS Program
- ◆ MOCO Arts Scholarship Fundraiser
- ◆ Keene High School Project Graduation
- ◆ Monadnock High School Project Graduation

Our goal is to continue to reach out to local organizations throughout the region and develop partnerships that will benefit our community.

Sincerely,

Sheriff Eli Rivera

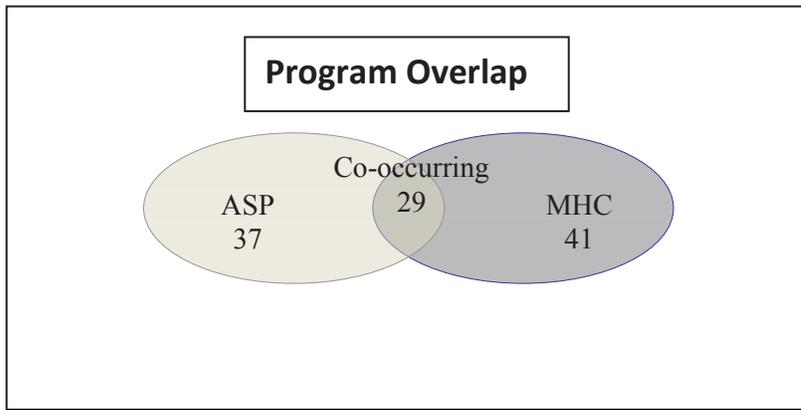
CHESHIRE COUNTY ALTERNATIVE SENTENCING PROGRAM AND MENTAL HEALTH COURT 2013 ANNUAL REPORT

In 2013 the staff at the Cheshire County Alternative Sentencing Program and Mental Health Court continued their mission to promote the safety of the community by reducing recidivism and assisting those suffering from a substance use disorder and/or mental health disorder that found themselves in legal dispute with the Justice System. This was and still is accomplished by referring participants to community based treatment, drug/alcohol screenings, weekly supervision, case management and periodical court reviews. By monitoring behavioral and cognitive changes, participants have a better chance to obtain a healthier and productive lifestyle.

During the government's financial crisis of 2011 and 2012, a special committee comprised of Alternative Sentencing/Mental Health Court staff, County Grant Specialist-Cyndi Desrosier, Superior Clerk of Courts, County Attorneys, Keene Police Chief, Public Defenders, and Phoenix House of Northern New England was formed to investigate Federal Grant opportunities. Although grants were not found for the County's two existing problem solving court programs, the dedication of this committee and Ms. Desrosier's expert grant writing skills brought the County two grants to fund and operate a Superior Court, Drug Court, which the Alternative Sentencing staff is proudly a part of its operations. The Superior Drug Court Program is a separate program and not affiliated with the Alternative Sentencing Program so therefore will be discussed in a different section of the County's annual report.

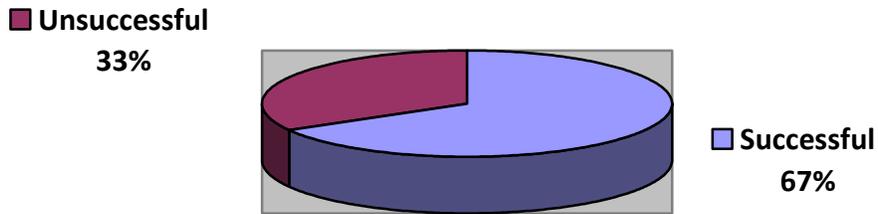
Alternative Sentencing and Mental Health Court:

Seventy-eight (78) individuals were served in 2013. Thirty-seven (37) were sentenced by Cheshire County Circuit Court to the drug treatment alternative (Alternative Sentencing Program) and the other forty-one (41) individuals were sentenced to the Mental Health Court. Out of these seventy-eight (78) individuals, 37% of them (29) had a co-occurring disorder for chemical dependence and a mental health disorder.

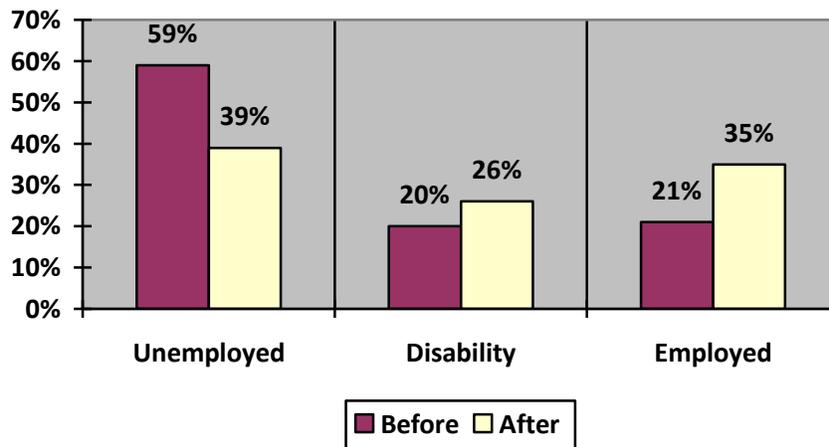


Out of the total population 31% (24 individuals) were carried into the current budget year. Out of the remaining fifty-four, 67% ended their stay by successfully completing the programs and 33% were discharged for non-compliance.

Completion Rate



Between the two programs there were thirty-two (32) females and forty-six (46) males. They utilized 7,098 client days (total number of days utilized by all participants) with an average length of stay of 131 days per client. 59% of these individuals were unemployed, 20% on disability and 21% were employed at the time of intake. Upon completion, successful or otherwise, 39% were unemployed, 26% were on disability and 35% were employed.



The three most common drugs of use were alcohol, cannabis and opiates and opioids. Prescription pain medication (opioids) and Heroin (opiates) was grouped into the same category because of their characteristics on the physical/mental systems of the human body. The most common criminal charges were simple assault and drug possession charges. The most common mental health diagnosis was Major Depressive Disorder with Bipolar Disorder, Adjustment Disorder, NOS and Anxiety Disorder tied for second ranking.

Over the last three years we have been analyzing those who are not meeting with success in the programs. As in the last two years we are finding those under the age of twenty-five and especially those of that age bracket who are addicted to either opioids or opiates have the highest rate of non-compliance. In the mental health area it is those with a co-occurring disorder of addiction and either Bipolar Disorder (manic depressive) or Borderline Personality Disorder that have a problem with following through prescribed treatment. This is in line with national statistics.

INDIVIDUAL PROGRAM BREAK DOWNS

Alternative Sentencing Program:

Total number of Clients: 10 females and 27 males = 37

Number carried over into 2014 = 9

Percentage of carry over: 24%

Number of Successful completions: 14

Percentage of completion (minus carry over) = 50%

Number of Non-completions: 14

Percentage of non-completions (minus carry over) = 50%

Number of co-occurring mental health disorders = 10

Percentage of co-occurring: 27%

Most common charges:

Possession of control drugs (32%)

Simple Assault (24%)

Others (54%)

Number of client days: 3,697

Average length of stay: 106 days

Mental Health Court:

Total number of Clients: 22 females and 19 males

Number carried over into 2014 = 15

Percentage of carry over: 37%

Number of successful completion: 22

Percentage of completions (minus carry over) = 85%

Number of Non-completions: 4

Percentage of non-completions (minus carry over) = 15%

Number of co-occurring substance use disorder: 19

Percentage of co-occurring = 46%

Most common charges:

Simple Assault: (54%)

Unauthorized Taking (Theft): (24%)

Others: (22%)

Number of client days: 3401

Average length of stay: 130

Total cost per client day: \$27.27

The staff at Cheshire County Alternative Sentencing Program and Mental Health Court would like to thank the community members for their support and the agencies and providers whose work is vital to the success of these programs. And in addition we would also like to thank the justice systems and the Cheshire County Delegation members for their continued support of the programs. Special thanks go to the Commissioners and County Administrator, Jack Wozmak for without them these programs would not exist.

Respectfully Submitted,

Michael H. Potter, M.Ed., MLADC

Director of Cheshire County Alternative Sentencing Program

And Mental Health Court



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Major John Mousseau, Director of Safety & Security

CSM Scott McLaughlin, Federal Liaison & Transportation

Barnes Peterson, Mental Health

Douglas Iosue, Case Management

**Laurie Mullen, Medical
Services**

2013 Mental Health and Substance Abuse Statistics

The MH Clinician maintained a caseload of approximately **65%** of the inmate population.

Of the 328 inmates who received a mental health assessment:

- 1 inmate required transfer to the Secure Psychiatric Unit
- 2 inmates required transfer to New Hampshire Hospital
- 72% (235) required active mental health services (sessions every 1-2 weeks)
- 28% (93) required maintenance MH services (sessions on an as needed basis)
- 70% (229) received psychoactive medication
- 62% (141 of 229) inmates who received MH assessment and psychoactive medication had received MH treatment from a psychiatrist, PCP, PA, or APRN prior to incarceration
- 60% (196) met criteria for co-occurring disorders (Axis I diagnosis co-occurring with alcohol and/or drug abuse or dependence)
- 76% (249) met criteria for alcohol and/or drug abuse or dependence
- 27% (89) met criteria for alcohol abuse or dependence
- 63% (205) met criteria for drug abuse or dependence
- 42% (137) met criteria for opiate abuse or dependence
- 58% (191) met criteria for a personality disorder (primarily Antisocial and Borderline PD)
- 7% (23) were assessed to be at high risk to attempt suicide
- 2% (7) were assessed to be at high risk to be violent
- 24% (80) were women
- 9% (31) were federal inmates
- 15% (50) will reside outside of Cheshire County upon release
- 55% (180) had been assessed by the MH Clinician during prior incarceration(s) at the CCDOC

Inmates per age group who received a mental health assessment:

17-19	7% (23)
20-29	45% (148)
30-39	23% (76)
40-49	16% (51)
50-59	8% (27)
60+	1% (3)

2001-2013 Mental Health and Substance Abuse Statistics

The MH Clinician maintained a caseload of approximately **65%** of the inmate population.

Of the 3340 inmates who received a mental health assessment:

- 12 inmates required transfer to the Secure Psychiatric Unit
- inmates required transfer to New Hampshire Hospital
- 69% (2314) required active mental health services (sessions every 1-2 weeks)
- 31% (1026) required maintenance MH services (sessions on an as needed basis)
- 57% (1896) received psychoactive medication
- 70% (1327 of 1896) inmates who received MH assessment and psychoactive medication had received MH treatment from a psychiatrist, PCP, PA, or APRN prior to incarceration
- 49% (1653) met criteria for co-occurring disorders (Axis I diagnosis co-occurring with alcohol and/or drug abuse or dependence)
- 75% (2495) met criteria for alcohol and/or drug abuse or dependence
- 40% (1323) met criteria for alcohol abuse or dependence
- 57% (1889) met criteria for drug abuse or dependence
- 42% (137 of 328 inmates assessed in 2013) met criteria for opiate abuse or dependence
- 52% (1728) met criteria for a personality disorder (primarily Antisocial and Borderline PD)
- 13% (421) were assessed to be at high risk to attempt suicide
- 13% (436) were assessed to be at high risk to be violent
- 22% (719) were women 6% (199) were federal inmates
- 13% (418) will reside outside of Cheshire County upon release

Inmates per age group who received a mental health assessment:

17-20	11% (366)
20-30	42% (1419)
30-40	24% (813)
40-49	15% (491)
50-59	6% (202)
60+	2% (49)

Booking Statistics

We continue to use the video system for all arraignments with both Circuit Courts. We also conduct sporadic arraignments with Cheshire County Superior Court. As of this date, we are still doing only video arraignments with the video system. There has been no expanded of use for this system.

On the 10th of June one of our video machines was destroyed by an inmate who punched the monitor. This machine has not been replaced due to the cost involved. It is my understanding that criminal charges were filed in this case. Being down to one video machine has created some scheduling conflicts, but these have been only occasional and have been manageable.

Video Arraignment numbers by Court: Cheshire Superior: 18

Keene Circuit Court:	475
Jaffrey Circuit Court:	55
Other Courts:	8

The biggest change with video arraignment this year has been the additional requirement of the court to have an attorney present at arraignment. This requirement means that the public defender's office sends an attorney here to meet with clients before court. We have installed a wireless router in the video arraignment room so that Defense Attorneys can communicate with their office via email. This change has been manageable but has placed some additional burden on staff for additional security. It also ties staff up in booking longer due to the attorney's need to meet with clients before and after Court as well as resulting in longer hearing times.

2013 BOOKING STATISTICS

Inmates Booked with Charges-Pretrial and Sentenced	1,070
Males	863
Females	207
	Protective Custody Bookings
	429 Males
354 Females	75
Total Bookings	1499
Total Releases	1516

BOOKINGS BY AGENCY

Alstead	3
Cheshire County Sheriff's Office	209
Chesterfield	9
Dublin	3
Gilsum	0
Harrisville	0
Hinsdale	29

Jaffrey	54
Keene	595
Marlborough	11
Marlow	0
Nelson	0
Probation/Parole	60
N.H. State Police	76
Richmond	2
Rindge	48
Roxbury	0
Spofford	0
Stoddard	2
Sullivan	1
Swanzey	50
Troy	13
Walpole	13
Winchester	60
US Marshals-VT	104
US Marshals-NH	4

DEMOGRAPHIC BREAKDOWN BY AGE

Ages 17 – 25	558	37.22%
Ages 26 – 35	376	25.08%
Ages 36 – 45	309	20.61%
Ages 46 – 55	185	12.34%
Ages 56+	71	4.74%

DEMOGRAPHIC BREAKDOWN BY RACE

<u>RACE</u>	<u>TOTAL</u>
Asian	8
Black	69
Hawaiian or Pacific Islander	1
Latino/Hispanic	35
Native American	6
Unknown	9
White	1371

Case Management Services

The Case Management Department collaborates closely with all Correctional Departments to address the rehabilitative, transitional, and release-reentry planning needs of inmates. 2013 was a busy and productive year for Case Management Services and was marked by the following key activities and accomplishments.

- For the 4th consecutive year, hosted and supervised a masters-level student from Antioch New England who started her internship in August 2013, working with a mixed caseload of case management and psychotherapy cases.

- The Case Manager has continued to maintain involvement and represent CCDOC on various community groups and committees. In 2013, these included: the Cheshire County Mental Health Court/Alternative Sentencing Program; the Monadnock Homelessness Coalition; the Cheshire County Drug Court Program; the Community Network Team (CNT); the Monadnock Restorative Justice Initiative; and serving as Secretary of the Cheshire County Domestic Violence Coalition.
- The Offender Rehabilitation Support Team (OREST) completed its fifth full year, continuing to meet on a monthly basis. OREST enjoyed participation and representation from the following groups and agencies in 2013:
 - Cheshire County Department of Corrections
 - Monadnock Family Services (MFS)
 - Cheshire County Alternative Sentencing Program/Mental Health Court
 - Cheshire County Public Defenders
 - Cheshire County Attorney's Office
 - Phoenix House Keene/Dublin
 - Community Improvement Associates
 - NH Department of Field Services/Probation/Parole
 - Antioch New England University
 - Keene State College
 - DHHS: Division of Children, Youth and Family Services (DCYF)
 - DHHS: Division of Juvenile Justice
 - Southwestern Community Services
 - Cheshire Medical Center/Dartmouth Hitchcock-Clinic Keene
 - The Amazing Grace Farm (Transitional Housing)
 - The League of Women Voters
 - Monadnock Voices for Prevention
 - Monadnock Alcohol and Drug Abuse Coalition (MADC)
 - Monadnock Covenant Church Aftercare Ministries

Recidivism and Offender Outcomes: OREST has continued to work towards improved outcomes for offenders with substance use and/or mental health disorders through the collective influence, shared resources, and collaboration and creative problem-solving of it's membership. The group continues to examine the issue of recidivism seeking improved outcomes for the offender population we assist and striving to reduce recidivism rates in Cheshire County.

- The Case Manager has participated actively on the Cheshire County Drug Court team. The first client was sentenced to enter the Program in June 2013. Participation has included screening prospective offenders for clinical appropriateness; in particular with regard to "risk-need" through use of the Ohio Risk Assessment tool. In addition, the Case Manager has participated in weekly pre-Court treatment team meetings and attended most of the weekly follow up court hearings for Drug Court Program participants. As of the end of the Calendar Year 2013, there were eight (8) Drug Court Participants in the Program.
- Starting in March 2013, the 2nd Chance for Success Transitional Housing Program admitted its first resident. Through the end of calendar year 2013, the Program has served 22 clients, with all but one of the referrals processed through CCDOC Case

Management Services as part of the Case Manager's routine release and reentry planning role.

- Starting in September 2013, collaborated with Keene State College and Keene High School on a community-based research project examining the problem of substance abuse and addiction among teen and young adults in the Monadnock region. CCDOC's role in the project involved screening and selecting nine inmates who were recent graduates of Keene High School, or other local high schools whose substance abuse lead to legal problems and multiple incarcerations. The nine offenders participated in a focused interview on-site speaking openly, but confidentially, about their experiences and perceptions around substance use history, particularly during their high school years.
- Starting in August 2013, in close collaboration and in conjunction with the Offender Review Board members, developed policy and protocols for the Cheshire County DOC's **Partial Release Program**, as enabled under recent legislation **NH RSA 651: 19. The Partial Release Program (PRP) allows for offenders that meet certain stringent criteria to work at an existing job, have the opportunity to obtain gainful employment through work search, and/or to begin to participate in transitional supports and services in the community that will ultimately be beneficial in treating substance abuse, mental health, or co-occurring disorders.**

Through the end of Calendar Year 2013, there were **5 offenders accepted for PRP**. The following summary and statistics apply to these five offenders:

- 3 of the 5 have successfully completed (with no need for sanctions or suspension of Program eligibility)
- 2 of the 5 remain on PRP status, with no sanctions or violations to date, and with release dates pending in the next several months
- None of the 5 were employed at the start of PRP. To date, 4 of the 5 have obtained at least part time gainful employment while on Partial Release status.
- The total number of 'jail days' on the Partial Release Program is 170 days. This translates to 170 days of community- based rehabilitation and a more graduated approach to release/reentry planning and community reintegration services.
- This translates to 170 "Jail Bed Days" saved at an estimated total savings of \$19,380.*
- *This formula for fiscal impact is based upon:
 - \$114 per day of incarceration.
 - Does not include off-setting costs per day for services or equipment on PRP (electronic monitoring)
 - Does not include fiscal benefit to the larger community in regard to individuals gainfully employed, on the tax roles, etc.

Case Management Services Statistics: January 1, 2012-December 31, 2012

	<u>2013</u>	<u>(2012 Comparison)</u>
<u>Total new cases:</u>	320	334
<u>Gender:</u>		
Male:	255 (80%)	254 (76%)
Female:	65 (20%)	82 (24%)
<u>Sentencing Status:</u>		
Pre-sentenced:	93 (29%)	155 (44%)
Sentenced:	213 (67%)	185 (52%)
Federal:	14 (4%)	6 (1%)
<u>Level of Case Management Service:</u>		
Full Assessment/Release-Reentry Plan:	207 (65%)	194 cases (58%)
Brief/Focused Intervention:	113 (35%)	142 cases (42%)

Inmate/Offender Profile (Data/Statistics at Case Management Intake):

<u>Percent of offenders presenting with:</u>	<u>2013</u>	<u>2012 (Comparison)</u>
Alcohol/Drug	87%	82%
Mental Health	51%	58%
Unemployed: (not on SSI)	71%	64%
Homeless or at risk of:	20%	16%
Disabled (on SSI or SSDI)	14%	21%
Developmental Disability	1%	3%

Offense correlated with Substance Abuse:
(Of those with a Substance Use Disorder): 87% 78%

<u>Primary Drug of Choice:</u>		
Heroin	35%	*
Alcohol	31%	
Marijuana	16%	
Prescription Opiate	8%	
Cocaine	4%	
Synthetic	4%	
Other pills	2%	

Ohio Risk Assessment Level

*Low Risk:	12%
*Moderate Risk:	29%
*High Risk:	43%
*Very High Risk:	17%

<u>Housing Status at Intake:</u>	<u>2013</u>	<u>2012</u>
Stay with family member:	52%	51%
Rents an apartment:	13%	17%
Homeless or potentially homeless:	20%	18%
Stay with friend:	6%	8%
Rents a room:	2%	3%
Owns a home:	4%	3%

<u>Educational Level:</u>		
8 th grade or less:	1%	2%
Some high school:	30%	27%
GED:	28%	17%
High School Diploma:	37%	50%
College diploma:	4%	4%

<u>Employment Status at Intake:</u>		
Unemployed (willing to work; job search)	49%	40%
Employed (position secure at release)	15%	16%
Possible employment/strong lead	17%	18%
Disabled (on SSDI and/or SSI):	14%	20%
Unemployed (min. willing, capacity to work)	4%	6%

<u>Health Insurance Status at Intake:</u>		
Uninsured:	71%	58%
Private insurance:	13%	14%
State/Federal (Medicaid and/or Medicare)	16%	28%

Release-Reentry Patterns (Data/Statistics at point of Release-Reentry)

<u>(Comparison)</u>	2013	2012
<u>Completed Referrals at Release-Reentry:</u>		
Formal Housing (Shelter(s),		
2 nd Chance, Mary's Place)	42	38
Informal Housing (family/friend)	22	17
Intermediate Housing (SCS, KHA Programs):	18	*
Alcohol/Drug:		
(Residential Level of Care):	68	60
Alcohol/Drug:		
(Outpatient Level of Care):	107	86
Mental Health Services:	37	61
Medical/Primary Care:	74	61
Employment/Vocational Support:	36	49
Basic Needs/Assistance: (Doug, add SSDI category to spreadsheet)		
(Food Stamps, TANF, SSDI,		
Medicaid, Transportation)	132	140
<u>Offenders Released to Monitoring/Court Ordered Programs:</u>		
Probation:	136	170
CCASP/MH Court Program:	13	15
Cheshire County Drug Court:	7	*

Disposition: County/State

% released within Cheshire County:	86%	77%
% released to Massachusetts:	2%	3%
% released to Vermont:	2%	9%
% released to Rockingham County:	6%	5%
% released to Sullivan County:	1%	1%
% released to Hillsborough County:	2%	2%
% released to other state:	1%	3%

*data set not tracked in 2012

Offender Recidivism (within Cheshire County DOC)

	<u>2013</u>	<u>2012 (Comparison)</u>
<u>Recidivism: “(Lifetime)”</u>		
% - 2 nd or more Incarceration at CCDOC	70%	71%
% First Incarceration at CCDOC:	30%	29%
<u>Recidivism: (Past 3 Years)</u>		
% - 2 or more incarcerations-past 3 years:	**	39%
% - 0 incarcerations-past 3 years::		61%
<u>Recidivism: (All Offenders/Past 1 Year)</u>	**	
% - 2 or more incarcerations-past one year:		31%
% - 0 incarcerations-past one year:		69%
<u>Recidivism: (within Case Management Services)</u>		
% -2 nd or more Involvement with CM	35%	27%
% -First Involvement with CM	65%	73%

**Most recent year data on ‘1 year’ and ‘3 year recidivism’ rates not available at this time due to Spillman>Xjail conversion – a new inmate management software. An ongoing conversion process should allow a report to be completed sometime in February 2014.

Inmate Programs

The following information is a compiled list of different statistics and programs that the Inmate Programs Department is responsible for. During the 2013 calendar year, facility tours were conducted for 324 individuals. The following agencies and organizations toured as individuals or as groups:

Keene State College	Keene Unitarian Universalist Church
1 st Baptist Church of Brattleboro	Aids Services
Monadnock Covenant Church	River Valley College
Leadership Monadnock	BI Inc.
Belknap County	Peterborough Recreation Dept.
Christian Life Fellowship Church	Dublin School
Monadnock Humane Society	Federated Church of Marlborough

White River Junction Veteran Affairs
 Conant High School
 Monadnock Full Gospel Church
 Camp Quest
 RiverMead
 Mary's Place
 Maplewood Nursing Home

Swanson Services Corporation
 St. Bernard's Church
 Rasmussen College
 Keene Community Education
 Monadnock Center for Violence
 Prevention
 United Church of Christ
 Keene PD

The department supervised 16 sentenced inmates during 2013, for court ordered **work release** under the terms and conditions of the Work Release correctional program.

The **Electronic Monitoring** program in 2013 monitored **35 pretrial release inmates and 37 sentenced inmates**.

There are currently **211 approved volunteers** that share their talents and skills through 18 inmate programs that are scheduled at different times during the year.

In 2013 there were 11 inmates who passed the **GED examination** that was given at the jail facility.

In August of 2013, the annual Volunteer Appreciation Day Cookout was a great success. It was held adjacent to the jail facility and attended by volunteers and their families.

During the past year, 956 sentenced male inmates supplied labor to the Cheshire County Fair Association, Cheshire YMCA-Camp Takodah, Keene Transfer Station, Town of Troy, Town of Nelson and the Maplewood Nursing Home.

Special presentations that were offered to inmates during 2013 included a performance by Richard Hartshorne of Bach with Verse and a speaking engagement by Yogi Lama Gursam.

Safety and Security

Total Assaults by inmate on officer	1
Total Assault/Fight inmate on inmate	19
Total Suicide Attempts –	12
Suicide (Out of Facility EM)	2
Open Sheriff's / SP Investigations	01

Total Investigations for year 17

- 4 Escape
- 6 Delivery of articles prohibited
- 2 Assault by Prisoner
- 2 Criminal Mischief
- 1 Fugitive of Justice
- 1 Police Info
- 1 Suicide Attempt

Use of OC Pepper Spray	9
Display of OC	24
Use of Taser	3
Display of Taser	12
Fire Department Response	0
Major Disciplinary	257
Guilty	235
Not Guilty	11
Dismissed	11
Minor Disciplinary	488

We wish to thank Officers Foskett, Eldridge and Griffin who were mobilized to Afghanistan for the entire year of 2013. We are delighted to report that they are back in the United States safely and we anticipate their return to our Department by the end of the first quarter of 2014.

Respectfully submitted by the Cheshire County Department of Corrections Staff.

R.N. Van Wickler
Superintendent

Cheshire County Information Technology 2013 Annual Report

The Cheshire County Department of Information Technology (IT) plans, implements, and supports the computer hardware, software, networking, and telephone systems that enable the business of all County departments. The accelerating integration of computer-based technology into every aspect of business operations and the growing dependence of the County on that technology has increased the demand on the IT Department to provide more support for a broader range of systems than ever before.

In 2013, the Cheshire County network grew to comprise over 180 workstations, 18 application and data servers, two video conferencing servers, three telephone PBX systems, and more than 200 individual telephones distributed over four primary campuses and two satellite sites. In addition to daily support, the department delivers 24/7/365 on-call support for critical County systems such as the nursing home, jail, and dispatch center.

What was, a few years ago, a simple network for file sharing has quickly evolved to become a network of “everything.” In our buildings, the network enables the operation of security systems, camera monitoring systems, time clocks, telephones, and environmental control systems. At the HOC, our network carries the traffic for the inmate telephone, canteen, and video arraignment systems. In the Sheriff Department, dispatch depends on connections to the network from town police departments using cell modems to other agencies on dedicated and virtual networks state-wide. The Finance Department uses the network for online banking, payroll, and processing reimbursements through state and federal agencies. And, the County Attorney is the first of our departments to move to a completely offsite-hosted (cloud-based) database system.

In the same way that the scope of IT operations has been expanding significantly, so has the need for routine support of users of County computers and telephone systems. Daily tasks include creating and maintaining network and email accounts, installing and configuring desktop and server software, unjamming printers, and helping users with basic computer tasks. The IT staff troubleshoots, maintains, and repairs all hardware and software systems in our network including workstations, servers, printers, scanners, desktop anti-virus, networking, and backup and recovery.

The IT department ensures continuity of business for Cheshire County by planning for cyber security, disaster recovery, and resiliency. Security includes not only desktop protection, but programming and managing the County firewalls, web filters, and email systems. IT conducted a rigorous review of our security procedures in 2013 and implemented changes that reduced the number of “attacks” on our network from an average of 50 per day to less than one per month. Increased monitoring of our public interface and further enhancements to our security procedures are planned as part of our ongoing effort to improve our level of security and “harden” our systems.

This department continues to support the Greater Monadnock Public Health Network through the County website, configuration of computer hardware and software, and participation in MACE drills. IT must monitor County-wide compliance with external regulatory standards such as the Health Insurance Portability and Accountability Act (HIPAA) and the Criminal Justice

Information Services (CJIS) Security Policy. Additionally, outside vendors that are installing or servicing their systems rely on IT as the primary point of contact and often require us to provide debugging and troubleshooting support.

Major IT projects completed in 2013 include the upgrade of the network backbone and installation of hardware to support online medication distribution at Maplewood and upgraded server deployments at the HOC, Sheriff, and Finance locations. We also took the first concrete steps in a project to provide robust inter-campus communication and Internet access. Major components that were put in place included new, reliable Internet service to all locations, new firewall and security components, and increased security by design.

My sincere thanks go to the County Delegation members, County Commissioners, Elected Officials, County Administrator, and Department Heads for their continued support of the Information Technology department.

Respectfully Submitted,

Robert L. Hummel
Director of Information Technology
Cheshire County

**Cheshire County
Human Resources Department
Annual Report
2013**

The Human Resources department is responsible for providing Comprehensive Human Resources leadership for the County and staff personnel. The Human Resources department consists of a Human Resources Manager and a Human Resources Assistant. HR continues to implement and administer the County's personnel program in accordance with the provisions of applicable laws, rules, regulations, policies and procedures. We work continuously to serve the 400+ employees of Cheshire County.

New Hires and Terminations of 2013

Human Resources is actively involved in overseeing the County's hiring and termination process. In 2013, the Human Resources department advertised, prepared job postings, screened applicants for vacancies and coordinated the selection of the positions.

Total number of applicants hired for Cheshire County in 2013	=	119
Total number of employees terminated from Cheshire County in 2013	=	110

Employment Applications Received at Maplewood Nursing Home	=	258
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During 2013 Human Resources received 258 applications for employment at the Nursing Home. These applications were reviewed by HR, and sent to their respective Department Managers for further review.

EAP – Employee Assistance Program

Human Resources in conjunction with Cheshire County Management promotes an Employee Assistance Program to its employees and eligible members of their immediate household. Contractor, Anthem Blue Cross/Blue Shield, is in the business of administering Behavioral Health Risk Management Services, including Employee Assistance Programs, Work/Life Management Programs, Behavioral Health Disability Management Programs and Managed Behavioral Health Care programs on behalf of employers.

The contact utilization rate for this year was 16.0%.

There were 20 new requests for service through the EAP call center (14 employees/0 household member/

4 managers/2 case management).

All cases were assessed by intake staff to be routine in nature.

Callers sought assistance for the following primary presenting issues:

Emotional/Psych	25.00%
Work Related	8.33%
Alcohol/Drug	0.00%

Marital/Couple	16.67%
Family Problem/Child	8.33%
Medical	0.00%
Legal	33.33%
Financial	0.00%
Dependent Care	0.00%
Other Issues	8.33%

Recruiting & Networking

Recruiting efforts for 2013 included attending job fairs in the Cheshire County area. Human Resources continues to promote Cheshire County Government as a premier employer in the area. In addition to the Cheshire County website, County posting sites, and other NH job sites, we continue to network with local area businesses and have been successful in posting employment opportunities at various localities.

I am a member of the Society for Human Resource Management (SHRM) and the Greater Monadnock Society for Human Resources Management Association (GMSHR). The GMSHR is a non-profit organization dedicated to providing professional development opportunities and networking to local HR professionals. Monthly chapter meeting topics vary from nuts-and-bolts program design seminars to more advanced HR strategy discussions.

Association of Counties – Human Resources Affiliate

I have been attending the HR Affiliate meetings for the past 11 years in Concord, NH. Human Resource Managers and Directors from other Counties and are in attendance at these meetings. General topics of discussion:

- NH Retirement System
- Labor Law Updates
- County policies and procedures

Monadnock United Way – Fund Raiser

In 2013 the Human Resources Department worked throughout the County to raise funds for the Monadnock United Way.

The HR department re-created the “Wheel of Fortune” game for County employees. We promoted the United Way through emails, posters and County Newsletter. The “Wheel” was brought to all County areas including MNH, DOC and Keene facility. All staff who made a donation to the United Way were offered to “spin the wheel” for a prize. The “Wheel of Fortune” game was very well received by staff.

Employee Newsletter

The monthly Employee Newsletter continues to be a benefit to all staff. It provides recognition to our Employee of the Month at Maplewood Nursing Home, boosts morale, improves employee relations and educates employees on upcoming events within the County.

Various County departments provide information for the newsletter and we look forward to their continued support in providing the Human Resources department with information for the Newsletter.

I would like to thank and recognize Stephanie Jardine, Human Resources Assistant for her efforts throughout the year as my Assistant. I would also like to thank the County Commissioners, Elected Officials, County Administrator, Department Managers and co-workers for their support of the Human Resources Department. I look forward to working and serving all departments in 2014.

Respectfully Submitted,

Wendy Hurley
Human Resources Manager

Annual Report for 2013 Maplewood of Cheshire County

How did the government-owned Cheshire County Home come to be, and what is the future of Maplewood? 2013 marks the initiation of a study committee, assembled in August, to consider the future of Maplewood. The focus has been on our more recent past while contemplating our future. Probably most Cheshire County residents rarely think about the home, but it bears a long and colorful history, and continues to serve as a valuable resource to this corner of the Granite State. Here is a perspective on Maplewood, how it got here, what it contributes to the County, and its possible future options.

The Distant Past...

County Homes can be traced back to 1608, when the English Parliament passed the Poor Law, acknowledging for the first time in history that government has a responsibility to assist its more vulnerable citizens.

Early colonists to this area, mostly English, carried that same sense of responsibility, and nowhere was that more evident than in New Hampshire. The first settlers who trickled into what became Cheshire County after 1733, were mostly farmers and small tradesmen. "Ownership" of the area went back and forth between Massachusetts and New Hampshire (and occasionally Vermont), providing little support for these rugged, independent individuals and their families.

At first, with only scattered settlements, the elderly and infirm remained within the family units, but by the eighteenth century, various towns would pay an individual or family to take these "paupers" into their own homes, at least those that the towns were unable to drive away. On an annual basis, elected officials oversaw that "paupers" were auctioned off to hosts, which invariably opted for the low bidder. (Early 1800's records indicate that towns paid between \$11-16 per individual per year.) "Reformers" in the early 1800's advocated that it was more humane (and cheaper) to house the elderly, invalids and ne'er-do-wells in "asylums" rather than in individual homes.

The first such institution in this area was in Westmoreland in 1832. The former Daggett Farm served as town farm and asylum. Since petty criminals and drunks were a part of the population, farm work was a requirement, and supposedly helped to reform these reprobates. Until mid-century, each town had a version of this model, though eventually criminals were housed separately. By 1866, Cheshire County agreed to take over control of its poor farms, constructing a facility near the present site of Maplewood Nursing Home. The site was purchased for \$13,000, and a new almshouse was constructed for an additional \$2700.

Eight years later, an additional \$200 was allotted to add a house of correction. This proved to be a poor decision, as criminals did not mix well with the mostly elderly population, and housing was sub-par. In 1885, the House of Correction was moved to Keene. In 1896, the County constructed a separate building for the insane, inasmuch as "incurable insane and imbeciles were annoying and difficult to manage." The building proved inadequate, and early in the 20th century, these individuals were moved to the New Hampshire State Hospital.

Through the early 20th Century, operations continued with moderate building improvements, with little change in care or approaches. Care was under the direction of a matron who was more a political appointee than an experienced caregiver. Throughout this period, the farm was an essential part of the operation, providing food, and sometimes income for the operation.

In 1899, Dr. Craig was the Medical Director, and to quote a passage from his annual report: “No restraint is used unless it is for the benefit of the patient, and very few drugs for purely hypnotic purposes, unless occasionally where the mental distress is very acute and intense...” It is significant to note this philosophy in care is still intact at Maplewood.

In 1916, additional land was purchased and Maplewood (so-named in 1907) became a licensed hospital, catering to chronic care, while continuing to care for infirm elders. The location on the banks of the Connecticut was scenic, but presented hazards as well. In 1927, a major flood destroyed much of the property, followed by a destructive fire in 1933.

In 1946, the Home began providing shelter for orphaned children, as well, and the prison was authorized to accept federal as well as state and local prisoners.

In 1959, Maplewood was first granted a license as a nursing home, with an initial complement of 29 residents. The passage of the Medicare/Medicaid law in 1965 greatly increased the demand for nursing home services, and increasingly the population became more focused upon aging county residents.

In 1972, a new jail was constructed out in Westmoreland. Two years later, plans for a new nursing home were approved, and the present 150-bed facility opened in 1977.

Maplewood in the News:

The **Keene Sentinel** has run some articles about the task force studying the future of Maplewood. In addition to touring and examining Maplewood, the task force has focused on the design and operations of other nursing care facilities. Some members have family living at Maplewood and have advocated consideration of input from residents and staff. The two main areas of focus include mission and whom we serve, and the facility itself. The building has seen little change in its nearly 40 years. Upgrades or a minor addition would be costly, while costs for a completely new building would be far greater. The task force studied all aspects through 2013, and expects to deliver its recommendation to the full body of the delegation in 2014.

One news article outlined the issues of our growing budget deficit due mostly to the decrease in Medicaid funding. At any given time, 80-90% of the residents we serve are funded through Medicaid. With our ongoing focus to remain mission driven and to care for those who may not be able to pay or be cared for due to challenging circumstances in other homes, we will continue to see the majority of our residents requiring Medicaid to fund their stay.

It bears mention that in January of 2013, the annual Eljay LLC study titled “A Report on Shortfalls in Medicaid Funding for Nursing Center Care” published its findings that New Hampshire leads the nation in Medicaid underpayment to nursing home providers. On average, it

found that in the Granite State, nursing homes were paid \$57.38 per day *less* than it costs to care for a resident enrolled in Medicaid. Of course homes with higher acuity have higher daily costs and higher losses (\$85 per day as reported by Webster at Rye).

A **New Hampshire Public Radio** story featured Maplewood Nursing Home's positive work in its appropriate use of "antipsychotic" prescription drugs for residents who benefit from these. To hear the story by Todd Bookman go to: <http://www.nhpr.org/post/battle-against-chemical-restraints-inside-nursing-homes>

Maplewood receives many requests to admit residents with challenging behaviors stemming from a variety of different disease processes. We are one of 3 nursing homes in the state with a special "atypical" unit designed to meet the needs of residents of long term care who have specifically challenging behaviors.

Antipsychotic medications are a powerful class of prescription drugs used to treat mental illnesses such as Schizophrenia. However, there are times when doctors also prescribe these for people suffering from other diseases such as Alzheimer's Disease, who exhibit similar challenging, and at times aggressive behaviors. In recent years, the Federal Government has been focusing on the use of these medications in nursing homes. The concern has been that they have been commonly used to "chemically restrain" residents to prevent negative behaviors.

Maplewood offers alternative approaches for working with challenging behaviors including aromatherapy, therapeutic activities, staff training, and higher staff to resident ratios. We are successful in keeping the use of antipsychotic medications lower than one might expect to see, considering our population and size. Although we have a large number of residents for whom antipsychotic medications are appropriately prescribed, that number is close to or even slightly below the average of other nursing homes in the state whose populations is lower in overall residents numbers with challenging behaviors. Maplewood is a proud partner in the health care system of our state, and it is a pleasure to appear in the news in such a positive light.

Some of the challenges faced in 2013:

In early July, flash floods throughout the town of Westmoreland took out many roads, restricting travel to and from the nursing home. By the end of the first day, most routes were re-opened. Several staff members lost their homes to the flooding, while others experienced damage. All but one scheduled staff member reported to work. One week after the storms, one major route in and out of Maplewood had not yet been re-opened.

Federal changes affecting nursing homes included:

- July 1, 2013, all therapy coding under Medicare part B rules required documentation to be in compliance with the new "G-codes".
- September 2013 the "HIPAA Mega Rule" required changes to our Business Associates Agreement with 50 subcontractors as well as to our Notice of Privacy Practices.

A huge change came in December of 2013 with phase 1 of Medicaid Managed care and the presence of 3 Medicaid Managed care companies in NH. Prior to this, Medicaid was a "fee for

service” model, with the state as a single billing agent for us. As of 12/1/13, new provider contracts led us to additionally bill 2 new agents for non-emergent medical transportation. By December 2014, we will have 3 more agents to bill, yielding 6 different contracted billing requirements/systems and stipulations. Phase 1 has taxed our Social Service department and resident transportation aide in working with residents to choose managed care plans and in learning their billing criteria.

Visitors have been requesting beverage service beyond usual hours of food operations. We initiated a trial with "Gourmet Giving", a robotic specialty coffee vending machine that we located in Reception. Due to insufficient sales, we resumed our Dietary complementary set-up alone, which is restocked during usual hours of food operations. Residents continue to have access to coffee at all times of day and night on each resident unit.

We continue to receive requests from residents and visitors for access to “wi-fi”, among other electronic-based requests that are a challenge to meet. As previously reported, many other nursing homes, including County Homes, have installed and provide free access to “wi-fi” in their nursing homes.

Social Services Department: Teresa Walsh, Director.

On December 1, 2013, Medicaid Managed Care was rolled out to Medicaid recipients. The department of Health and Human Services contracted with the following 3 health plans: New Hampshire Healthy Families, Meridian Health Plan, and Well Sense Health Plan.

There have been obstacles and/or barriers to implementing the new system since the initial letters came out from the state to the residents. The Social Services Department attended the one and only workshop that was provided by the state and left with many unanswered questions about implementing this new system in a nursing home setting. It was a challenge to get adequate and timely information to families/legal representatives, most whom had not heard about the changes, to assist in educating them on the new transition to care management. The state also sent sign-up letters to the families/legal representatives so that many families made choices without sharing that information with staff at Maplewood. It remains a struggle to get the new Medicaid resident cards to Maplewood, and this is a problem whenever a resident goes out of the building for medical treatment, as this card is needed. The time requirements have been significant to the Social Services Department as well as to the Transportation Aide due to the new Medicaid Managed Care at the phase 1 roll-out. We anticipate this will be even more challenging when phase 2 begins.

Nursing home residents who were dually eligible for both Medicaid and Medicare were allowed to “opt out” during phase 1. It was our experience; however, that when the Social Worker helped our residents to “opt out”, many still ended up becoming automatically enrolled in a plan. This continues to be sorted out as we begin 2014.

Maplewood staff also has found it difficult to talk with the 3 new health care plans unless we are the resident’s “rep-payee”. Families who attempted to choose a plan without our assistance did not find the important information that was necessary to make an informed choice through the

available on-line company plans. The department will continue to work with families/legal representatives for the majority of the residents who must chose a plan by December 2014.

In 2012, the State of New Hampshire adopted He-M 1302, which is the screening process and criteria for determining the appropriateness of admitting and continuing placement of potential residents with mental illness or developmental disability to Medicaid-certified nursing facilities. This process is termed "PASRR" and the procedural changes affected all new admissions, as well as all residents currently living at Maplewood. Whereas the previous PASRR form was 2 pages, the new one is 5 pages. Referring agencies are having a difficult time completing the new forms that are much more complex. Additionally, any current Maplewood resident who initially was admitted under the old process, now must have the new 5 page form completed before they can return to Maplewood from an acute hospitalization. The amount of non-medical paperwork that is required by the State to send someone to and then return from a hospital stay has grown to rather alarming levels over recent years.

During 2013, Maplewood received 385 referrals from home, hospitals or community agencies, and admitted 101 residents, making our admission rate 26% of referrals. Previous annual reports have noted that hospitals are putting notices up for "potential discharge to nursing homes" on almost all of their patients, which elevates the referral number and work that we do to review these possible admissions. Many hospital referrals end up going directly home. Out of the 101 admissions, 44 were transferred from Cheshire Medical Center, 12 lower than the previous year. Maplewood admitted 21 residents from home this past year. 41 residents passed away in 2013. The facility successfully discharged 54 residents to their homes or other facilities, 37 of whom were able to return to their own homes.

Dietary Department: Bethany Lawson Food Service Director; Heidi Paranto, Dietitian

Bethany Lawson is a contracted Fitz-Vogt employee. She meets daily M-F with both shifts to review and prepare staff for upcoming meals and tasks. The kitchen produces all 3 resident meals, Assisted Living meals, and staff meals. The kitchen also provides services for functions such as the annual volunteer recognition meal, the Commissioners Longevity Awards day as well as a special Staff Appreciation meal to all 3 shifts during National Nursing Home Week.

Dietary's highest cost remains the special supplements and thickened beverages required for residents having safe swallowing issues. These specialized products reduce resident risk for choking and aspiration pneumonia. In 2013, we introduced a lower cost product for Thickened Drinks & Supplements at a total cost of \$14,770. This was a savings of \$3,555 over 2012.

2013 Educational focuses for all dietary staff included the following:

- Workplace Safety & Accident Prevention
- Sexual Harassment & Creating a Respectful Workplace
- Dementia Training
- Food Service Jeopardy
- Hand Washing & Proper Glove use
- Hazard Communication training

Environmental Services Department: Robin Rahe, Manager, Regina Holt, Laundry Supervisor

The department is comprised of both Laundry and Housekeeping. Maplewood takes pride in its reputation as a clean facility without the presence of odors associated with nursing facilities. We strive to achieve an optimal balance between costs for labor and materials and what is essential for maintaining cleanliness and infection control within our facility. Housekeeping operates 7 days a week, including daily cleaning of 96 toilets and sinks. Daily dry mopping followed by wet mopping routines scheduled throughout the facility keep our floors clean and bright. Resident rooms are cleaned daily with scheduled routines for detailed weekly cleanings. In late 2013, worn and torn linens were replaced, and new draperies for the 2nd and 4th floor dining rooms were ordered to match the new chairs.

The laundry staff processed a gross total weight of 522,632 pounds of laundry, which exceeded total gross weight in 2012 by 14,710 pounds. Not surprisingly, this amount of clothing and linen leads to missing clothing articles as the second highest complaint (following food) that nursing homes face. At year end, we box up clothing that is not marked or identified through our usual efforts. Many families donate their loved ones' clothing after they have passed. Clothing then returns to our donation closet to help other residents in need.

The laundry team is strong and has been flexible and willing to do whatever it takes to accommodate resident needs. The laundry staff deliver personal clothing to the floors Monday through Friday, and deliver linen to each floor daily. We routinely experience equipment malfunctions, especially with our dryers. We continue to use Ozone in our laundry application, both for its reduction in hot water needs and for its care of our linens which have lasted longer than with the prior method.

There were a number of staffing issues during this calendar year, including higher turnover and several staff on concurrent family medical leaves. As a result, we were unable to complete the full annual roster of extra duties, such as window and light fixture cleaning projects.

Nursing Department: Doreen Sheltra, DON, retired 11/01/13; Theresa Woolbert, DON 12/18/13

In October 2013, our Nursing Director, Doreen (Dodi) Sheltra, RN, retired to a warmer climate. Our Assistant Director of Nursing, Theresa Woolbert, RN, BSN, assumed the role of Interim DNS, and accepted the DON position on 12/18 (Commissioners ratified this January 2014). Lisa Clouet, Stephanie Sullivan, and Leanne Finnell are our three RN nurse managers.

As of January 2013, Sabryna Hutchins, RN, was new to the Infection Control/Employee Health and CQI Nurse position. She has been a quick study in her new duties, and under her leadership has helped create a liaison with the Cheshire Medical Center Infection Control Nurse, as well as the local Public Health Nurse and local nursing home infection control nurses. Sabryna has improved the organization, reporting function, and overall process of our mandatory CQI meetings. She updated some infection control tracking procedures, and revamped our employee health to ensure this is running properly. She has assisted in staff education, including proper completion of required documentation, and state plan of correction education. She is a key nurse

during annual state survey, and must undergo a thorough interview process with surveyors regarding our infection rates and our CQI process.

To date for the 2013-14 flu season, Maplewood has had no confirmed cases of residents experiencing influenza. In 2010 and 2011 we also had no cases. The High-dose flu vaccine continues to be offered to residents and staff over the age of 65. Our infection control program appears to be working well, as evidenced in part by these good outcomes.

In January 2013, our new Staff Development nurse, Tanya Martin, LPN, filled this vacant position. Tanya has worked throughout the year to obtain the necessary certifications, including certified CPR instructor, certified Paid Feeding Instructor, and certified trainer for Dementia. In March 2013, Maplewood hosted nursing students for an 8 week training opportunity through the new Keene State College program. Staff Development implemented a new weekly meeting format for new nursing staff and their mentors to assist in reducing staff turnover for new hires.

Our DNS and Social Services Director continued to attend meetings at Cheshire Medical Center, to keep lines of communication open and to ensure good resident transfers are happening. We continue to receive positive feedback about Maplewood at these meetings, and often hear that our nurses have appropriate information ready and that social services consistently informs Cheshire Medical Center of resident discharges.

Maplewood has been using aromatherapy with residents for many years now. In conjunction with other medical interventions, we use different aromas to help manage or prevent behavior issues, infection control issues, as well as pain issues. In March 2013, Maplewood sent a representative to the Grafton County Nursing Home to introduce that home to alternative therapies, including aromatherapy.

In May 2013, we held our annual Employee Health Fair, a joint planning and execution effort between Human Resources, Nursing, and our Safety Officer. This all day event brings upwards of 30 exhibitors to Maplewood and we entertain upwards of 75 visitors during the fair. The focus is health education and disease prevention, and is also a marketing tool that brings the community into our facility. As we remain self-funded for our health insurance program, any support to our staff to help make the best health choices keeps our premiums as low as possible.

We continue to train our staff on the prevention of bed bugs, which have continued to make their presence known in other homes in our county. Maplewood has been proactive with policies and education, and we created our own heat treatment unit (adding heating elements to an old walk-in freezer) so as to treat any and all new and used furniture or equipment that arrives at Maplewood. All clothing is to go through our laundry when it first arrives, as this is also an effective method to prevent the introduction of bed bugs to our home.

In December 2013, we became the first home to have Virtual Dementia Tour trainers. We will be offering this new training program to our staff beginning in 2014.

The sheer number of new forms and requirements that nursing homes are increasingly expected to assimilate has required us to train nurses beyond our management team. Nurses have been

trained in some of the state required reporting, as well as many of the assessments that are required for us to either treat, keep, transfer, accept, discharge or otherwise manage our residents.

Also in December, State Survey arrived and we were found to be deficiency-free for the second year in a row for Life Safety. We received 3 minor tags relating to missing or late paperwork on the resident care aspect. It was an excellent survey.

Physical Therapy Department: Laurel Moody, Director.

2013 was busy with caseload and many regulatory changes. Our per diem PT, gave her notice and left in January. Our contracted PT joined the Maplewood physical therapy staff on a per diem basis to offer additional help on weekends.

One of our PT aides left near the end of the year, leading us to begin to develop and trial some changes in this position that will allow some revenue potential, while still remaining focused on keeping residents as highly functioning as possible in their mobility. The goal of altering this position would be to transition certain programs provided as “PT maintenance programs” to “restorative nursing programs” and to increase the provision of these programs to 6 days a week. This will allow inclusion of the services provided on the nursing MDS tool that is our billing tool for daily care. Capturing these services on the MDS provides a better reflection of the care level provided to our residents and will increase reimbursement.

We have continued to contract for a part time Physical Therapist due to a staff PT position that has been open for 9 years now. Supply and demand continues to be an issue, combined with our remote location. A PT contacted the facility in December. The hiring process has proceeded well and this PT is to begin as staff in February 2014.

PT documentation paperwork was fully revised based on the education and guidance provided by Harmony Healthcare International. The revised paperwork was implemented in April 2013, and has been well received by staff. Staff training was provided to ensure documentation completion requirements are met.

Three PT Medicare part B payment denials were received during the year. Each was for services provided over the annual combined cap of \$1900.00 for PT and SLP services, to 3 residents who each required both services. All 3 claims were sent to the second level of appeal. One case has received a favorable decision that the care provided was medically necessary and reasonable, and will be reimbursed; the other two cases are pending. It is important to note that such denials are a result of Medicare’s sweeping fraud prevention tactics that are affecting all Medicare providers, and are not a reflection of any wrongdoing by Maplewood or staff. Claims denial management is a time-intensive process that requires specialized paperwork compilation and narratives. Auditors spend on average only 8-10 minutes reviewing our appeal, so it is essential that significant time and effort is put into preparing these appeals. Professional sources are reporting the majority of denied claims are being denied at the first and second levels of appeal, but 75% of the appeals are found for the provider at the third and final level of appeal, the adjutant law

judge. We need to be prepared to fight all denials to the third level of appeal and we can expect routine denials.

To decrease the likelihood of denial and to streamline the necessary appeals process, we revised some of our systems in 2013. Paperwork revisions to focus on medical necessity were already underway, and we altered our electronic health records program to give a running total of Medicare part B charges to date. Therapists are now able to add specific documentation regarding medical necessity and the need for continued services above the annual cap, on the exact day the cap is exceeded. This ability helps us prepare for the denial by having accurate and timely documentation.

Increases in regulation, combined with increases in denials for payment of therapy costs, created the need for some internal system changes. The therapy directors collaborated with the MDS nurses (Minimum Data Set) to create a new triple check system, to eliminate errors in reporting that could potentially result in loss/decrease of payment or be considered fraudulent. The triple check is completed prior to transmission of the MDS to eliminate revisions that could result in default payment. This also allows us to match the projected RUG scores with actual RUG scores submitted to Medicare. This system has been running well, and audits indicate we are at 100% accuracy with MDS completion and matching RUG levels.

Medicare added a new documentation requirement for all Medicare B customers effective 7/1/13, affecting OT, PT and SLP. The new "G-codes" must be added to documentation at the eval, each 10th visit, and discharge, and must be included in the clinical documentation and submitted with the bill. The therapy directors worked with the county finance office to develop a system for this new requirement. The PT director attended 2 in-services regarding G-code implementation and the required supporting documentation. Harmony Healthcare was helpful with implementing the G-code process and supplied a form to communicate G code information to the billing office. This system appears to be working well, with no reported issues to date.

The 2013 Medicare A census was busy, with a higher number of uncomplicated rehab patients. This resulted in a high level of specialized modality use and attainment of higher RUG levels, including several people at the ultrahigh RUG level. We saw a slump in specialized modality use in the middle of the year due to an unusually high number of implanted medical devices, preventing our use of the modalities on those residents. The Omnicycle was delivered on 5/7/13 and was immediately put into use. An introductory in-service was provided the day the Omnicycle was delivered, then a two hour in-service on its use on 5/22/13. The Omnicycle has allowed for increased billable minutes provided to patients to increase RUG levels, plus an added type of skilled intervention that can be offered to extend the length of time that skilled intervention can be provided (increased length of stay). The Omnicycle is being used daily, and has increased gross billing by more than \$13,000 from 11/1/13 through 12/31/13. The Omnicycle also provides irrefutable evidence of progress with its printout of each session and facilitates amazing clinical results.

PT screens/assesses all new residents, and assesses again quarterly to ensure residents are maintaining their highest practicable level of mobility as is required by regulation. Any potential improvements are identified and appropriate interventions offered.

Occupational Therapy Department: Gina Cutler, Director

The Occupational Therapy department is comprised of the director, one staff occupational therapist, and one maintenance OT aide/LNA. Occupational therapy focuses on enabling individuals to participate in productive, meaningful and necessary activities of daily living (ADL's). An example would be all the tasks necessary to be independent with toileting, from getting to the toilet, on/off the toilet, and being able to self-cleanse. We are able to achieve these outcomes by identifying a resident's unique set of strengths and barriers to occupational performance through a comprehensive evaluation. Treatment then focuses on recovery from lost physical skills, such as strength, flexibility or ROM, or teaching compensatory or new techniques to achieve their goals. Direct interventions are provided on an individual basis, and may include exercise, aquatic therapy, safety education, adaptive equipment education, fabrication of splints or positioning devices, functional mobility training, ADL and IADL retraining. We are committed to assisting residents in achieving and/or maintaining their highest level of function.

During 2013, approximately 90 residents were treated by OT on an active skilled caseload. An additional 30 residents were evaluated by OT to establish care plans for the nursing staff, in order to maintain their highest ADL function. 33 residents were served by OT on maintenance programs up to 5x/week to prevent joint contractures, maintain strength and range, and promote productive ADL routines. Many more residents are served by OT through the exercise classes that are open to all Maplewood and Assisted Living residents 2x/week.

Occupational Therapy provides valuable consultation to the nursing, activity and social service staff in multiple situations for problem-solving and recommendations. We are committed to our residents' overall health and well being, and willingly participate in the interdisciplinary team that makes the Maplewood family so special.

The practice of Occupational Therapy in a skilled nursing facility is regulated by the National Board of Certification for Occupational Therapy, the Federal Center for Medicare and Medicaid Services and the NH State Board of Allied Health. Multiple changes in Medicare regulations have occurred during 2013, such as the Medicare part B G-code requirements, with objective standardized testing done at evaluation, every 10th treatment day, and at discharge. Medicare revised the improvement standard, determining Medicare coverage for maintenance therapy claims pursuant to the Jimmo vs. Sebelius settlement. OT has included these new standards into our treatment practice. The OT department continues to revise its required documentation based on evolving Medicare standards.

The Occupational Therapy department is not only committed to the Maplewood facility and its residents; we are committed to the advancement and standards of the profession. We act as mentors and educators to students entering the profession through fieldwork training, and have a collaborative relationship with River Valley Community College. We participate in continuing education to advance our professional skills, and maintain a specialty certification in aquatics therapy. In December 2013, our SwimEx pool was converted from Chlorine to salt water, and we look forward to the anticipated benefits of the salt water system in 2014.

Speech Language Pathology Department: Caroline Renauld, Director

The department consists of a full time SLP as the director, and one per diem SLP, to ensure that residents receive the recommended frequency of therapy as well as maintaining appropriate RUG levels, which are the drivers for our Medicare part A reimbursement.

In 2013, Caroline Renauld attended many educational opportunities, including Medicare part B denials, QAPI, updates from CMS, implementation of G-codes, and “Challenges that Can Affect Your Survey”. In-house educational opportunities attended included Managing Aggressive Behaviors, Kind Dining, and the CPR Certification Course. Continuing education courses required to maintain both state and national licensure, were also attended, including Cognitive Rehabilitation, Brain Injury Association of NH annual TBI conference, Building Med. B Caseload, Harmony Healthcare International Symposium, and Certified Harmony Healthcare Rehab Professional training. All of these educational opportunities allow the Speech Therapy department to implement Medicare practice, documentation, and billing requirements accurately. The specialized skills gained from continuing education for SLP licensure help to ensure that the most up-to-date and effective therapy is being provided to our residents.

Our Speech Language Pathologist provided LNA and nurse training in the areas of oral care for prevention of aspiration, and on how to correctly thicken liquids as ordered by the physician. Our SLP also joined the Activity program carnival committee to assist in creating the menu for the snacks being served, and to provide recommendations about ways to alter food textures or alternatives food options available. This allowed residents on altered diet textures and liquid consistencies to fully participate in the carnival and have safe food options.

Medicare added the requirement of G-code reporting in documentation and billing for part B Medicare services. Documentation paperwork in the ST department was altered to better meet Medicare skilled documentation requirements and to incorporate G-codes.

The educational opportunities attended, and the efforts put forth to improve skilled documentation for both part A and B, were in attempt to reduce the number of Medicare denials. This past year an increase in Medicare denials was seen, especially for Med. B patients over their therapy expense cap. This expense cap is a shared allotment between PT and ST, making it easy to exceed for residents who have both ST and PT needs. The efforts to improve skilled documentation and to understand the appeals process have resulted in two successful appeals out of 3 denials. The 3rd is still being reviewed.

100 adaptive lidded cups were ordered and distributed to dietary, and no additional requests have been made for additional lidded cups. An iPad with Otter Box protective case was purchased for the ST department and is used as a way to trial different applications with residents for communication purposes.

Activities Department: Steven Wilson, Director

2013 was a busy and productive year for the Activity Department. The Activity director and team continue to balance growing demands related to long term care standards along with

meeting individual needs of residents, while remaining in compliance with regulations and expectations for Activity Services and Resident Centered Care. Staff remained committed to providing a consistent and diverse schedule of Activity opportunities 7 days a week, including evenings, to meet the various interests and needs of the Residents.

Music is an activity that most residents enjoy, and are able to participate in at their individual level, and remains one of the favorite programs at Maplewood. We held 150 music programs during the year: 58 provided by volunteers, 69 paid for through Activity fundraisers and donations, and 23 funded by the Activity budget. Examples of music offerings include Town Band Concerts, a Steel Drum Band, Accordion music, Barbershop Singers, a Jazz Ensemble, a Brass Bell Choir, an Elvis Impersonator, Country Music, Blue Grass, Rock and Roll, as well as Folk and Classical music programs. Most residents love it all, and many of our 50+ entertainers tell us that Maplewood is their favorite place to play.

Food-related programs are a very popular activity. We work with the Dietary Department to plan special “Fine Dining” programs, as well as patio barbecues throughout the summer. We schedule community trips to restaurants, such as Stuart and John’s Pancake house, and other favorite restaurants in the Keene area. Staff plan for takeout meals monthly, which helps engage residents who may be unable to tolerate a bus trip into the community. Favorites meals include Chinese food, Kentucky Fried Chicken, pizzas, and burgers & fries. Residents also enjoy weekly coffee socials, and at times help to bake and cook special meals in the Activity kitchen.

Most residents come from our local community, and we want to continue their community connections and involvement whenever possible. We do this in two primary ways: through our many trips into the community, and by bringing the community here through our volunteer program. Residents participated in fundraising causes, such as baking and making crafts to support the Cancer Society. Special programs included “Relay for Life”, for which residents designed bags in memory of loved ones, and participated in a ceremony to honor those affected by cancer and to support the Cancer Society.

With help and suggestions from residents, Activity Staff planned many community trips, including the Keene Swamp Bats baseball game, Sunday evening concerts on the Walpole Green, Stuart and John’s classic car night, apple picking at Alyson’s orchard, the Senior Olympics, ice cream trips, scenic tours, Yankee Candle, Magic Wings Butterfly museum, and many shopping trips. We delivered carved pumpkins for the Keene Pumpkin Festival, which helped Keene reclaim the title for the most pumpkins. A photo of two of our Activity Staff delivering the Maplewood pumpkins was featured on the front page of the Keene Sentinel.

Special programs in 2013 included; “planting day” for the Maplewood Gardens with the Old Homestead Garden Club. Our beautiful gardens were enjoyed all season by all those who live, work, and visit at Maplewood. Residents also enjoyed fresh vegetables from the Maplewood Victory Garden. A popular new weekly program introduced fresh flower arranging, for which an area florist donates flowers each week. After residents arrange them in a multitude of vases in our bright Solarium, bouquets are delivered to rooms and common areas throughout the building.

We held many special music programs on the patio during the summer season, as well as weekly patio socials. These included a baton twirling troupe, barbecues, and daily visits to our lovely outdoor area for residents to enjoy the sun, fresh air, birds and flowers. Residents enjoyed our annual production of the Maplewood Christmas Pageant. Residents received hugs and visits from Mr. and Mrs. Santa with gift bags and stockings for every resident. We thank the extensive support of the generous staff, family members, volunteers, area churches, organizations, clubs and individuals in the community who made contributions to the residents at Maplewood. Many residents were overwhelmed with the festivities. We saw smiles, laughter and tears of joy during the holiday season. We held a special Veteran's Recognition Ceremony on Veteran's Day to honor our 27 Veteran's who served their country. During National Nursing Home Week, the Activity Department hosted a week full of special programs including: farm animal day, a scavenger hunt, the annual variety show, a concert by the Westmoreland Town Band, and Dog Days, when we were visited by over 15 dogs of all different shapes, sizes, and breeds.

Residents enjoyed the very popular indoor Annual Craft Fair. Many area crafters set up at our fair, which is well attended by staff, families, and community members. The fair allows residents to enjoy shopping from the comfort of their home. Many volunteers come in to assist residents in shopping and enjoying the fair. We held our annual "Walk and Roll-a-Thon", a fundraiser to support the Maplewood Auxiliary Association projects. This year's goal was to raise funds towards the purchase of flat screen TVs for resident areas. The Auxiliary has donated flat screen TV's for all of the day rooms and many resident bedrooms, and plans to continue raising funds for this and other special projects to benefit the residents.

Summer 2013 saw a return of the festive Maplewood Summer Carnival. It had been several years since the last one, due to the extensive work required to plan and implement. This year, many departments and staff participated to plan and execute the event from beginning to end. We had a full day of festivities including games, prizes, face painting, magic show, fortune telling, carnival food, and a petting zoo. Over 16 volunteers were on hand to assure the success of this event.

Maplewood Volunteers contribute 124 hours per month, on average. In 2013, we had 30 regular volunteers plus 30 occasional volunteers. Additionally, we have numerous volunteer groups and entertainers, including the Nelson and Westmoreland Town Bands, The Monadnock Maverick line dancers, the Ringers on the Square, The Cheshiremen, the Knights of Columbus, and school group visits. Our regular volunteers often assist the Activity staff with large group programs, special events, community trips, offering individual visits and activities, as well as assisting with clothes mending and the monthly resident clothing center. We could not offer the extent of our scheduled programs without the help of our volunteers. We honored 50 of our volunteers at our 2013 Annual Volunteer Recognition Dinner.

To further assist in meeting the needs of our residents, the Activity Staff are now more involved with initial resident assessments and interviews to determine resident preferences. This information is gathered and documented on resident care plans, so that our team may work holistically with each of our residents. Activity staff participate in resident care plan conferences to represent this aspect of the resident's life at Maplewood.

Other activity services include: pet care, newsletter mailings, decorating, garden assistance, monthly calendars, sorting donations, organizing supplies, documentation, planning and implementation of programs, special events, and community trips, visiting residents on an individual basis, and assisting with the dining program. In order for our department to provide programs 7 days per week, along with our evening programs, our staff works on a rotating basis.

Facilities Department: Bruce Harrison, Facilities Manager

When the Facility Director for the County retired in April of 2013, a structural change in staffing was made. Bruce Harrison was hired as the Facilities Manager and is responsible for Maplewood and surrounding grounds. This position now reports to the Nursing Home Administrator. Please refer to his full report.

Our facility continues to age and is fast approaching 40 years of continuous 24/7 occupation. Water and wastewater pipes continue to deteriorate while the maintenance department works to replace as much length as possible with each repair. Each new resident wants more electrical outlets than we have available. We struggle with insufficient power sources to meet current day usage and resident lifestyles. Residents increasingly request internet access through “Wi-Fi”. Window air conditioners still trip our circuit breakers at peak use times. Residents have requested that the Administrator put in a budget request for facility-wide air conditioning. We are not an air-conditioned facility, and the summer of 2013 experienced a prolonged heat wave that significantly affected residents suffering from lung ailments.

Bruce Harrison, Facilities Manager

On April 22nd 2013 after many years in facilities management I began a new chapter here at Maplewood. My first weeks were spent getting to know the physical building layouts, systems and grounds as well as the crew and their individual strengths and weaknesses. It quickly became apparent that there were a number of challenges here that would require thoughtful planning and oversight.

Maplewood Nursing Home (MNH)

One much needed capital project that had already been budgeted and in the final planning stages when I arrived was a new roof on the nursing home. The work began in May and was completed in late June. To date there has only been one small problem, which the company came right out and resolved under the warranty. Other capital projects this past year included a new lift for the wheel chair van, a clogged kitchen floor drain was cut out and replaced, the IT and Alarm room split AC units were replaced and a new salt system was installed to replace the chlorine system for the therapy pool. Although it was not a capital project the front entrance sign was in serious need of repair which was completed this summer along with new signposts.

Summer also brought on the inspection of the underground storage tanks by New Hampshire Department of Environmental Services. (NHDES) This included the underground storage tanks (UST's) at both MNH and the old jail. A number of deficiencies were found at both locations in record keeping, alarm systems and some new

requirements that effected the #4 fuel tank. The issues with record keeping were resolved on the spot while it took a little longer to correct the alarm system. Drop tubes are now required on the tanks and they have been installed. With guidance from the DES, the old jail tank was pumped out, locked and put into temporary closure.

In August a day shift opening in the facilities department was filled with the positions hours being changed to the 2nd shift. This was done in an effort to save labor costs associated with the on call person coming in for overtime to take care of issues. It speeds up response time to problems. It cuts down on snow removal costs during those hours and improves parking lot and walkway safety. This position also eliminated the temporary / part time lawn care position during the summer months. Response from the staff to this change has been overwhelmingly positive.

A second dayshift opening was filled in December with those workdays moving from a traditional Monday – Friday week to a Wednesday through Sunday schedule. This is an effort to again lower our on call expenses while improving the department's ability to respond to the needs of the nursing home.

Normandeau Environmental Consultants contacted me on a long dormant project started in 2008 regarding the above ground storage tanks (AST) Due to the volume of material stored on site we are required to have a spill control and counter measures plan. Missing and updated information has been supplied to Normandeau and I expect the plan to be completed in early 2014 and submitted to the NHDES.

Another area needing improvement is the reliability of the dryers serving the nursing home. Over the last four years they have cost the county thousands of dollars to keep them operational. Upon further review the systems that support this equipment have either not been installed correctly or breached to the point that they are no longer effective. Going into fiscal year 2014 we have requested funding to revamp the dryers, ducting and associated building systems. The efforts will be aimed towards gaining control over the physical environment, improving equipment up time and reducing drying time which will cut costs for both Environmental Services and Facilities.

Domestic hot water (DHW) supplied to the floors has been an ongoing problem for some time. Efforts are underway to correct the issue starting with replacement of the DHW return pump, which had failed on several occasions. We have been collecting information on DHW temps on all floors including tub / shower rooms to help us isolate the problem areas. A second DHW return pump was found to have been installed backwards. This was corrected and the domestic hot water supply temps have stabilized. We are currently working to eliminate the few remaining cold spots, which we believe are mainly due to shower mixing valves that have not been serviced for some time.

Waste Water Treatment Plant (WWTP)

In 2013 the WWTP processed 7.3 million gallons of effluent discharge from the MNH, Assisted Living Facility (ALF), WTP, WWTP and the County Farm. The process requires daily testing and oversight.

The dam area surrounding the impound required some maintenance this past year. Gravel was brought in to fill in some low spots along the top and the brush was cut back off the fence along the top of the dam.

Water Treatment Plant (WTP)

In 2013 the WTP processed 8.6 million gallons of water which was fed to the 250k holding tank at the top of the hill in back of the nursing home. MNH, ALF, WTP, WWTP and the County Farm use this water. The process also requires daily testing and oversight. Of the 8.6 million gallons, 3.3 million came from the well and 5.3 million was surface water.

A capital project to add a emergency generator for the WTP was completed in 2013. The new Kohler generator installed by Everett E. Houghton Co. Inc. runs on propane and can operate the entire WTP for an extended power outage.

A new work order system was made available to us thanks to the IT department in early July. They had been using this system for some time, which they helped adapt to our needs. All shifts have access to the system which helps make us aware of problems that need to be resolved in a more timely fashion. We also have the ability to track areas to find better ways to eliminate some of the re-occurring issues. Some of the categories that have been established are A/C, County Vehicle, Electrical, Heating, Hot Water, Plumbing and Paint / Repair. By setting up these categories we can break down the total to take a harder look at these various groups. In Q4 of 2103 we had approximately 800 work orders in the new system which is still being modified to meet our needs. While I encourage the crew to help out the staff in any way they can, at times work orders are not added to the system for the work performed. Good customer service trumps the need to collect data.

Our crew here handles all aspects of facilities maintenance from electrical to plumbing, painting, repairs, boiler operation, vehicle maintenance, and grounds care and snow removal. They also maintain nursing home equipment such as mechanical beds, O2 concentrators, scales and BP cuffs. They work with nursing and social services staff on new and existing resident moves. We also maintain the Assisted Living building and handle all their facilities related projects. They take great pride in their work and strive to maintain this facility in the best possible condition.

In closing I would like to thank the Facilities crew for all their hard work and dedication to the residents and staff here. As well as their openness and positive response to making changes to how we operate in order to better serve everyone here at Maplewood. I would also like to thank Kathryn, Jack, Rod and the staff here at Maplewood for welcoming me into the fold of Cheshire County.

Administration: Kathryn Kindopp, NHA, Administrator

Maplewood's reception podium logged 11,150 visitor signatures in 2013. Our receptionists greet and assist visitors, while answering the main phone line and sorting mail and deliveries. They

continue to play a significant role in fire/disaster and resident code issues, and in 2013 began offering residents the option to withdraw cash from their fund accounts at the reception desk. Receptionists provide numerous hours monthly, assisting Nursing, Social Services, and other departments with needed tasks.

A Long Term Care foundation scholarship was awarded to one of our LNA's, Katherine Baker. To be eligible for these scholarships, recipients must be employed by a skilled nursing facility, assisted living facility, or other residential health care facility located in NH. Individuals chosen have demonstrated commitment to long term care, dedication to their career, and desire to pursue a higher education. Katie has been at Maplewood almost 2 years, and is enrolled at River Valley Community College to become a Registered Nurse. "Katie is so caring with the residents at Maplewood; we are so glad to see her supported in her journey towards her RN," says Barbara Reed, RN, night shift supervisor at Maplewood.

Jennifer Harris, Executive Assistant to the Administrator, was the winner of the NHAC Annual Nursing Home Employee of the Year award.

The county Safety Officer, Pam Fortner, continues to work collaboratively with Maplewood staff and Department Heads. She analyzes staff injury trends, leads the Safety Committee and recommends new courses of action based on identified issues. We continue to have very low rates of staff injuries and maintain favorable reports from PRIMEX, our public entity risk pool. Our programs and efforts have resulted in our nursing home having one of the lowest staff injury rates in the state.

Under the leadership of our Safety Officer, we completed the mandatory 2 disaster drills. In the first, we practiced a tabletop armed intruder drill, then followed up in the second drill with an actor pretending to be an armed intruder seeking drugs from one of our nurses.

The administrator continues to have statewide involvement in a number of initiatives involving nursing homes as well as county issues. The administrator remains the county liaison on the Long Term Care Ombudsman's Advisory Committee, and remains one of the county appointed participants on the NHAC Executive Committee. Monthly meetings with the New Hampshire Association of Counties Nursing Home Administrator's Affiliate continue at the various County Nursing Homes. The Administrator continued serving on the BIP grant project (Balancing Incentives Program), designed to reassign money from LTC to community based care.

Marketing progress during 2013 included completely re-doing our Maplewood website. This was finished by the end of December and is ready to be launched once logistics are completed by the IT department. Other significant work included launching a new logo and tag line. Letterhead and business cards were redesigned incorporating these graphics, and we updated our resident transport vehicles with the new logo. We now meet the new Medicaid Managed care requirements that include having our name lettering be a certain height on all vehicles. During 2013, we took up opportunities to be present at marketing venues such as the Alzheimer's walk, where one of our nurses hosted an informational table, and we spent a day at the Keene Senior's Center hosting a table advertising Maplewood and meeting Keene area residents.

The Maplewood team continues to honor the original philosophy that was the root of the County Home. Our new logo depicts 3 maple leaves under an arch representing our home. One leaf is green, another yellow, and another red. The rich colors show brightness and strength, exemplify our heritage and our geographical region, and honor the seasons of our lives. The tag line reads “Maplewood of Cheshire County. Your Home... Your Family”, signifying the dedication of our staff who are family to one another and to the residents. Maplewood belongs to the county, to the residents, and to the staff, and we want to acknowledge with pride that this is the home of choice, for residents as well as staff.

It is an honor to serve the residents of Maplewood and be a good community partner in remaining our community’s safety net. No words are enough to thank our staff, residents, families, consultants, and volunteers for all that they do to enrich the lives of our Maplewood family.

Respectfully Submitted,

Kathryn Kindopp, B.Sc.P.T., NHA

**Safety Office
Annual Report-2013
Safety Officer**

Thanks to all who made 2013 another notable year for Safety and a special thanks to the Maplewood Complex Safety Committee and Cheshire County Joint Loss Management Committee for their dedication to safety.

The County maintains an active role in the Greater Monadnock Public Health Network including membership in the Regional Planning Committee and the Healthcare Workforce Group. These groups work hard at All Hazard Planning and through education, exercises and drills, keep emergency preparedness at the forefront for the region. In June, the County participated in a MACE (Multi-Agency Coordinating Entity) exercise at the courthouse involving setting up the MACE and role playing for different positions.

Disaster and fire drills were held in accordance with state and local regulations. Education continues in the Safety Department as appropriate. This year's education included classes on the Department of Labor inspections, education on the Globally Harmonized System, Continuity of Operations with the NH Roundtable and N95 fit-testing.

The Safety Officer is currently participating in an exercise planning team organizing a Community Exercise for 2014 involving local health care facilities. The Safety Officer is also involved in a team planning and organizing the Cheshire County Employee Health Fair, available to all employees and offers a large array of health information, health testing, discounted gym memberships, self-sufficiency information, retirement information, local resource information, emergency preparedness, walking programs, healthy eating, disease information and lots of free giveaways.

The Workers Compensation and the Temporary Alternative Duty program, managed by the Safety Officer, are current on the compensation process and are in compliance. The County maintained positive low trending for both workers compensation and property-liability claims throughout 2013.

Working with the Keene State College Capstone Study Seniors, we were able to create two training programs on HIPAA and Internet Safety, both programs bringing the County into compliance with updated regulations.

The Joint Loss Management Committee and Maplewood Complex Safety Committee have worked hard on many complex issues. These individuals deserve to be recognized for their dedication and faithfulness, taking time out of their busy days to attend meetings or inspections and bringing forth issues that are brought to them by other co-workers. Both committees are vital in supporting and increasing awareness of workplace safety and risk management.

Respectfully Submitted,
Pamela Fortner, Safety Officer

Cheshire County UNH Cooperative Extension is a partnership between the University of New Hampshire and the county government, providing a direct link between the university and the citizens of Cheshire County. As stated in NH RSA 24:10, the mission of UNH Cooperative Extension “is to educate people so that they can make informed decisions” that strengthen youth, families and communities, sustain natural resources, and improve the economy.

The local communities have been the center of UNH Cooperative Extension program efforts since its establishment by Congress in 1914. Cheshire UNH Cooperative Extension is one of ten county offices that link the University to local communities. People may drop in or call for information, participate in programs presented by Extension Field Specialists, or access information via the county web site: <http://extension.unh.edu/Counties/Cheshire/Cheshire.htm>. We offer up-to-date information to help residents make informed choices, answer questions and help solve problems. We work to identify those issues critical to residents and to formulate non-formal education programs addressing those issues. Cheshire UNH Cooperative Extension helps individuals improve their health, helps families better manage their time and money, helps communities solve environmental or economic problems, help the food and agricultural industry keep up-to-date with developing technologies, and helps youth become tomorrow’s leaders.

Members of the Cheshire County UNH Cooperative Extension Advisory Council

Libby McCann, Westmoreland	Eloise Clark, Keene, Chair
Ryan Owens, Walpole, Vice Chair	Susan Lawson-Kelleher, Chesterfield
Geoffrey Jones, Stoddard	Sharlene Beaudry, Walpole
Robert Hamm, Keene	Beth Hodge, Hinsdale
Karen Balnis, Richmond	Rep. Jane Johnson
Holly Gowdy, Walpole	Jack Pratt, County Commissioner
Theresa Majoy, Richmond	Stillman Rogers, County Commissioner
Tina Christie, Alstead	

Cheshire County UNH Cooperative Extension

Carl Majewski, Food and Agriculture
Christine Parshall, Food and Nutrition
Steve Roberge, Natural Resources, Office Administrator
Andrea Sawyer, Youth and Family
Diane DuGray, Administrative Assistant

Cooperative Extension carries out educational programs that address the issues that are most important to Cheshire County citizens. We focus our efforts in four program areas – Food and Agriculture, Forestry and Wildlife, Youth and Family, and Nutrition Connections – and are available to all Cheshire County citizens via traditional classroom seminars, workshops, volunteer trainings, one-on-one site-specific consultations, emails, fact sheets, articles and other forms of media and outreach.

Cheshire County UNH Cooperative Extension Summary of 2013 Educational Programs

Public Workshops / Educational Events	63 events, 1567 attendees
One-on-one Site Visits (forestry & agriculture)	109 visits, 8961 acres
Community Partnerships & Collaborations	63 collaborations or projects
Assistance to Towns	22 towns
Phone/email/walk-in	2054 contacts
Soil Tests	159 tests
E-Newsletter Distribution	832 households
Afterschool Program Enrollment	800 total youth
4-H Clubs	20 clubs, 250 youth
Active Volunteers	242 volunteers

**Steve Roberge, Extension Field Specialist
Natural Resources**

One-on-one Consultations – Woodlot Exams

- 67 woodlot exams (38 were new to Cooperative Extension)
- 5,461 acres reviewed
- 9 landowners/586 acres referred to a Consulting Forester

Public Workshops and Talks

- 29 events
- 1096 attendees

Collaborations & Partnerships

- 32 separate collaborations/projects
- 24 agencies, organizations, municipalities or committees

Other Contacts – Email, mail, phone and office visits

- 1,452 individuals, organizations, business, etc assisted

The mission of UNH Cooperative Extension Forestry & Wildlife Program is to provide educational information and assistance to forestland owners, businesses, and natural resource professionals so they can make informed and responsible decisions about maintaining and/or enhancing a healthy forest resource while sustaining economic viability. This is primarily accomplished through one-on-one consultations, workshops & events and providing educational support to collaborating/partnering agencies, organizations and municipalities.

The forest resource of Cheshire County is considerable with 405,100 acres of forestland or 89% of the county. 388,900 acres are owned privately by an estimated 5,600 landowners. The

harvesting of timber from privately owned lands, the consulting foresters overseeing the management and the 50 or so logging operators in the county working on these lands significantly contribute to the area's economy and certainly to the state's forest-based economy. The forests of Cheshire County and the rest of New Hampshire also provide the backdrop for a healthy tourism and recreation economy which generates considerable revenue for our local businesses and governments. It is crucial for the economic, environmental and social health of Cheshire County and New Hampshire that the 5,600 private forest landowners in Cheshire County take care of their forest resource and make informed decisions.

While the Cheshire County Forest Resources Field Specialist serves on a number of committees providing assistance, programs and workshops, the real strength of the Forestry & Wildlife program at the county level is the one-on-one contact and assistance with the public, landowners and professionals. Some contacts are made by phone, mail or email, many require a personal consultation and field visits. Other audiences can be reached through public forums, meetings, field demonstrations or workshops and via newsletters, bulletins, articles and radio spots.

Landowner Contacts, Woodlot Exams & Referrals

-67 properties, 5,461 acres visited by the Cheshire County Forester. 95 individuals participated in these visits. *40 out of the 67 visits were new to Extension.*

-9 Landowners were referred to a NH Licensed Forester. To date, 5 landowners have been in contact with a forester.

Woodlot exams vary in length of time, subject and acres covered. The woodlot exam is an opportunity for me to introduce the landowner to the resources they have available to successfully manage their land. The purpose of these visits is to answer any of the questions landowners may have and to provide options or information so landowners can manage their forestland to meet their needs while maintaining the health of the forest and the resources found in and around it. Quite often woodlot exams end with a referral to a consulting forester where the licensed professional can work with the landowner to manage their forest, prepare a planning document or harvest/sell timber.

A large portion of the time the Cheshire County Forester is the primary contact for landowners interested in managing their forestland. Follow up visits are often required – especially if the landowner applies for grants or “cost-sharing” funds to carry out projects on their property.

Educational programs and outreach intend for landowners to become better stewards of their forestland by increasing their knowledge of their forest resources to make informed stewardship decisions. Part of this educational effort is making landowners aware of the assistance programs available to them for their stewardship needs or for emergency relief. The financial assistance provided to landowners is often the motivating factor that engages them into forest stewardship. Since 2007 I have reviewed 75 forest stewardship management plans and referred 88 landowners to the NRCS for cost-share assistance. This assistance ranges from paying for management plans to installing/rehabilitating forest roads. Applying to these programs suggests landowners understand forest stewardship and are motivated to take action to care for their land.

Other Contacts (email, mail or phone)

1,452 individuals, organizations, communities or businesses were assisted in the area of forest/tree insects and diseases, environmental issues, current use and forest law inquires and other forest resource issues.

An example of assistance handled over the phone would be a Marlborough landowner interested in sub-dividing her land to give to her son and daughter-in-law to build their home. She wanted a portion of the land to remain in current use – therefore reducing the tax burden on the land. The sub-division she planned would have prevented the land from remaining in current use and significantly increased the property tax due to a utility-owned path that split the sub-division in half. The landowner was made aware of this rule in the current use law and was advised to seek an alternative scenario. The landowner could not find help online or at town office before calling the UNH Cooperative Extension office in Keene.

Other examples of assistance from emails, mail or phone would be disease and pest identification, timber values, referrals of natural resource professionals and assistance with laws impacting forestlands and open space.

Workshops & Events

-29 Public Workshops, tours or events were presented in the past year covering a range of topics from best management practices on conserved lands to identification of the Asian Longhorned Beetle to management of forestlands for wildlife habitat and timber production.
-1096 People attended those events.

Regional Committees & Boards

-NH Licensed Foresters board member (State-level)
-Granite State Division Society of American Foresters Continuing Education Chair (State-level)
-Southwest Regional Planning Commission Natural Resources Advisory Comm. (County-level)
-New Hampshire Tree Farm Program County Chair (County-level, Cheshire & Sullivan)

Collaborating/Partnering Agencies, Organizations, etc.

-Andorra Forest - Stoddard NH	-Natural Resources Conservation District
-Cheshire County Conservation District	-NH Department of Agriculture
-Cheshire Medical Center	-NH Department of Environmental Services
-City of Keene	-NH Division of Forests and Lands
-Farm Service Agency	-NH Farm & Forest Expo
-Granite State Division Society of American Foresters	-NH Fish and Game
-Harris Center for Conservation Education	-NH Timberland Owners Association
-Keene High School	-NH Tree Farm
-Monadnock Conservancy	-Project Learning Tree
-National Wild Turkey Federation	-Southwest NH Regional Planning Commission

- Town of Alstead
- Town of Chesterfield
- Town of Swanzey
- Town of Troy

- US Forest Service
- Yale University School of Forestry & Environmental Studies

Contacts with Professional Foresters, Logger, etc.

- (forester) – Timber bid, mapping, invasives
- (f) – Timber sales, EQIP project
- (f) – Timber sales, tree farm inspections
- (f) – Sugar Maple silviculture, timber sale, sugaring operations
- (f) – Online soil mapping
- (f) – Arcview review, FLEP project
- (f) – Cost share, timber stand improvement
- (f) – Cost share, forest management & easements, invasives, wildlife habitat management
- (f) – Cost share, NH Forest Stewardship requirements
- (f) – Cost share
- (f) – Salvage operations
- (ecologist) – Mapping, Aerial Photos
- (logger) – Meeting
- (f) – Pisgah Meeting
- (f) – Silviculture at Andorra Forest
- (land trust) – Forest Stewardship, Management Plan Review, Post-Timber Harvest Review
- (It) – Sugarbush management guidelines
- (f) – Management at the Yale-Toumey Forest

**Carl Majewski, Extension Field Specialist
Food and Agriculture**

With over 12,000 acres of cropland and over \$12.3 million in sales in products, agriculture has a strong presence in Cheshire County. There is also a large – and growing- segment of the population that is interested in raising vegetables, fruits, and/or animals for home food production. Programs in Agricultural Resources teach the skills and provide the information that enables both farmers and homeowners to produce crops efficiently and profitably, and to practice responsible land stewardship, which in turn helps them remain economically and environmentally viable.

There were 31 programs in 2013 for both commercial farms and for non-farming homeowners, with a total of 303 participants. There were workshops on animal husbandry, practices to promote soil health, forage crop production, all focusing on current production practices and current research. In the field, there were farm-scale experiments and demonstrations evaluating new forage crops, and evaluating methods to determine fertilizer needs more accurately. The non-farming public attended workshops throughout the county that taught effective (and environmentally friendly) gardening practices, backyard animal husbandry, home food preservation, pruning techniques, and pest management.

Activities

- ◆ 44 site visits to farms in the county, some with Extension Specialists in Dairy, Vegetable Production, Greenhouse Horticulture, Food Safety, and Ag Business Management
- ◆ Handled 612 calls, emails, and walk-in visits from the general public on various gardening and home environment issues
- ◆ Collaborated with Cheshire Conservation District in demonstration for use of roller-crimper and the use of cover crops and no-till techniques at vegetable farm in Walpole
- ◆ Collaborated with the Cheshire Conservation District in the Monadnock Menus program that works to bring local farm produce into area schools and institutions
- ◆ Organized and delivered 2013 Corn & Forage Meeting Series, including a site in Westmoreland
- ◆ Collaborated with UNH faculty and 8 farms statewide (including one Cheshire County dairy farm) to receive a Conservation Innovation Grant to evaluate use of small grains as forage crops in alternative crop rotations.
- ◆ Hosted webinar from Cornell detailing the use of Adapt-N model for mid-season nitrogen evaluation
- ◆ Gave presentation “Winter Nutrition for Pregnant Ewes and Newborn Lambs” at NH Sheep & Wool Growers Association’s Lambing Clinic in Harrisville.
- ◆ With Extension Dairy Specialists Mike Lunak and Pete Erickson, delivered workshop on calf care and feeding

Selected Impacts

- ◆ 6 farms participating in the Monadnock Menus program have begun developing on-farm food safety plans that address harvesting, storage and handling.
- ◆ A dairy farm in Walpole was short of feed following the droughty conditions in 2012. He attended one of the fall crop meetings later that year, where there were presentations on double-cropping corn with small grains as a way of increasing forage inventories and dealing with high feed costs. In spring of 2013, he harvested 30 acres of winter rye as haylage in an attempt to increase his available feed, and fed it throughout the summer of 2013. He reports that his cows performed well on the new feed program, and even claims that they had less of a decrease in production during the hot, humid spells, and he attributes it to the feeding program. He intends to continue the practice in subsequent years, and is now participating in a field crop trial investigating the use of triticale as a winter forage crop.

- ◆ A dairy farm seeded 90 acres of corn fields to winter wheat for use as winter forage. Previously, most of his haycrops came from leased fields, some 15-20 miles away from the main farm. With the winter forage, he had an estimated 125 tons of feed – valued at approximately \$6250 - at the main farm, and he experienced significant savings in fuel and labor by dramatically reducing transportation time and costs.
- ◆ After attending one of the fall crop meetings and observing one of his neighbors, a dairy farm is planting 150 acres - approximately half of their corn acreage - to winter triticale for winter forage. They decided to do so in an attempt to increase their inventory of high-quality haylage, but the practice will prevent soil erosion until next spring.
- ◆ A dairy farm had agreed to allow a company in the state to spread short paper fiber on one of their corn fields, only to find out they applied 50-75 tons of this material per acre, raising concerns that this would severely immobilize soil nitrogen and ruin subsequent crops. After speaking with colleagues at UVM Extension and Miner Institute, I was able to talk to inform both the farm and their crop advisor that they would need to supplement a substantial amount of nitrogen in order to save the crop. Armed with this information, the farmer was able to have a discussion with the company that applied the material, and they agreed to pay for supplemental fertilizer, which came to some \$3,000. At harvest, the farm reports that their yields were satisfactory, and they credit Extension with helping to resolve the issue.

**Christine Parshall, Program Associate
Food and Nutrition**

Nutrition Connections consists of two federal nutrition initiatives, **EFNEP** (Expanded Food and Nutrition Education Program) and **SNAP-Ed** (Supplemental Nutrition Assistance Program Education), whose missions are to provide education to low-income audiences in the areas of nutrition, food budgeting/shopping, cooking, and food safety.

Situation/Need

The link between poverty, hunger, and obesity continues to be a public health concern across the US. Diet and physical activity are associated with many leading causes of death including heart disease, diabetes, and some forms of cancer. Approximately 10% of Cheshire County residents live at or below the Federal poverty level. Many more live at or below the 185% range, which is the target population for Nutrition Connections Programs.

Fiscal constraints at all levels of government affect low income families. Children who attend Head Start receive two full meals a day, but there are nearly thirty fewer Head Start slots in Cheshire County this fall. Food pantries struggle to keep their shelves full while new people turn up at their door for help. In Cheshire County there are six schools in which at least half the students receive free or reduced price school lunch and several more which are not far behind.

The growing local food movement in Cheshire County is beginning to address food insecurity issues with the creation of community and school gardens, as well as discounts on locally grown

food, such as the Double Up Veggie Bucks offered by the Keene Farmers' Market. Keene Community Kitchen received a grant funding to hire a gleaning coordinator.

Response

Nutrition Connections works with limited-resource individuals, youth, and families in their homes and in group settings to deliver targeted nutrition education. Program participants gain knowledge to apply skills and change behaviors in the areas of nutrition, meal planning, shopping, food safety, and physical activity. Partnering with community organizations and schools is essential to successful outreach.

Working with Adults

Adult Program Participation	
Total Participants	79
Households receiving food assistance	57
Households with children	53
Reside in Keene	45
Reside in Cheshire County towns	35

Program/Curriculum	Sponsoring Agency	Location
Cooking Matters for Families	ACCESS at Winchester Elementary School In Shape for Youth	Winchester School Keene
Cooking Matters for Adults	Head Start	Swanzy Head Start
Single Presentations: Eating Smart, Moving More Curriculum	Workplace Success Shelter from the Storm Keene Housing Authority Monadnock Center For Violence Prevention	Keene Jaffrey Keene Keene
Eat Healthy, Stay Fit-Correspondence Course	Various referral sources	Cheshire County Towns
Home visits	Various referral sources	Private Homes
Cooking Demonstrations	The Community Kitchen	Keene

Working with Youth

It was a busy year for youth programs. The following chart outlines this year's youth activities. After school programs and Cooking Matters classes are cooking based. Classroom programs are activity based and include as much food tasting as possible. Take home information is always available. Approximately 370 youth, ages 4-18, participated this year.

School/Organization	Program	Grades
Gilsum School	After School Program	1-3
Winchester School	Cooking Matters for Families	
Jaffrey and Ashuelot Head Start	Monthly Classroom Visits	Pre-school

Hinsdale Elementary School	Six week classroom series	1-5
Keene Housing Authority	After School Program	Mixed
Alstead School	Six week classroom series	K-4
Troy School	Six week classroom series	3-4
In Shape for Youth	Cooking Matters for Families	Teens
In Shape for Youth	Cooking Matters for Teens	5-12
Winchester School	After School Program	1

Classroom lessons are based on the US Dietary Guidelines and My Plate. Children in lower grades explore the food groups, sample new and familiar foods, and learn about the interaction between physical activity and healthy eating. In the third and fourth grades students begin to explore the effects of diet and health by exploring such topics as sugar in cereals or beverages and how the heart works. By the fifth and sixth grades students learn to use consumer tools such as nutrition facts labels and ingredient lists to evaluate an item’s nutritional value.

In addition to these county based programs, a number of area schools received the Nutrition Nuggets Parent Newsletter, which is available statewide to eligible schools (those with a 50% or higher school lunch enrollment). The following Cheshire County elementary schools participated in the program: Troy, Gilsum, Wheelock, Hinsdale.

Community Collaboration

Nutrition Connections depends upon a network of collaborations and partnerships. In Cheshire County, the following organizations help to make Nutrition Connections a success by hosting programs, referring participants, sharing resources, and more:

- Southwestern Community Services (Head Start, Workplace Success)
- Monadnock Family Services (In Shape)
- Community Kitchen, Keene
- Monadnock Center for Violence Prevention
- Keene Housing Authority
- Shelter from the Storm
- RISE, for Baby and Family
- Keene State College Dietetic Internship
- Alstead School
- Gilsum School
- Hinsdale Elementary School
- Troy Elementary School
- Monadnock Adult Care Center
- Keene Unitarian Universalist Church

**Andrea Sawyer, Extension Field Specialist
Youth and Family**

The 4-H Positive Youth development program in Cheshire County continues to significantly impact the lives of youth, volunteers and their communities. The 4-H experience provides a foundation for future success as youth develop and practice critical life skills, and become more independent. “4-H’s greatest strength is that it allows us to make our own mistakes, and to learn from them, to shape the course of our own futures, while offering us the opportunity to learn from each other, wherever we are from. I will continue to look back on my time in 4-H and learn from it. I will take with me lessons of responsibility, acceptance that failures happen, and a drive to always do the best I can, and be the best I can be. 4-H has helped me come to enjoy both learning and teaching, taught me the value of passing on my own knowledge on, and given

me confidence in myself, and the resolve to always pick myself up after I fall. I would like to think that 4-H has made me the best I can be.” Cheshire County Youth

- 200 volunteers provided over 10,000 hours, reaching youth to help them build life skills, leadership and citizenship skills. The cost benefit to Cheshire County is \$ 212,900 based on the Independent sector volunteer value per hour.

- Over 2000 hours were spent by youth and adults together completing over 50 community service projects giving youth opportunities to experience "making a difference" for others in their communities.

- 75% youth enrolled in the 4-H program took part in one or more events beyond their club where they learned workforce preparation skills in goal setting, organizational and presentation skills, communication and "interpersonal" and conflict resolution skills.

Research has shown that youth development results from carefully planned elements that influence a child’s development. National 4-H uses a model that strives to meet the four basic needs of youth: mastery, belonging, independence, and generosity. These areas parallel the traditional four H’s – head, heart, hands, and health. The Cheshire 4-H program strives to include these elements in its programs to help youth develop the critical skills necessary for their future success. In addition, adults who work with youth within 4-H clubs or in school, or after school programs are taught this model.

INDEPENDENCE (Head)

Youth need to make thoughtful decisions, accept responsibility, exercise self-discipline, and move toward independence. They need to know they are able to influence people and events through decision-making and actions.

- 123 members participated in communication events at 4-H Day with 31 selected to go to State Activities Day. At State Activities Day, 6 members won their division, and 21 were selected to go to Eastern States Exposition (ESE) in West Springfield, MA. Two members were selected to participate in the National Horse Communication Contests. Judges reported that 4-H youth are more likely than other youth they know to display strong communication skills, poise and self-confidence.
- 90% of members completed and exhibited project work.
- 4 youth served on the 4-H Council, one as chair, 2 teens were elected to NH Teen Council.
- One teen and one volunteer have been selected to be on the State 4-H Advisory Council.
- One teen and one volunteer have been selected to be on the State 4-H Foundation Board.
- 25% of members serve as officers and 60% of youth practiced leadership skills at club level or by helping at county events, leading activities for younger members and assisting with presentation of awards.
- The 4-H Kitchen at the fair serves not only as a fundraiser for the Cheshire 4-H Council, but also as hands on experience in applying workforce skills. Over 250 youth members and adults (including some Extension Council members and State Legislators) volunteering over 700 hours raised over \$5000 over the 5 days of the fair. Two teen and 5 adults served as key leaders, supervising shifts, managing inventory, and troubleshooting.
- Horse members practiced marketing skills while participating in the ads campaign for the horse program, raising \$7000 for 4-H horse activities.

BELONGING (Heart)

Youth need to feel connected and physically and emotionally safe, know they are cared about, develop social skills, interact with diverse people, learn the value of cooperation, and experience long-term consistent relationships with adults other than parents. These provide a foundation for life-long participation in family, community and work environments.

- There were 50 4-H leaders who reported an average of 150 hours each of direct involvement with club members. 20 volunteers served in middle management roles. 12 new leaders were recruited, screened, and oriented. More than an additional 120 volunteers assisted with club and county activities, averaging 30 hours each. 243 youth were enrolled in 18 different 4-H clubs. Two new clubs were organized and there were 40 new members. 90% of youth completed their project and club work.
- 21 volunteers judged at 4-H Day which is our communications event, 10 volunteers judged records, 2 served as judges at State Activities Day. 50 volunteers judged or help superintendents at animal shows at the fair. Some of these volunteers were teens.

GENEROSITY (Hands)

Youth need to feel they are connected and contributing members of their peer group, family, school and community. They need to realize they live in a global community which requires awareness and compassion for others. Bringing together individuals of different ages and diverse backgrounds strengthens a community's efforts to address issues.

- 80% of youth did a record, resume or scrapbook documenting their 4-H work.
- 20 4-H Clubs reported doing Community Service projects; some clubs accomplished more than one. 30 Cheshire County members did individual Community Service Learning projects. Other projects included: Christmas support for various charities, food collecting, helping at community events including Pickle Festival and Strolling of the Heifers, community flower planting, animal visits to elderly or youth with disabilities, community food kitchen assistance, animal rescue and humane society assistance, making wreaths for shut ins, baking and delivering Valentines Cookies to the elderly, participating in the Relay for Life, cleaning a church, adopting a family for the holidays, coat drive, SMS School Food Pantry, and flowers to residents of Maplewood.

MASTERY (Health)

The subject matter taught in 4-H projects is the foundation enabling 4-H youth to master skills and explore possible careers. 4-H volunteers utilize quality research-based content in providing opportunities for youth to learn.

Quiz bowls provide 4-H members with the opportunity to increase the knowledge level about a certain subject or area of emphasis. It teaches young people to observe, evaluate, compare and make sound decisions. It also allows members to conduct an in-depth study of a project, while learning research skills and study habits.

- 7 horse members competed in the State Horse Quiz Bowl. Cheshire County had the high individual of the senior horse contest. One member will be competing in the National Horse Quiz Bowl Contest.

- 22 dairy members compete in the Dairy Quiz Bowl contest and Cheshire County had the high individual of the senior and junior dairy contests. Two 4-H members will be travelling to Louisville, Kentucky to participate in the National Dairy Quiz Bowl Contests. In addition, one Cheshire County member was the high individual of the Eastern States Dairy Quiz Bowl.

Judging gives youth an opportunity to gain knowledge about the project area while developing life skills they can carry into the future. Youth learn how to make decisions in a timely manner, the importance of note taking and critical observation skills relative to picturing the ideal animal in their mind, and comparing and contrasting a group of four animals of like age. Youth do not just rank the animals they like, they must also explain to judges why they placed the animals the way they did. Communicating in the judging competition is called oral reasons. Youth also gain self-esteem, every time they get in front of a judge and show confidence in the way they place the animals they just judged. 4-H members involved in judging will be developing life skills, of decision-making, communication, and self-esteem, which will aid them in real life situations.

- 3 Horse members attended the State Horse judging contest and two were selected to participate at the National Contest in Louisville, KY.
- 15 Dairy members attended the State Dairy Judging Contest. 6 were selected to participate at Eastern States Exposition in the Dairy Judging Contest. 2 members from Cheshire County placed fourth and eighth in the overall individual category. The coach of the dairy judging team is a volunteer from Cheshire County.
- 1 Beef member was the high individual of the Beef Judging Contest at Eastern States.

Showing 4-H projects provides many learning opportunities and rewarding experiences for the exhibitor and his/her families. The objective of animal science projects is to develop life skills. 4-H members make selection decisions and management decisions that affect the daily care of animals. By participating in shows and competitions they practice leadership, responsibility, decision making, self-motivation, stress management, animal ethics, record keeping and many other important skills

- 4-H Horse Field Days was held with 35 youth participating. 5 youth were selected to participate in the state horse show. One driver was selected to go to ESE.
- 27 Cheshire County 4-Hers attended State Dairy Show, in Lancaster, NH. One senior was the fit and show champion. Thirteen members qualified for Eastern States Exposition. At Eastern States Exposition one Cheshire county member won the Dairy knowledge exam, and three others finished in the top ten. Five Cheshire county members won best bred and owned awards at Eastern States. Four volunteers from our county helped chaperone the event.
- Nine 4-H members in the beef project attended Eastern States, along with three chaperones from Cheshire County. New Hampshire won the Sweepstakes award given to the State with the most overall points. Cheshire County had two members who had grand champion heifer, and a member with a highly commendable steer.

The 4-H program provides youth with opportunities to develop and practice critical leadership skills. At the local level members have the opportunity to work as club officers. 4-H offers teen members additional leadership development opportunities through conferences and events at the state and national levels.

- Three Cheshire County youth and one volunteer attended National Dairy Conference in Madison, Wisconsin. Selection was based on a resume, interview, and their knowledge of the dairy industry.
- Six teens were selected for State Achievement Awards. One teen was selected for a National Achievement Award
- 15 youth attended State Teen Conference, 10 were provided full scholarships and 5 half scholarships by the 4-H Council. The State Teen Conference was attended by over 200 teens. Three volunteers and one teen interviewed the 4-Hers for this event. Two volunteers chaperoned this event at the University of New Hampshire, and two teens were selected to be a member of the NH Teen Council which will plan the 2014 Teen Conference.

Afterschool Programming:

The Cheshire County Afterschool Network (CCAN), plans trainings and educational opportunities for afterschool staff. 4-H curriculum was used at 6 sites, 2 sites had 4-H Clubs, and I have provided assistance with staff training, evaluation, and program environment.

Cheshire County Conservation District - 2013 Annual Report

11 Industrial Park Dr. - Walpole NH 03608 - 603.756.2988 ext.116
www.cheshireconservation.org

Promoting the conservation and responsible use of our natural resources for the people of Cheshire County by providing technical, financial, and educational resources.

Supervisors

Paul Crosby, Chair - Stoddard
Lisa Davidson Grashow - Keene
Bill Fosher, Vice Chair- Westmoreland
Richard Mellor - Rindge
John Treat, Treasurer - Keene

Associate Supervisors

John Baybutt - Nelson/Roxbury
Tom Beaudry - Walpole
Amy Bodwell - Roxbury
Rod Bouchard - Alstead
Holly and Chris Gowdy - Walpole
Emily Hague - Keene
Andy Pressman - Jaffrey
Tara Sad - Walpole
Tracie Smith - Fitzwilliam
Pete Throop - Keene

CCCD Staff

Sharlene Beaudry, Administrative & Monadnock Menus Coordinator
Amanda Littleton, District Manager

NRCS Staff, Walpole Field Office

The District works in partnership with the USDA Natural Resources Conservation Services (NRCS) staff who supply technical conservation assistance.

Mary Ellen Cannon - Soil Conservationist
Heidi Konesko - Soil Conservationist
Steven Pytlik - District Conservationist
Wendy Ward - Soil Conservationist

The CCCD Board of Supervisors meet on the 4th Thursday of each month at 9am at the CCCD Office. These meetings are open to the public, please call the District office if you would like to attend a meeting.

The Cheshire County Conservation District was created in 1945. It is a political subdivision of the State of New Hampshire, RSA 432:12, with a 170 C 1 non-profit status under the IRS tax code. As a subdivision of the State of New Hampshire, conservation districts are a partnership of federal, state and local agencies interested in the wise use of natural resources. All programs are offered on a non-discriminatory basis without regard to race, color, national origin, religion, sex, age, marital status, disability or political beliefs.

2013 Highlights

The CCCD reached out to over 1,800 individuals in 2013 with programs regarding resource conservation & farm viability. Some of these programs are highlighted below. If you are interested in learning more or have suggestions for future programming please don't hesitate to contact the CCCD office.

NRCS Farm Bill Program Workshops & Demonstration Projects

Each year the conservation district works alongside their partner the Natural Resources Conservation Service to assist landowners on the voluntary conservation of natural resources on their land. This is accomplished by providing administration of the technical and financial assistance that enables good stewardship of the soil, water, air, wildlife, and related natural resources. This year workshops were offered on how landowners can apply for financial and technical assistance from NRCS through the 2008 Farm Bill —workshops included— **Soil Health Management, Skidder Bridge Installation, No Till Seeding, and Cover Crop Roller Crimper Demonstration**. Educators from Cheshire County UNH Cooperative Extension are key partners in these workshops.

Services of CCCD

Offered historical **aerial photography** of Cheshire County and provided soil information to Cheshire County landowners, particularly the **Soil Potential Index (SPI)** assessment for landowners in the Current Use program. Provided **talks as well as educational displays** at community events throughout the year. Worked with landowners on an individual basis to assist them in better understanding the resources on their property and how to conserve them. The CCCD also offers **outreach on behalf of NRCS** to make landowners aware of the conservation programs available to them.

Cheshire County No Till Farming Initiative & Cover Crop Roller Crimper Initiative

In 2013 the Conservation District is proud to have completed our second full year of rentals of the No Till Seeder, with over 600 acres seeded to landowners and managers interested in reducing soil erosion and improving soil health. We also obtained a trailer to transport a cover crop roller crimper. This was made possible through funding from the NH State Conservation Committee and their Conservation License Plate Grant program, commonly referred to as the “moose plate grant.”

Soil Health - Equipment Rentals & Management Plans

The Conservation District continues to rent implements and offer demonstrations to farms

interested in improving their soil health, they are a subsoiler, a penetrometer, and a roller crimper. We also worked with GreenStart, Cornell Soil Health Lab, NRCS, other NH Conservation Districts and the NH Dept. of Agriculture on developing Soil Health Management Plans for farms. This project will help build a replicable management planning template that will increase carbon retention, increase energy efficiency and improve crop productivity and resilience on farms. Partnering Farms included Windyhurst Farm, the French Farm, and Peep Willow Farm in Cheshire County. These farms have offered guidance on equipment rental expansion for 2014.

Cheshire County Skidder Bridge Initiative

In 2013 the Conservation District continues to rent skidder bridges to land owners and managers that are interested in making stream crossings to preserve water quality during a timber harvest. This is made possible through funding from the NH State Conservation Committee. This service would not be possible without strong and committed partners including UNH Cooperative Extension, Andorra Forest, the NH Timberland Owners Association and Granite Gorge Ski Area.

Boggy Meadow Farm Milkhouse Waste & Barnyard Runoff Project

The CCCD entered a partnership with Boggy Meadow Farm, a dairy farm adjacent to the Connecticut River in Walpole, NH to install a milk house waste and barnyard runoff solids separation system large enough to accommodate their needs while preventing milk house waste from entering the Connecticut River. The goal of this project is to protect water quality and demonstrate best management practices for agriculture. This project is funded by the State Conservation Committee.

Source to Sea River Clean Up

On October 11th a large group of enthusiastic volunteers pitched in to help clean up the Ashuelot River in Keene and Swanzey and Beaver Brook and the Branch River in Keene as part of the Connecticut River Watershed Council's "Source to Sea Cleanup". 120 volunteers pulled over 3,300 lbs of trash from the three water bodies!

There were many Keene State college students, faculty, and staff as well as a contingent of students and staff from the Keene High School. They were joined by a number of other individuals from throughout the region. This event is made possible with the partnership of The City of Keene, The Ashuelot River Local Advisory Council, Moosewood Ecological, and Keene State College.

Pollinator Habitat Initiative

In 2013 the CCCD was selected to receive funding to create up to ten acres of pollinator habitat in Cheshire County during 2014-15. We will be partnering with farming and non-farming landowners on this initiative. There will also be educational opportunities for the community including a day long training on pollinator Conservation with the Xerces Society. Funding will be provided through the NH Association of Conservation Districts by the NH Department of Agriculture Market and Food USDA Specialty Crop Block Grant, as well as from the State Conservation Committee's Conservation License Plate Grant, and the Xerces Society.

Monadnock Farm and Community Coalition

The Monadnock Farm and Community Coalition (MFCC) is a regional coalition whose mission is to support a sustainable local food system by cultivating community action and building collaboration to implement effective programs, projects and policies. The NH Charitable Foundation and the generosity of private donors has supported the transition of MFCC from a conservation district program to a regional coalition with 30 organizational members and an active Board of Directors and volunteers participating in policy and education working groups.

Walpole Middle School High Tunnel Demonstration

In 2013 the CCCD partnered with the Walpole Middle School and Frederick H. Hooper Institute to build a High Tunnel outside the Middle School cafeteria. Educators at the school will be incorporating the use of the high tunnel into the curriculum and produce harvested from the tunnel goes directly into the cafeteria for school lunch. Students and their families were involved with every step from site planning to the completion of construction. Funding was provided through the New Hampshire Association of Conservation Districts and USDA NRCS.

Cheshire Grows - The Use of Marketing Promotion to grow sales for Cheshire County Farms

In 2013 the CCCD kicked off a two year project with a goal of increasing the dollar value of direct marketing sales for farms in Cheshire County NH. This will be done through launching a Buy Local Campaign: purchasing \$40,000 of print and radio advertisements, creating a farm guide and interactive online map, offering a series of 8 workshops of professional development to farmers to increase their marketing abilities, and offering educational workshops and cooking demonstration of seasonal food to low/moderate income families. The CCCD is working with the County of Cheshire NH, The Hannah Grimes Center, Antioch University New England, and Nebesek Marketing and Communications to achieve the goals of this project. Funding is provided by the USDA Farmers Market Promotion Program.

Wholesale Success Workshop

The CCCD worked with Family Farmed to offer a Wholesale Success day long training to farmers in NH. The Conservation District partnered with UNH Cooperative Extension and other conservation and agricultural entities to make this offering to NH farms. Resources were provided to strengthen the farms in our region looking to sell wholesale through Monadnock Menus or other channels.

NH Farm to School

The CCCD worked with the NH Farm to School Program to build on our Monadnock Menus pilot program in 2013. Thanks to Farm to Institution New England (FINE) and the John Merck Fund, the NH Farm to School Program had some funding to create a NH Farm to School/Institution network. The funding supported work in three areas of the state: the North Country, Cheshire County and the Lakes Region.

Double Up Veggie Bucks

In 2013 we launched a partnership with the Farmers' Market of Keene to double supplemental nutrition assistance program or SNAP benefits (food stamps) for up to \$10 every market day. In

2014 we look to continue this program in Keene and expand it to the Walpole Farmers' Market as well. Thus far \$3,357 double up dollars has been distributed and 74 customers went to the Farmers' Market for the very first time to utilize this program.

Funding is made available through the NH Dept. of Agriculture Markets and Food through a USDA Specialty Crop Block Grant and the Wholesome Wave Foundation.

Monadnock Menus - Farm to Institution Initiative

Monadnock Menus offers weekly aggregation and distribution of local farm fresh food to wholesale food buyers such as schools, institutions, and businesses. 2013 was a pilot year for this program and we now have 20 farms and food producers participating as well as 15 registered buyers. There is an easy to use web-based ordering platform that takes the barriers out of buying local for big buyers. In 2014 we will continue with a development year for Monadnock Menus - strengthening relationships with existing participants and bringing on new buyers. Funding is provided by the NH Dept. of Agriculture Markets and Food through their Specialty Crop Block Grant Program and Private donors.

Cheshire County Complex—Maplewood Garden

In 2013 the County of Cheshire entered into a partnership with Antioch University New England's Community Garden Connections (CGC) program. The CGC brought the Maplewood Garden back into production and donated all of the food raised (over 1,000 lbs) to the Community Kitchen, Department of Corrections and other service organizations. This partnership will continue into 2014 along with educational opportunities at the site.

Monadnock Localvores

In 2013 this group offered 10 workshops on everything from Raising Chickens to Bee Keeping. The Localvores also offered scholarships to summer farm camp to 28 children through the Jeffrey P. Smith Farm Scholarship. This is a partnership with Hannah Grimes, the CCCD, and committed volunteers.

Fundraising

The CCCD Board of Supervisors conducted an annual appeal and offered 3 fundraisers during 2013 to provide additional funds for CCCD programs.

- Bulk Seed Sale
- Conservation Plant Sale
- Flowering Bulb Sale

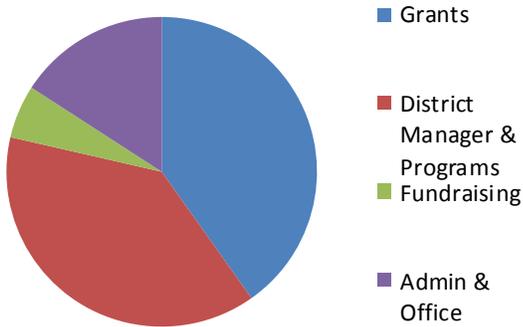
We would like to offer many thanks to the community members who participated!

The Board of Supervisors appreciates the continued support of the District's conservation programs by the Cheshire County Commissioners and the Cheshire County Delegation.

Also appreciated are the technical services offered by our "Partners in Conservation" the USDA Natural Resources Conservation Service, UNH Cooperative Extension, USDA Farm Service Agency and other cooperating agencies.

Organizational Membership

- Antioch Community Garden Connections - Advisory Committee
- Conservation District Employees Association of New Hampshire
- Food Solutions New England - NH Food System Strategy Team
- Monadnock Conservancy - Stewardship Committee
- Monadnock Farm and Community Coalition
- Monadnock Sustainability Network
- National Association of Conservation Districts
- New Hampshire Association of Conservation Districts
- Southwest Region Planning Commission - Natural Resources Advisory Committee



Grants

Annual Report 2013

Office of the Commissioners

The County had another successful year in bringing addition funding to our community to meet the needs of its residents. We started out managing \$3.5 million in State, Federal and Local sources of revenue and ended the year with \$4.9 million. We completed several large projects this year (identified with an asterisk below) and gave rise to the Cheshire County Drug Court with resources from the Substance Abuse & Mental Health Services Administration and the Department of Justice. This program is being held as the model drug court in the state due to its' evidence-based treatment, the National Drug Court Institutes' 10 Key Components, partnership with Second Chance for Success transitional housing and the expertise and dedication brought to bear by all the drug court team members.

Our Grants Manager became the first in NH to become a Certified Grant Professional and continued to provide grant writing and managing workshops for local non-profits, the farming community, and at the NH State Traffic Safety Conference.

We began working with Keene State College and Franklin Pierce University on a Substance Use Prevention collaborative which will involve many community stakeholders to address the ever growing problem of alcohol overconsumption and the misuse of prescription drugs. This project started in late November of 2013 and is funded by the NH Department of Health and Human Services.

The County did apply for an additional eight grants for \$892,822.50 which were not awarded throughout 2013.

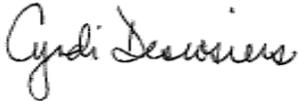
The following funding sources were being managed by Cheshire County during 2013:

FUNDER	APPLICANT	AMOUNT
Dept. of Justice for Bullet Proof Vests	County Sheriff's Office and County Dept. of Corrections	\$ 1,101.98
Dept. of Justice for Bullet Proof Vests	County Sheriff's Office and County Dept. of Corrections	\$ 1,512.00
National Assoc. of County and City Health Officials	Greater Monadnock Medical Reserve Corps	\$ 4,000.00
Highway Safety: Operation Safe Commute	County Sheriff's Office	\$ 4,050.00*
Highway Safety: Operation Safe Commute	County Sheriff's Office	\$ 4,212.00
NH Preservation Alliance for Court House Assessment	Cheshire County	\$ 4,500.00*
University of New Hampshire	Greater Monadnock Regional Public Health Network	\$ 5,000.00*

Dept. of Justice	County Attorney's Office	\$ 5,535.84*
Community Health Institute	Greater Monadnock Medical Reserve Corps	\$ 6,000.00*
National Assoc. of County and City Health Officials	Greater Monadnock Medical Reserve Corps	\$ 7,000.00
Community Health Institute-DPHS	Greater Monadnock Medical Reserve Corps	\$ 10,000.00
Dept. of Justice, Enforcing Underage Drinking Laws	County Sheriff's Office	\$ 12,000.00*
Bureau of Justice Assistance-Byrne	County Sheriff's Office and Keene Police Dept.	\$ 13,148.00
Bureau of Justice Assistance Byrne	County Sheriff's Office and Keene Police Dept.	\$ 14,909.00*
NH Charitable Foundation	Monadnock Voices for Prevention	\$ 21,928.00
NH Charitable Foundation	Monadnock Voices for Prevention	\$ 14,944.00*
Dept. of Justice, Enforcing Underage Drinking Laws	County Sheriff's Office	\$ 17,000.00
Emergency Management Performance Grant, Homeland Security	MNH Generator	\$ 18,073.00*
Dept. of Justice, Residential Substance Abuse Treatment (LADC-part-time)	County Dept. of Corrections	\$ 20,000.00
Dept. of Justice- NH, Victim Witness	County Attorney's Office	\$ 26,500.00
Dept. of Justice, Violence Against Women: DV Prosecutor	County Attorney's Office	\$ 30,000.00
United States Dept. of Agriculture	County Conservation District	\$ 62,422.00
Dept. of Health and Human Services, BDAS	Monadnock Voices for Prevention	\$ 75,000.00*
FTA, Dept. of Transportation	5310 Purchase of Service: Regional Coordinating Counsel- Transportation	\$ 94,182.00*
Dept. Public Health Services	Greater Monadnock Public Health Network	\$ 94,500.00*
FDA, Dept. of Transportation	5310 Purchase of Service: Regional Coordinating Counsel- Transportation	\$ 119,921.00
Homeland Security Grant	County Sheriff's Office- Voting System	\$ 257,459.00*
Dept. Health and Human Services	Regional Public Health Systems Grant	\$ 320,236.00

Homeland Security Grant	County Sheriff's Office- Mobile Command Post	\$ 271,003.00*
Homeland Security Grant- Repeater Project	Troy, Fitzwilliam, Alstead, Dublin, Sheriff's Office, Marlborough	\$ 384,813.00
Community Development Block Grant-Keene Housing Authority Manages	Second Chance for Success	\$ 500,000.00*
Community Development Block Grant SWRPC Manages	Brookbend East Housing	\$ 500,000.00
Community Development Block Grant Keene Housing Authority Manages	Samson	\$ 500,000.00*
DHHS-Bureau of Drugs and Alcohol Services	Franklin Pierce University and Keene State College	\$ 571,617.00
Substance Abuse and Mental Health Services Administration	County Drug Court	\$ 974,926.00
TOTALS as of 12/2013		\$ 4,972,492.82

Respectfully Submitted,



GPC/CPS/Grants Manager

COUNTY OF CHESHIRE, NEW HAMPSHIRE
Financial Statements
With Schedule of Expenditures of Federal Awards
December 31, 2013
and
Independent Auditor's Report

**Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit
of Financial Statements Performed in Accordance
With *Government Auditing Standards***

**Report on Compliance for Each Major Federal Program and
Report on Internal Control Over Compliance**

Schedule of Findings and Questioned Costs

COUNTY OF CHESHIRE, NEW HAMPSHIRE
FINANCIAL STATEMENTS
December 31, 2013

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**COUNTY OF CHESHIRE, NEW HAMPSHIRE
FINANCIAL STATEMENTS
December 31, 2013**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
County of Cheshire, New Hampshire

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 Cheshire, New Hampshire (the County) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit 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.

Basis for Adverse Opinion on Governmental Activities

As discussed in Note 2 to the financial statements, management has not recorded a liability for other post-employment benefits in governmental activities and, accordingly, has not recorded an expense for the current period change in that liability. Accounting principles generally accepted in the United States of America require that other post-employment benefits attributable to employee services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee be accrued as liabilities and expenses as employees earn the rights to the benefits, which would increase the liabilities, reduce the net position, and change the expenses of the governmental activities. The amount by which this departure would affect the liabilities, net position, and expenses of the governmental activities is not reasonably determinable.

Adverse Opinion

In our opinion, because of the significance of the matter described in the “Basis for Adverse Opinion on Governmental Activities” paragraph, the financial statements referred to above do not present fairly the financial position of the governmental activities of the County of Cheshire, New Hampshire, as of December 31, 2013, or the changes in financial position thereof for the year then ended.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the County of Cheshire, New Hampshire, as of December 31, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof 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 the management’s discussion and analysis and budgetary comparison information on pages i-ix and 27-28 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 sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Cheshire, New Hampshire’s basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 6, 2014 on our consideration of the County of Cheshire, New Hampshire's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County of Cheshire, New Hampshire's internal control over financial reporting and compliance.

Nachon Clukay & Company PC

Manchester, New Hampshire

May 6, 2014

CHESHIRE COUNTY, NEW HAMPSHIRE MANAGEMENT'S DISCUSSION & ANALYSIS

The discussion and analysis of Cheshire County's financial performance provides an overview of the County's financial activities for the year ended December 31, 2013. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2013 are as follows:

- The County's net position for year-end was \$25,146,897 an increase of \$3,513,973 which represents a 16.24% increase over 2012 from \$21,632,924.
- At the end of the current year, the County's governmental funds reported a combined ending fund balance of \$8,502,063 an increase of \$1,556,410 from the prior year balance of \$6,945,653. Of this amount, \$4,330,252 is available for spending (unassigned).
- At the end of the current year, unassigned fund balance for the General Fund was \$4,330,252, which represents a 36.39% increase from the prior year balance of \$3,174,897. The increase is partially due to favorable results for actual expenditures when compared to actual revenues. Additionally, previously assigned fund balance was added back by the Delegation in a budget amendment due to the receipt of ProShare funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. These statements are organized so the reader can understand the County as a financial whole or as an entire operating entity. The statements also provide a detailed look at specific financial conditions.

The County's basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the balance reported as net position. The statement of activities presents information showing how the County's net position changed during the current year. These statements are prepared using the accrual basis of accounting similar to the accounting method used by private sector companies. This basis of accounting takes into

CHESHIRE COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION & ANALYSIS

consideration all of the current year's revenues and expenses, regardless of when the cash is received or paid.

The change in net position is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, non-financial information such as changes in the County's tax base and the condition of the County's capital assets will also need to be evaluated.

In the statement of net position and the statement of activities, the County is presented as one activity:

- **Governmental Activities**—All of the County's programs and services are reported here, including General Government, Public Safety, Human Services/Medicaid Expenses, Assisted Living Facility, Conservation and Economic Development as well as The County Nursing Home. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues. The Nursing Home does generate a substantial amount of revenue in charges for services but does require funding by taxes as well.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain controls over resources that have been segregated for specific activities or objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The funds of Cheshire County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial statements provide detailed information about the County's major funds. Based on the restriction on the use of moneys, the County has established many funds that account for the multitude of services provided to our residents. In 2013, the County has determined the General Fund and the ARRA Fund to be major governmental funds.

GOVERNMENTAL FUNDS—Governmental funds are used to account for essentially the same functions reported as governmental activities on the government wide financial statements. Most of the County's basic services are reported in these funds that focus on how money flows into and out of the funds and the year-end balances available for spending. These funds are reported on the modified accrual basis of accounting that measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided, along with the financial resources available.

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

The County maintains a multitude of individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds, identified earlier as the General Fund and the ARRA FMAP Fund. Data from the other governmental funds, which includes

**CHESHIRE COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION & ANALYSIS**

Hemenway Fund, Deeds Surcharge, Sheriff's Forfeiture Fund and Grant Funds are combined into a single, aggregated presentation.

PROPRIETARY FUNDS—The County has one proprietary fund. The County uses an internal service fund for its self-funded Health and Dental Insurance account.

FIDUCIARY FUNDS—Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the County's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds. The County's agency funds account for the Sheriff's Escrow, Registry of Deeds, Nursing Home Resident Funds and the Jail Inmate funds.

NOTES TO THE FINANCIAL STATEMENTS—The notes provide additional information that is essential to gaining a full understanding of the data provided on the government-wide and fund financial statements.

OTHER INFORMATION—In addition to the basic financial statements and accompanying notes, this report presents the General Funds actual revenues and expenditures as compared to the legally adopted budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

County assets exceeded liabilities and deferred inflows of resources by \$25,146,897 as of December 31, 2013. This is an increase in net position, of \$3,513,973 from 2012.

Cheshire County, New Hampshire Net Position
As of December 31, 2013 and December 31, 2012

	Governmental Activities	
	2013	2012
Current and Other Assets	\$ 13,672,922	\$ 12,430,068
Direct Financing Lease A/R	1,082,640	1,255,540
Note Receivable	750,000	0
Capital Assets, Net	<u>41,961,475</u>	<u>43,260,611</u>
Total Assets	<u>57,467,037</u>	<u>56,946,219</u>
Current Liabilities	5,613,049	6,166,731
Non current Liabilities	<u>26,286,877</u>	<u>28,841,096</u>
Total Liabilities	<u>\$ 31,899,926</u>	<u>\$ 35,007,827</u>
Deferred Inflows of Resources		
Unearned Revenue	<u>\$ 420,214</u>	<u>\$ 305,468</u>
Net Position		
Net Investment in Capital Assets	14,602,119	12,314,265
Restricted	1,752,365	1,991,577
Unrestricted	8,792,413	7,327,082
Total Net Position	<u>\$ 25,146,897</u>	<u>\$ 21,632,924</u>

Total net position is presented in three categories: net investment in capital assets, restricted and unrestricted.

CHESHIRE COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION & ANALYSIS

The largest portion of the County's net position is related to capital assets (e.g., land and improvements, buildings and building improvements, machinery and equipment, vehicles, and infrastructure). The figure presented (\$14,602,119) is net of any related debt incurred to acquire those assets and represents 58.07% of total net position. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the County's net position (\$1,752,365 or 6.97%) represents resources that are subject to restrictions on how they can be used. For Cheshire County, those restrictions include those related to limitations imposed by statutes governed by the State of New Hampshire and unexpended proceeds from bonds, grants, and restricted donations.

The remaining portion (\$8,792,413 or 34.96%) represents the part that may be used to meet the County's ongoing obligations to citizens and creditors without constraints established by debt covenants, enabling legislation, or other legal requirements (unrestricted).

The next statement provided shows the changes in the net position for 2012 and 2013.

Cheshire County, Changes in Net Position		
	Governmental Activities	
	2013	2012
Revenues:		
Program Revenues		
Charges for Services	\$ 12,131,515	\$ 11,078,723
Operating Grants and Contributions	4,847,357	5,642,631
Capital Grants and Contributions	<u>417,240</u>	<u>156,806</u>
Total Program Revenues	<u>17,396,112</u>	<u>16,878,160</u>
General Revenues		
Property Taxes	23,122,637	23,135,680
Interest and Investment	2,392	9,787
Other	<u>1,363,415</u>	<u>650,111</u>
Total General Revenue	<u>24,488,444</u>	<u>23,795,578</u>
Total Revenues	41,884,556	40,673,738
Expenses:		
General Government	4,720,807	4,609,979
Public Safety	8,401,131	7,836,635
Human Services	8,167,647	7,781,158
Conservation	61,192	197,489
Economic Development	435,710	1,012,862
Interest and fiscal charges	1,329,804	1,430,868
Cheshire County Nursing Home	<u>15,254,292</u>	<u>14,721,140</u>
Total Expenses	<u>38,370,583</u>	<u>37,590,131</u>
Increase (Decrease) in Net Position	<u>\$ 3,513,973</u>	<u>\$ 3,083,607</u>
Net position – beginning	<u>\$ 21,632,924</u>	<u>\$ 18,549,317</u>
Net position – ending	<u>\$ 25,146,897</u>	<u>\$ 21,632,924</u>

CHESHIRE COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION & ANALYSIS

Governmental Activities

Charges to users of governmental services made up \$12,131,515 or 28.96% of total government revenues and include such services as provided by the Nursing Home, Sheriff's Department, Department of Corrections, Court House Leases, Registry of Deeds, and Assisted Living Apartments. Additionally, the County receives revenue from operating grants and other contributions. In 2013, this totaled \$4,847,357 or 11.57% of total government revenue. Operating grants are used to fund expenses associated with programs such as the Domestic Violence Prosecutor, the Victim Witness Program and the Regional Prosecutor Program, Drug Court. Other contributions included in the amount are grants for Public Health initiatives and Enforcing Underage Drinking programs as well as Pro Share Funds to support Maplewood Nursing Home.

Property tax revenues are the County's largest revenue, accounting for \$23,122,637 or 55.21% of total government revenues. As noted previously, the County is able to recover some of its expenses through user charges, however, a great deal of County operations do not have revenue sources sufficient or available to meet their expenses and as a result are funded by Property Taxes.

One of the largest expenses funded through the assessment of taxes is associated with the obligation towards the Human Service Medicaid Expenses. This area is responsible for paying the County's share of funding for those Cheshire County residents needing Medicaid assistance. As of July 1, 2008, the County took on 100% of the non-federal share for residents in Long Term Care Facilities and for County residents receiving their care at home (Choices for Independence). As a result, the State of New Hampshire took over 100% of the non federal share of the other programs which included Board and Care of Children, Old Age Assistance, Aide to the Permanently and Totally Disabled and Provider Services. As the cost of these programs outweigh the cost of the LTC and Home Care programs, there was a "Hold Harmless" provision included in the statute that protected the Counties from being exposed to additional expenditures above normal inflationary rates for State Fiscal Years 2009 and 2010. After SFY 2010, the legislature establishes caps to determine the maximum liability exposure for these expenses on a biennial basis. The amount of 2013 County Taxes attributable to the State passthrough for these Medicaid State Programs was \$6,629,268 or 28.67% of County Taxes.

Although the Nursing Home is able to recover most its expenses through user charges, the Nursing does require a substantial subsidy from property taxes.

As a government owned nursing home, the census of Medicaid residents is much higher than private nursing home levels. As of December 31, 2013, approximately 76% of the nursing home census consisted of residents needing Medicaid assistance in order to pay for their care. Based on the 2013 Medicaid cost report for Maplewood, the per diem rate was calculated to be \$324.83, however, the actual paid per diem as of December 31, 2013 was \$154.51 or \$170.32 per day short of 2013 costs. The supplemental payment provided an additional reimbursement averaging \$46.64 with the Proportionate Share Funds providing additional reimbursement of \$65.72 per day. These additional payments still leave the allowable per diem rate short by approximately \$57.96 per day.

As of January 1, 2014, the Medicaid rate for Cheshire County increased by \$11.24 per day to a daily rate of \$165.75.

CHESHIRE COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION & ANALYSIS

The analysis for governmental activities indicates the total cost as well as the net cost of services. The net cost of services identifies the cost of those supported by tax assessments and unrestricted revenues that are not directly related to specific charges for services or grants and contributions that would offset those services.

**Cheshire County, Governmental Activities
For Year Ending December 31, 2013 and December 31, 2012**

	Total Cost of Services		Net Cost of Services	
	2013	2012	2013	2012
General Government	\$ 4,720,807	\$ 4,609,979	3,796,241	3,511,690
Public Safety	8,401,131	7,836,635	6,626,360	5,909,214
Human Services	8,167,647	7,781,158	7,244,985	6,966,549
Conservation	61,192	197,489	61,192	197,489
Economic Development	435,710	1,012,862	(8,500)	0
Nursing Home	15,254,292	14,721,140	1,924,389	2,676,405
Interest Expense	<u>1,329,804</u>	<u>1,430,868</u>	<u>1,329,804</u>	<u>1,430,868</u>
Total Expenses	<u>\$ 38,370,583</u>	<u>\$ 37,590,131</u>	<u>\$ 20,974,471</u>	<u>\$ 20,692,215</u>

Financial Analysis of County Funds

Cheshire County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

During the year ended December 31, 2011, the County implemented GASB Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions. Under Statement 54, the County has segregated fund balance into five classifications: Nonspendable, Restricted, Committed, Assigned and Unassigned. One major example of the effects caused by the implementation of GASB 54 is that the various Capital Reserve Fund balances are now reported as part of the General Fund.

As of December 31, 2013, the County's governmental funds reported a combined ending fund balance of \$8,502,063 an increase of \$1,556,410 in comparison with the prior year. Approximately 50.93% of this total (\$4,330,252) represents unassigned fund balance. The increase is partially due to favorable results for actual expenditures when compared to actual revenues. Additionally, committed fund balance was added by the Delegation in a budget amendment due to the receipt of ProShare funds. In addition, as a note to the reader, in 2012 the Nursing Home was combined with the General Fund in order to provide a more clear presentation of the County's overall fund balance.

The amount of the County's unassigned fund balance is in line with our objective of retaining a recommended level of between 8% and 11% of the County's annual budget.

A complete description of the above mentioned classifications and a more detailed breakdown may be found on page 25 of the Notes to the Basic Financial Statements.

CHESHIRE COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION & ANALYSIS

Budgetary Highlights

By State statute, the County Convention must adopt its annual budget within 90 days after the beginning of the County's fiscal year. Therefore, any new purchases or proposed changes to the budget are not executed until the budget is adopted. On March 18, 2013, the County Convention adopted the 2013 budget. As adopted, the bottom line was down 2.06% (\$846,253) for a total budget of \$40,216,650 and taxes to be raised were .06% lower than 2012 (\$13,043) for total taxes to be raised of \$23,122,637.

Areas that contributed to the decrease included the following:

- Reduction in budgeted census levels at Maplewood Nursing Home allowed for a reduction in overall expenses of approximately \$380,000. This allowed for reduced staffing levels to coincide with the lower census. Employees did not lose jobs in order to accomplish the reduction in staffing as a reduction in FTE's was achieved through vacancies that already existed. In addition, areas such dietary meals were reduced accordingly.
- As there was no new debt for 2013, debt expense decreased by \$407,125.

On August 12, 2013 there was a budget amendment brought before the County Delegation amending the budget by \$203,545. This amendment was brought forward based on the receipt of ProShare Funds.

As a result of the supplemental budget, the total budget increased to \$40,420,195 still down by 1.57% (\$642,708) over the 2012 budget. This amendment did not have an impact on the original amount of taxes to be raised.

Capital Assets and Debt Administration

Capital Assets—The County's investment in capital assets for governmental as of December 31, 2013, was \$41,961,475 (net of accumulated depreciation). This investment in capital assets includes land and improvements, water and waste water systems, buildings and improvements, improvements other than buildings, machinery and equipment, vehicles, and construction in progress.

Major Capital projects and or equipment that were finalized in 2013 include \$151,000 for roof repair at Maplewood Nursing Home. A new generator at the Water Treatment Plant for \$36,000. Paving of the lot formally occupied by the demolished Latchis Theater for \$36,000. \$41,000 to upgrade Maplewood for wireless computer access. \$192,000 for a Repeater Project for Sheriff Dispatch and the purchase of a Mobile Command Unit for \$271,000. Of the listed projects, \$481,000 were acquired through the award of grant funds.

Note 7 – Detailed Notes of Capital Assets provides additional information about capital asset activity during 2013.

Long-Term Debt—At December 31, 2013, the County had total general obligation bonded debt and notes payable outstanding of \$28,296,734. Of this amount, \$1,040,000 is for the Jaffrey District Court House and is reimbursed by the State of New Hampshire by way of a lease agreement. The annual payment schedule for the lease corresponds with the bond schedule principal and interest payments. Other outstanding debt includes bonds for the study of the new County Jail, which had a balance remaining of \$200,000 at year-end. Bonds for the construction of the County Correctional

**CHESHIRE COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION & ANALYSIS**

Facility had a balance outstanding at year-end for \$25,900,000 and the Geothermal Heating and Cooling System Bond for the County Correctional Facility had an outstanding balance at year-end of \$900,000. Additionally, the Water Treatment Upgrade Project that was funded by the State of New Hampshire Revolving Loan Fund had a balance of \$167,857. The County also utilized the State Revolving Loan Fund to upgrade its Waste Water Treatment Plan having an outstanding balance at the end of 2013 in the amount of \$88,877.

The County's long term bonded debt decreased by payments made of \$2,219,556 during 2013.

The current outstanding debt for Cheshire County is as follows:

**Cheshire County, Outstanding Debt
December 31, 2013**

	Governmental Activities	Years Remaining
Jail Expansion Study	\$ 200,000	8
Jaffrey District Court House	1,040,000	8
Jail Construction	25,900,000	14
Jail Geothermal System	900,000	11
Water Treatment Upgrade	167,857	2
Waste Water Trmnt Upgrade	<u>88,877</u>	3
Total Outstanding Debt	<u>\$ 28,296,734</u>	

In 2005, the first lease payment associated with the Energy Efficiency Project was due. Total principal for this project was \$1,070,543 and was spread out over a twelve (12) year period. The ninth principal payment was made on May 30, 2013 for \$95,000. The remaining principal due for this project as of December 31, 2013 is \$242,543.

In 2012 Moody's reaffirmed the Aa2 general obligation rating but did assign a negative outlook due to their concerns over the pressures of the Nursing Home receivables to the General Fund. In response to these concerns, Cheshire County combined the Nursing Home operations within the General Fund so that adjusting entries that may indicate the nursing home actually is due funds to the General Fund no longer accumulate.

Economic Factors

- The Cheshire County unemployment rate for December 2013 was 4.5%, which compares favorably to the State's rate of 4.8 %, the New England rate of 6.5% and the national rate of 6.53 %.
- Most recent equalized assessed valuations of property used for appropriating Cheshire County's 2013 taxes were \$6,746,907,739. This is a decrease over the prior year assessed valuations of 3.56% or \$249,407,197.
- There were no outstanding tax payments due from any Cheshire County Town as of December 31, 2013.

CHESHIRE COUNTY, NEW HAMPSHIRE
MANAGEMENT'S DISCUSSION & ANALYSIS

Requests for Information

This financial report is designed to provide a general overview of the county's finances for all those with an interest in the governments' finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Sheryl A. Trombly, Finance Director, 33 West Street, Keene, NH 03431.

EXHIBIT A
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Statement of Net Position
December 31, 2013

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 10,898,755
Investments	102,964
Accounts receivable, net	1,422,671
Due from other governments	800,031
Prepaid expenses	208,369
Current portion of direct financing lease receivable	<u>178,230</u>
Total Current Assets	<u>13,611,020</u>
Noncurrent Assets:	
Restricted cash	61,902
Direct financing lease receivable	1,082,640
Note receivable	750,000
Capital assets:	
Non-depreciable capital assets	1,105,354
Depreciable capital assets, net	<u>40,856,121</u>
Total Noncurrent Assets	<u>43,856,017</u>
Total Assets	<u>57,467,037</u>
DEFERRED OUTFLOWS OF RESOURCES	
Total Deferred Outflows of Resources	<u>-</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	1,075,333
Accrued expenses	1,314,702
Due to other governments	889,665
Current portion of bonds payable	2,115,793
Current portion of note payable	114,556
Current portion of capital lease payable	<u>103,000</u>
Total Current Liabilities	<u>5,613,049</u>
Noncurrent Liabilities:	
Bonds payable	26,005,156
Note payable	142,178
Capital lease payable	<u>139,543</u>
Total Noncurrent Liabilities	<u>26,286,877</u>
Total Liabilities	<u>31,899,926</u>
DEFERRED INFLOWS OF RESOURCES	
Unearned grant revenue	26,039
Unearned other revenue	173,305
Unearned direct financing lease revenue	<u>220,870</u>
Total Deferred Inflows of Resources	<u>420,214</u>
NET POSITION	
Net investment in capital assets	14,602,119
Restricted	1,752,365
Unrestricted	<u>8,792,413</u>
Total Net Position	<u>\$ 25,146,897</u>

See accompanying notes to the basic financial statements

EXHIBIT B
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Statement of Activities
For the Year Ended December 31, 2013

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities:					
General government	\$ 4,720,807	\$ 575,354	\$ 349,212		\$ (3,796,241)
Public safety	8,401,131	1,132,846	224,685	\$ 417,240	(6,626,360)
Human services	8,167,647	508,539	414,123		(7,244,985)
Conservation	61,192				(61,192)
Economic development	435,710		444,210		8,500
Nursing home	15,254,292	9,914,776	3,415,127		(1,924,389)
Interest and fiscal charges	1,329,804				(1,329,804)
Total governmental activities	<u>\$ 38,370,583</u>	<u>\$ 12,131,515</u>	<u>\$ 4,847,357</u>	<u>\$ 417,240</u>	<u>(20,974,471)</u>
		General revenues:			
		Property taxes			23,122,637
		Interest and investment earnings			2,392
		Miscellaneous			615,775
		Special item - Sale of capital asset			747,640
		Total general revenues and special item			<u>24,488,444</u>
		Change in net position			3,513,973
		Net position - beginning, as restated			<u>21,632,924</u>
		Net position - ending			<u>\$ 25,146,897</u>

See accompanying notes to the basic financial statements

EXHIBIT C
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Balance Sheet
Governmental Funds
December 31, 2013

	General Fund	ARRA Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 7,330,664	\$ 1,525,871	\$ 161,820	\$ 9,018,355
Investments	49,131		53,833	102,964
Accounts receivable, net	1,421,036		1,635	1,422,671
Due from other governments	750,613		49,418	800,031
Due from other funds	4,705			4,705
Prepaid expenses	208,369			208,369
Total Assets	<u>9,764,518</u>	<u>1,525,871</u>	<u>266,706</u>	<u>11,557,095</u>
DEFERRED OUTFLOWS OF RESOURCES				
Total Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 9,764,518</u>	<u>\$ 1,525,871</u>	<u>\$ 266,706</u>	<u>\$ 11,557,095</u>
LIABILITIES				
Accounts payable	\$ 912,054		\$ 49,418	\$ 961,472
Accrued expenses	1,002,701			1,002,701
Due to other governments	889,665			889,665
Due to other funds	130		1,720	1,850
Total Liabilities	<u>2,804,550</u>	<u>\$ -</u>	<u>51,138</u>	<u>2,855,688</u>
DEFERRED INFLOWS OF RESOURCES				
Unearned grant revenue			26,039	26,039
Unearned revenue	173,305			173,305
Total Deferred Inflows of Resources	<u>173,305</u>	<u>-</u>	<u>26,039</u>	<u>199,344</u>
FUND BALANCES				
Nonspendable	208,369			208,369
Restricted	52,750	1,525,871	173,744	1,752,365
Committed	262,227			262,227
Assigned	1,933,065		15,785	1,948,850
Unassigned	4,330,252			4,330,252
Total Fund Balances	<u>6,786,663</u>	<u>1,525,871</u>	<u>189,529</u>	<u>8,502,063</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,764,518</u>	<u>\$ 1,525,871</u>	<u>\$ 266,706</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds 41,961,475

Other long-term assets are not available to pay for current period expenditures and therefore are not reported in the funds. 2,010,870

Internal Service Funds are used by the County to charge the costs of health and dental insurance. This amount represents the amount due from the Business-type Activities at year end. 1,825,586

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities at year end consist of:

Unearned revenue related to long-term receivable	(220,870)
Bonds payable	(28,120,949)
Notes payable	(256,734)
Capital lease payable	(242,543)
Accrued interest on long-term obligations	(312,001)

Net position of governmental activities \$ 25,146,897

See accompanying notes to the basic financial statements

EXHIBIT D
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013

COUNTY OF CHESHIRE, 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, 2013

	General Fund	ARRA Fund	Nonmajor Governmental Funds	Total Governmental Funds	
Revenues:					
Taxes	\$ 23,122,637			\$ 23,122,637	
Intergovernmental	4,814,307		\$ 450,290	5,264,597	
Charges for services	12,107,561		23,954	12,131,515	
Interest and investment income	1,561	\$ 392	43	1,996	
Miscellaneous	728,055		17,720	745,775	
Total Revenues	<u>40,774,121</u>	<u>392</u>	<u>492,007</u>	<u>41,266,520</u>	\$ 1,556,410
Expenditures:					(1,287,068)
Current operations:					
General government	4,604,025		38,225	4,642,250	
Public safety	6,874,610		306	6,874,916	
Human services	8,077,425			8,077,425	
Conservation	63,187			63,187	(9,708)
Economic development			435,710	435,710	
Nursing home	14,956,671			14,956,671	
Capital outlay	978,598			978,598	
Debt service:					11,564
Principal retirement	2,314,556			2,314,556	
Interest and fiscal charges	1,366,797			1,366,797	
Total Expenditures	<u>39,235,869</u>	<u>-</u>	<u>474,241</u>	<u>39,710,110</u>	2,314,556
Excess revenues (under) expenditures	<u>1,538,252</u>	<u>392</u>	<u>17,766</u>	<u>1,556,410</u>	
Other financing sources (uses):					(130,000)
Transfers in	246,142			246,142	
Transfers out		(233,848)	(12,294)	(246,142)	
Total other financing sources (uses)	<u>246,142</u>	<u>(233,848)</u>	<u>(12,294)</u>	<u>-</u>	
Net change in fund balances	1,784,394	(233,456)	5,472	1,556,410	285,150
Fund balances at beginning of year, as restated	5,002,269	1,759,327	184,057	6,945,653	
Fund balances at end of year	<u>\$ 6,786,663</u>	<u>\$ 1,525,871</u>	<u>\$ 189,529</u>	<u>\$ 8,502,063</u>	747,640
					<u>25,429</u>
					<u>\$ 3,513,973</u>

Net Change in Fund Balances--Total Governmental Funds \$ 1,556,410

Amounts reported for governmental activities in the statement of activities are different because:

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 as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period. (1,287,068)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss of disposed capital assets reduced by the actual proceeds received from the sale of capital assets. (9,708)

Governmental funds report the effect of bond issuance premiums when debt is first issued, whereas these amounts are amortized in the statement of activities over the life of the related debt. 11,564

Repayment of principal on bonds and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 2,314,556

Revenue received from the State of New Hampshire and reported in the lease receivable in the statement of net position. (130,000)

The Internal Service Fund is used by the County to charge the costs of dental and health insurance to individual funds. The net cost of the Internal Service Fund is reported in Governmental Activities. 285,150

Proceeds from note receivable issuances for the sale of capital assets are recognized as revenues in the statement of activities in the year of receipt of the note. The fund financial statements recognize revenue to the extent funds are received. This is the amount of note receivable issuance reduced by the net book value of capital assets sold. 747,640

In the statement of activities, interest is accrued on outstanding bonds and capital leases, whereas in governmental funds, an interest expenditure is reported when due. 25,429

Change in Net Position of Governmental Activities \$ 3,513,973

EXHIBIT E
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Statement of Net Position
Proprietary Funds
December 31, 2013

	Internal Service Fund
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 1,880,400
Total Current Assets	<u>1,880,400</u>
Noncurrent Assets:	
Restricted cash	<u>61,902</u>
Total Noncurrent Assets	<u>61,902</u>
Total Assets	<u>1,942,302</u>
DEFERRED OUTFLOWS OF RESOURCES	
Total Deferred Outflows of Resources	<u>-</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	113,731
Due to other funds	<u>2,985</u>
Total Current Liabilities	<u>116,716</u>
DEFERRED INFLOWS OF RESOURCES	
Total Deferred Inflows of Resources	<u>-</u>
NET POSITION	
Unrestricted	<u>1,825,586</u>
Total Net Position	<u>\$ 1,825,586</u>

See accompanying notes to the basic financial statements

EXHIBIT F
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2013

	Internal Service Fund
Operating revenues:	
Charges for services	\$ 3,316,301
Total operating revenues	<u>3,316,301</u>
Operating expenses:	
Administrative	<u>3,031,547</u>
Total operating expenses	<u>3,031,547</u>
Operating income	<u>284,754</u>
Non-operating revenues:	
Interest revenue	<u>396</u>
Net non-operating revenues	<u>396</u>
Change in net position	285,150
Total net position at beginning of year	<u>1,540,436</u>
Total net position at end of year	<u>\$ 1,825,586</u>

See accompanying notes to the basic financial statements

EXHIBIT G
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Internal Service Fund
Cash flows from operating activities:	
Cash received for interfund services provided	\$ 3,316,301
Cash paid to suppliers	<u>(3,051,613)</u>
Net cash provided by operating activities	<u>264,688</u>
Cash flows from investing activities:	
Investment income	<u>396</u>
Net cash provided by investing activities	<u>396</u>
Net increase in cash and cash equivalents	265,084
Cash and cash equivalents at beginning of year	<u>1,674,233</u>
Cash and cash equivalents at end of year	<u>\$ 1,939,317</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 284,754
Changes in assets, deferred outflows of resources, liabilities and deferred inflows of resources:	
Accounts payable	<u>(20,066)</u>
Net cash provided by operating activities	<u>\$ 264,688</u>

See accompanying notes to the basic financial statements

EXHIBIT H
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2013

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 530,693
Due from other funds	<u>130</u>
Total Assets	<u>\$ 530,823</u>
LIABILITIES	
Accounts payable	\$ 62,276
Due to others	112,772
Due to other governments	<u>355,775</u>
Total Liabilities	<u>\$ 530,823</u>

See accompanying notes to the basic financial statements

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2013

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County of Cheshire, New Hampshire conform to accounting policies generally accepted in the United States of America for local governmental units, except as indicated hereinafter. The following is a summary of significant accounting policies.

Financial Reporting Entity

The County of Cheshire, New Hampshire (the County) was established in 1769 under the laws of the State of New Hampshire. The County boundaries include twenty-three New Hampshire municipalities located in southwestern New Hampshire. The County operates under the Commissioner/Delegation form of government and provides services as authorized by state statutes.

The financial statements include those of the various departments governed by the Commissioners and other officials with financial responsibility. The County has no other separate organizational units, which meet criteria for inclusion in the financial statements as defined by the Governmental Accounting Standards Board (GASB).

Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

1. Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid duplicating revenues and expenses.

The statement of net position presents the financial condition of the governmental activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the County.

2. Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary funds are reported by type.

Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The County employs the use of three categories of funds: governmental, proprietary and fiduciary.

1. Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources is reported as fund balance. The following are the County's major governmental funds:

The *General Fund* is the main operating fund of the County and is used to account for all financial resources except those required to be accounted for in another fund.

The *ARRA Fund* is used to account for the temporary increase in Federal Medical Assistance Percentages (FMAP) of 6.2%.

2. Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service. The following is the County's proprietary fund:

The County is self-insured for its health and dental insurance. The activity associated with this self-insurance program is accounted in the *Internal Service Fund*.

3. Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The County maintains one type of fiduciary fund: agency funds. The County's agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The County's agency funds account for Sheriff's escrow and court-forfeited funds, Register of Deeds, Nursing Home resident funds, and the jail canteen/recreation fund.

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

Measurement Focus

1. Government-Wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the County are included on the Statement of Net Position.

2. Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the proprietary fund type is accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

1. Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, available means expected to be received within sixty days of year end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (see Note 3). Revenue from grants,

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

entitlements and donations are recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes, charges for services and interest on investments.

Miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

2. Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization are not recognized in governmental funds.

Budgetary Data

The County's budget represents functional appropriations as authorized by the County Delegation. The County Delegation may transfer funds between operating categories as they deem necessary. The County adopts its budget under State regulations, which differ somewhat from accounting principles generally accepted in the United States of America in that the focus is on the entire governmental unit rather than on the basis of fund types.

Cash and Cash Equivalents

The County pools its cash resources for the governmental and proprietary funds. Cash applicable to a particular fund is reflected as an interfund balance. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of the following:

Statement of Net Position - Proprietary Funds:	
Cash and cash equivalents	\$ 1,880,400
Due to other funds	(2,985)
Restricted cash	<u>61,902</u>
	<u>\$ 1,939,317</u>

Investments

Investments are stated at their fair value in all funds. Certificates of deposit with a maturity of greater than ninety days from the date of issuance are included in investments.

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

Accounts Receivable

General Fund accounts receivable at December 31, 2013 are recorded net of an allowance for uncollectible receivables of \$302,654.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2013 are recorded as prepaid items.

Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the government-wide statement of net position, but are not reported in the governmental fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their estimated fair values as of the date received. The County maintains a capitalization threshold of \$5,000 for its governmental activities, except for its nursing home. The capitalization threshold of the nursing home is \$500. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except for land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

	<u>Description</u>	<u>Years</u>
	Land improvements	10-30
	Water system	30
	Wastewater system	30
	Buildings and improvements	5-50
	Vehicles and equipment	5-25

Compensated Absences

Employees earn vacation and sick leave as they provide services. Provision is made in the annual budget for vacation and sick leave. Vacation may be accrued to one and one-half times an employee's annual earned vacation. Any unused vacation beyond this amount will be forfeited. Accrued/unused vacation has been included as a liability in these financial statements.

Employees may accumulate sick leave days up to ten days per year, cumulative to a maximum of sixty days. Any unused sick leave days in excess of sixty days are to be paid to the employee at the end of the year at a rate of one-half day for each excess day that has been accrued. No payment for unused sick leave is made upon termination.

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

Bond Premium

Bond premiums are amortized as a component of interest expense over the life of the related bond using the effective interest rate method. Bonds payable are reported in the accompanying financial statements gross of any applicable unamortized bond premium. The balance of the unamortized bond premium as of December 31, 2013 is \$80,949.

Accrued Liabilities and Long-Term Obligations

Except for the obligation for other post-employment benefits (see Note 2), all payables and accrued liabilities are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current resources are reported as obligations of the funds.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances on any borrowings 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 enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance Policy

GASB Statement 54 established new fund balance classifications and changed the definition of governmental fund types. Under Statement 54, the County has segregated fund balance into five classifications: Nonspendable, Restricted, Committed, Assigned, and Unassigned. These components of fund balance are defined as follows:

- Nonspendable Fund Balance: Amounts that are not in a spendable form (such as inventory or prepaid expenses) or are required to be maintained intact.
- Restricted Fund Balance: Amounts that can only be spent for the specific purposes stipulated by external resource providers (such as grantors) or the enabling legislation (federal or state law). Restrictions may be changed or lifted only with the consent of the resource providers or the enabling legislation.
- Committed Fund Balance: Amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision making authority (annual meeting of the County Delegation). Commitments may be changed or lifted only by the governing body taking the same formal action that imposed the constraint originally. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

commitment is made. The amount subject to the constraint may be determined in the subsequent period.

- Assigned Fund Balance: Amounts that the County intends to use for a specific purpose. For all governmental funds other than the General Fund, any remaining positive amounts are to be classified as “assigned”. The Board of Commissioners expressly delegates this authority to the County Administrator. Items that would fall under this type of fund balance classification would be encumbrances.
- Unassigned Fund Balance: Amounts that are not obligated or specifically designated and are available for any purpose. The residual classification of any General Fund balance is to be reported here. Any deficit fund balance of another fund is also classified as unassigned.

Spending Prioritizations

In instances when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, restricted fund balance is considered to have been spent first. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications may be applied, committed resources are to be applied first, followed by assigned and unassigned.

Minimum Level of Unassigned Fund Balance

In accordance with the County’s fund balance policy, the recommended minimum unassigned fund balance in its General Fund should equal 8% of the annual total budgeted appropriations. The recommended target balance is to maintain an unassigned fund balance between 8% and 11% of the annual total budgeted appropriations. Any amount of the unassigned fund balance in excess of the minimum balance may be appropriated by the Commissioners to offset property taxes as part of the budget approval process with the Delegation to set tax rates for the calendar year.

The Board of Commissioners may recommend to the Delegation through a budget amendment to appropriate funds from the unassigned fund balance even if such use decreases the unassigned fund balance below the recommended minimum balance in the event of emergency purposes or to alleviate unanticipated short-term budgetary problems, such as revenue shortfalls.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the proprietary fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates. Significant estimates include the allowance for uncollectible receivables and depreciation expense.

NOTE 2—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Other Post-Employment Benefits

The County did not implement GASB Statement 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Statement 45 requires governments to account for other post-employment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The provisions of GASB 45 were required to be implemented by the County during the year ended December 31, 2009.

NOTE 3—PROPERTY TAXES

Property taxes levied to support the County are based on the assessed valuation of the prior April 1st for all taxable real property.

Under state statutes, the twenty-three Towns/City that comprise Cheshire County (all independent governmental units) collect County taxes as part of local property tax assessments. As collection agent, the Towns/City are required to pay over to the County its share of property tax assessments. The Towns/City assume financial responsibility for all uncollected property taxes under state statutes.

NOTE 4—RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended December 31, 2013, the County participated in public entity risk pools (Trusts) for property and liability insurance and worker's compensation coverage. Coverage has not been significantly reduced from the prior year and settled claims have not exceeded coverage in any of the past three years.

The Trust agreements permit the Trusts to make additional assessments to members should there be a deficiency in Trust assets to meet its liabilities. Accounting principles generally accepted in the United States of America require members of pools with a sharing of risk to determine whether or not such assessment is probable and, if so, a reasonable estimate of such assessment. At this time, the Trusts foresee no likelihood of an additional assessment for any of the past years. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Based on the best available information there is no liability at December 31, 2013.

Property and Liability Insurance

The Trust provides certain property and liability insurance coverage to member towns, cities, and other qualified political subdivisions of New Hampshire. As a member of the Trust, the County shares in

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

contributing to the cost of and receiving benefit from a self-insured pooled risk management program. The program includes a Self-Insured Retention Fund from which is paid up to \$500,000 for each and every covered property, crime and/or liability loss that exceeds \$1,000, up to an aggregate of \$5,000,000. Each property loss is subject to a \$1,000 deductible. All losses over the aggregate are covered by insurance policies.

Worker's Compensation

The Trust provides statutory worker's compensation coverage to member towns, cities, and other qualified political subdivisions of New Hampshire. The Trust is self-sustaining through annual member premiums and provides coverage for the statutorily required workers' compensation benefits and employer's liability coverage up to \$2,000,000. The program includes a Loss Fund from which is paid up to \$500,000 for each and every covered claim.

NOTE 5—DEPOSITS AND INVESTMENTS

The County has combined the cash resources of its governmental and proprietary fund types. For accounting and reporting purposes, that portion of the pooled cash balance is reported in the specific fund as an interfund balance.

Deposits and investments as of December 31, 2013 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 10,898,755
Investments	102,964
Restricted cash	61,902
Statement of Fiduciary Net Position:	
Cash and cash equivalents	530,693
	<u>\$ 11,594,314</u>

Deposits and investments at December 31, 2013 consist of the following:

Cash on hand	\$ 7,280
Deposits with financial institutions	11,484,070
Investments	102,964
	<u>\$ 11,594,314</u>

The County's investment policy states that any excess funds which are not immediately needed for the purpose of expenditure may only be invested in certificates of deposit, overnight repurchase agreements, U.S. Government securities – Treasury bills, the New Hampshire Public Deposit Investment Pool and others as approved by the County Commissioners and the County Executive Committee.

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

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. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The County does not have an investment policy regarding credit risk for its governmental funds as of December 31, 2013.

The County's investment in the NHPDIP (State investment pool) is unrated.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the County's deposits may not be returned to it. Currently, the County does not have an investment policy for assurance against custodial credit risk; however, the County has an agreement with the bank to collateralize deposits in excess of the FDIC insurance limits.

Of the County's deposits with financial institutions at year end, \$4,634,891 was collateralized by securities held by the bank in the bank's name and \$7,006,254 was uninsured and uncollateralized. The County changed financial institutions during the year ended December 31, 2013, and the collateralization for the main operating account was inadvertently overlooked by the financial institution. Subsequent to year end, the omission was identified and all deposits in excess of the FDIC insurance limits are collateralized.

Investment in NHPDIP

The County is a voluntary participant in the New Hampshire Public Deposit Investment Pool (NHPDIP), an external investment pool. The NHPDIP is not registered with the United States Securities and Exchange Commission as an investment company. The NHPDIP was created by state law and is administered by a public body of state, local and banking officials.

Investments in the NHPDIP are not investment securities and, as such, are not categorized by risk. The County's exposure to derivatives is indirect through its participation in the NHPDIP. The County's proportional share of these derivatives is not available. The fair value of the position in the investment pool is equal to the value of the pool shares.

NOTE 6—NOTE RECEIVABLE

During January 2013, the County sold a parcel of land in exchange for a note receivable in the amount of \$750,000. The terms of the note call for the note to accrue no interest for the first seven years from the date of issuance. After the first seven years, interest is accrued on the outstanding balance at the simple interest rate of 1% per annum. Payment on the outstanding principal and interest balance of the note is due at the earlier event of transfer of property to an entity not controlled by the purchaser or January 18, 2038. At December 31, 2013 the balance of \$750,000 is deemed collectible in full by management.

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

NOTE 7—CAPITAL ASSETS

The following is a summary of changes in capital assets in the governmental funds:

	Balance <u>1/1/2013</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/2013</u>
Capital assets not depreciated:				
Land	\$ 1,059,770		\$ (2,360)	\$ 1,057,410
Construction in process	<u>321,751</u>	\$ 47,944	<u>(321,751)</u>	<u>47,944</u>
Total capital assets not being depreciated	<u>1,381,521</u>	<u>47,944</u>	<u>(324,111)</u>	<u>1,105,354</u>
Other capital assets:				
Land improvements	648,327	37,086		685,413
Buildings and improvements	55,722,979	188,702		55,911,681
Water system	1,464,537	36,145		1,500,682
Waste water system	921,198			921,198
Vehicles and equipment	<u>4,130,239</u>	<u>827,218</u>	<u>(41,582)</u>	<u>4,915,875</u>
Total other capital assets at historical cost	<u>62,887,280</u>	<u>1,089,151</u>	<u>(41,582)</u>	<u>63,934,849</u>
Less accumulated depreciation for:				
Land improvements	(476,637)	(13,822)		(490,459)
Buildings and improvements	(16,578,937)	(1,728,138)		(18,307,075)
Water system	(878,697)	(58,014)		(936,711)
Waste water system	(388,672)	(33,383)		(422,055)
Vehicles and equipment	<u>(2,685,247)</u>	<u>(269,055)</u>	<u>31,874</u>	<u>(2,922,428)</u>
Total accumulated depreciation	<u>(21,008,190)</u>	<u>(2,102,412)</u>	<u>31,874</u>	<u>(23,078,728)</u>
Total other capital assets, net	<u>41,879,090</u>	<u>(1,013,261)</u>	<u>(9,708)</u>	<u>40,856,121</u>
Total capital assets, net	<u>\$ 43,260,611</u>	<u>\$ (965,317)</u>	<u>\$ (333,819)</u>	<u>\$ 41,961,475</u>

Depreciation expense was charged to governmental functions as follows:

General government	\$ 95,442
Public safety	1,458,419
Human services	98,880
Nursing home	<u>449,671</u>
Total	<u>\$ 2,102,412</u>

The balance of the assets acquired through capital leases as of December 31, 2013 is as follows:

Buildings and improvements	\$ 1,070,541
Less accumulated depreciation for:	
Buildings and improvements	<u>(475,692)</u>
Total	<u>\$ 594,849</u>

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

NOTE 8—DEFINED BENEFIT PENSION PLAN

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.

Funding Policy

Covered public safety employees are required to contribute 11.55% of their covered salary, whereas general employees are required to contribute 7.0% of their covered salary. The County is required to contribute at an actuarially determined rate. The County's contribution rates for the covered payroll of public safety employees and general employees were 19.95% and 8.8%, respectively through June 30, 2013 and 25.3% and 10.77%, respectively, thereafter. The County contributes 100% of the employer cost for public safety officers and general employees of the County.

Per RSA-100:16, plan member contribution rates are established and may be amended by the New Hampshire State legislature and employer contribution rates are determined by the NHRS Board of Trustees based on an actuarial valuation. The County's contributions to the NHRS for the years ending December 31, 2013, 2012, and 2011 were \$1,539,616, \$1,319,668, and \$1,282,788, respectively, equal to the required contributions for each year.

NOTE 9—SHORT-TERM OBLIGATIONS

The County issues tax anticipation notes during the year. These borrowings are to assist in the payment of operating expenses during the year and are guaranteed to be repaid from the tax revenue received in December from the Towns/City within the County.

The changes in short-term debt obligations for the year ended December 31, 2013 are as follows:

Balance - January 1, 2013	\$ -
Additions	17,900,000
Reductions	<u>(17,900,000)</u>
Balance - December 31, 2013	<u>\$ -</u>

NOTE 10—LONG-TERM OBLIGATIONS

Changes in Long-Term Obligations

The changes in the County's long-term obligations for the year ended December 31, 2013 are as follows:

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

	Balance 1/1/2013	Additions	Reductions	Balance 12/31/2013	Due Within One Year
Bonds payable	\$ 30,145,000		\$ (2,105,000)	\$ 28,040,000	\$ 2,105,000
Unamortized bond premium	92,513		(11,564)	80,949	10,793
Total bonds payable	30,237,513	\$ -	(2,116,564)	28,120,949	2,115,793
Note payable	371,290		(114,556)	256,734	114,556
Capital leases payable	337,543		(95,000)	242,543	103,000
Total governmental activities	<u>\$ 30,946,346</u>	<u>\$ -</u>	<u>\$ (2,326,120)</u>	<u>\$ 28,620,226</u>	<u>\$ 2,333,349</u>

Payments on the general obligation bonds, notes payable and capital leases of the governmental activities are paid out of the General Fund.

General Obligation Bonds

Bonds payable at December 31, 2013 are comprised of the following individual issues:

\$37,000,000 Correctional Facility Bonds due in annual installments of \$1,850,000 through October 2027; interest at 4.25%	\$ 25,900,000
\$2,600,000 Jaffrey District Courthouse Bonds due in annual installments of \$130,000 through October 2021; interest at 3.875% - 4.85%	1,040,000
\$1,300,000 Correctional Facility Geothermal Project Bonds due in annual installments of \$100,000 through August 2020 and \$50,000 through August 2024; interest at 2.00% - 4.00%	900,000
\$500,000 Correctional Facility Design Bonds due in annual installments of \$25,000 through October 2021; interest at 3.875% - 4.85%	200,000
Add: Unamortized bond premium	80,949
	<u>\$ 28,120,949</u>

Debt service requirements to retire general obligation bonds for governmental activities at December 31, 2013 are as follows:

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

Year Ending December 31,	Principal	Interest	Totals
2014	\$ 2,105,000	\$ 1,187,880	\$ 3,292,880
2015	2,105,000	1,100,013	3,205,013
2016	2,105,000	1,011,740	3,116,740
2017	2,105,000	923,063	3,028,063
2018	2,105,000	834,230	2,939,230
2019-2023	10,065,000	2,841,295	12,906,295
2024-2027	7,450,000	788,250	8,238,250
	<u>28,040,000</u>	<u>8,686,471</u>	<u>36,726,471</u>
Add: Unamortized bond premium	80,949	-	80,949
	<u>\$ 28,120,949</u>	<u>\$ 8,686,471</u>	<u>\$ 36,807,420</u>

As included on the Statement of Activities (Exhibit B), interest expense for the year ended December 31, 2013 was \$1,241,164 on general obligation debt for governmental activities.

Notes Payable

Notes payable at December 31, 2013 are comprised of the following individual issues:

\$416,404 Water Project Upgrade Note due in annual installments of \$84,930 through July 2014 and \$82,927 through July 2015; interest at .895%	\$ 167,857
\$292,735 Wastewater Project Upgrade Note due in annual installments of \$29,626 through June 2016; interest at 0.97%. A total of \$146,367 was forgiven at the time of the initial payment	<u>88,877</u>
	<u>\$ 256,734</u>

Debt service requirements to retire the notes payable for governmental activities at December 31, 2013 are as follows:

Year Ending December 31,	Principal	Interest	Totals
2014	\$ 114,556	\$ 2,364	\$ 116,920
2015	112,553	1,317	113,870
2016	29,625	287	29,912
	<u>\$ 256,734</u>	<u>\$ 3,968</u>	<u>\$ 260,702</u>

As included on the Statement of Activities (Exhibit B), interest expense for the year ended December 31, 2013 was \$2,884 on the note payable for governmental activities.

Capital Lease Obligations

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

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

Capital leases payable at December 31, 2013 is comprised of the following individual issue:

Building improvements, due in varying annual installments through May 2016; interest at 4.67%	<u>\$ 242,543</u>
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Debt service requirements to retire capital lease obligations for governmental activities at December 31, 2013 are as follows:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2013	\$ 103,000	\$ 11,327	\$ 114,327
2015	112,000	6,517	118,517
2016	27,543	1,286	28,829
	<u>\$ 242,543</u>	<u>\$ 19,130</u>	<u>\$ 261,673</u>

Direct Financing Lease Receivable

The County has entered into a direct financing lease agreement with the State of New Hampshire for a term of 20 years following construction of the Jaffrey District Court building. The semi-annual payments the County will receive are equal to the annual interest and principal payments on the bond. The State will occupy the District Court building and incur all direct costs associated with the building for the entire period. The County has agreed to sell the District Court building to the State for a purchase price of \$1 at the end of the lease. Future minimum lease payments to be received have been recognized in the governmental activities and are as follows:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2014	\$ 130,000	\$ 48,230	\$ 178,230
2015	130,000	42,575	172,575
2016	130,000	36,790	166,790
2017	130,000	30,875	160,875
2018	130,000	24,830	154,830
2019-2021	390,000	37,570	427,570
	<u>\$ 1,040,000</u>	<u>\$ 220,870</u>	<u>\$ 1,260,870</u>

NOTE 11—INTERFUND BALANCES AND TRANSFERS

The County has combined the cash resources of its governmental and proprietary fund types. For accounting and reporting purposes, that portion of the pooled cash balance is reported in the specific fund as an interfund balance. Interfund balances at December 31, 2013 are as follows:

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

	Due from			Totals
	General Fund	Nonmajor Governmental Funds	Internal Service Fund	
Due to General Fund		\$ 1,720	\$ 2,985	\$ 4,705
Fiduciary Funds	\$ 130			130
	<u>\$ 130</u>	<u>\$ 1,720</u>	<u>\$ 2,985</u>	<u>\$ 4,835</u>

During the year, several interfund transactions occurred between funds. The ARRA Fund transferred \$233,848 to the General Fund to acquire capital assets. Funds transferred from the Nonmajor Governmental Funds of \$12,294 to the General Fund represent administrative costs associated with a grant award and the elimination of an interfund balance.

NOTE 12—SELF INSURANCE

The County established a Health and Dental Insurance Fund (an internal service fund) to account for and finance its self-insurance program. Under this program, the Health and Dental Insurance Fund provides coverage for up to a maximum of \$75,000 annually for each individual plan participant. The County purchases commercial insurance for claims in excess of coverage provided by the fund and for all other risks of loss.

All funds of the County participate in the program and make payments to the Health and Dental Insurance Fund based on actuarial estimates of the amounts needed to pay prior and current year claims. The claims liability reported in the fund at year end is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information is available prior to the issuance of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount for the past five years are as follows:

Year Ending <u>December 31,</u>	Beginning of Year <u>Liability</u>	Current Year Claims and Changes in <u>Estimates</u>	Claims <u>Paid</u>	End of Year <u>Liability</u>
2009	\$ 143,383	\$ 2,065,974	\$(2,098,137)	\$ 111,220
2010	111,220	2,719,547	(2,717,938)	112,829
2011	112,829	2,483,553	(2,494,922)	101,460
2012	101,460	2,871,784	(2,839,447)	133,797
2013	133,797	3,031,547	(3,051,613)	113,731

NOTE 13—RESTRICTED NET POSITION

Net position is restricted for specific purposes as follows:

ARRA Medicaid funds	\$ 1,525,871
Donations	106,583
Correctional facility project	117,677
Miscellaneous grant funds	2,234
	<u>\$ 1,752,365</u>

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

NOTE 14—COMPONENTS OF FUND BALANCE

The County's fund balance components are comprised as follows:

<u>Fund Balances</u>	General <u>Fund</u>	ARRA <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Nonspendable:				
Prepaid expenses	\$ 208,369			\$ 208,369
Restricted for:				
ARRA Medicaid funds		\$ 1,525,871		1,525,871
Donations	52,750		\$ 53,833	106,583
Correctional facility project			117,677	117,677
Miscellaneous grant funds			2,234	2,234
Committed for:				
Capital Reserves	262,227			262,227
Assigned for:				
Deeds surcharge			15,785	15,785
Reduction of 2014 tax rate	1,653,516			1,653,516
Encumbrances	39,121			39,121
Carryforward appropriations	240,428			240,428
Unassigned	<u>4,330,252</u>			<u>4,330,252</u>
	<u>\$ 6,786,663</u>	<u>\$ 1,525,871</u>	<u>\$ 189,529</u>	<u>\$ 8,502,063</u>

NOTE 15—COMMITMENTS AND CONTINGENCIES

Litigation

County officials estimate that any potential claims against the County which are not covered by insurance are immaterial and would not affect the financial position of the County.

Other Contingencies

The County participates in the federally assisted Medicaid program at the County Nursing Home. This program is subject to financial and compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time; although the County expects such amounts, if any, to be immaterial.

Federal Grants

The County participates in a number of federally assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives. The amounts, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
December 31, 2013

NOTE 16—RESTATEMENT OF EQUITY

During the year ended December 31, 2013, it was determined unearned grant revenue of the Nonmajor Governmental Funds was understated at December 31, 2012.

Government-Wide Statements

Net Position of the governmental activities as of January 1, 2013 has been restated as follows:

	Governmental <u>Activities</u>
Net Position - January 1 (as previously reported)	\$ 21,652,680
Amount of restatement due to:	
Understatement of unearned grant revenue	<u>(19,756)</u>
Net Position - January 1, as restated	<u>\$ 21,632,924</u>

Governmental Funds

The impact of the restatement on the Governmental Funds is as follows:

	Nonmajor Governmental <u>Funds</u>
Fund Balance - January 1 (as previously reported)	\$ 203,813
Amount of restatement due to:	
Understatement of unearned grant revenue	<u>(19,756)</u>
Fund Balance - January 1, as restated	<u>\$ 184,057</u>

NOTE 17—SUBSEQUENT EVENT

During April 2014, the County issued a \$12,600,000 tax anticipation note with an interest rate of .223792%. This tax anticipation note matures on December 30, 2014.

SCHEDULE 1
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended December 31, 2013

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 23,122,637	\$ 23,122,637	\$ 23,122,637	\$ -
Intergovernmental	3,603,181	4,993,895	4,814,307	(179,588)
Charges for services	11,924,590	11,924,590	12,107,561	182,971
Interest income	5,000	5,000	1,463	(3,537)
Miscellaneous	755,162	755,162	721,661	(33,501)
Total Revenues	<u>39,410,570</u>	<u>40,801,284</u>	<u>40,767,629</u>	<u>(33,655)</u>
Expenditures:				
Current:				
General government	4,755,141	4,707,541	4,576,963	130,578
Public safety	7,192,528	7,192,528	6,878,296	314,232
Human services	8,462,773	8,598,168	8,077,425	520,743
Conservation	50,989	50,989	51,095	(106)
Nursing home	15,488,726	15,537,126	14,969,108	568,018
Capital outlay	1,455,187	1,056,715	895,948	160,767
Debt Service:				
Principal retirement	2,314,556	2,314,556	2,314,556	-
Interest and fiscal charges	1,419,190	1,419,190	1,366,797	52,393
Total Expenditures	<u>41,139,090</u>	<u>40,876,813</u>	<u>39,130,188</u>	<u>1,746,625</u>
Excess revenues over (under) expenditures	<u>(1,728,520)</u>	<u>(75,529)</u>	<u>1,637,441</u>	<u>1,712,970</u>
Other financing sources:				
Transfers in	557,747	298,700	256,732	(41,968)
Total other financing sources	<u>557,747</u>	<u>298,700</u>	<u>256,732</u>	<u>(41,968)</u>
Net change in fund balance	(1,170,773)	223,171	1,894,173	1,671,002
Fund balance at beginning of year				
- Budgetary Basis	<u>4,217,786</u>	<u>4,217,786</u>	<u>4,217,786</u>	<u>-</u>
Fund balance at end of year				
- Budgetary Basis	<u>\$ 3,047,013</u>	<u>\$ 4,440,957</u>	<u>\$ 6,111,959</u>	<u>\$ 1,671,002</u>

See accompanying notes to the required supplementary information

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2013

NOTE 1—BUDGET TO ACTUAL RECONCILIATION

General Fund

Amounts recorded as budgetary amounts in the Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Budgetary Basis) – General Fund (Schedule 1) are reported on the basis budgeted by the County. Those amounts differ from those reported in conformity with accounting principles generally accepted in the United States of America in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (Exhibit D). General Fund budgetary revenues and other financing sources and expenditures and other financing uses were adjusted for encumbrances, non-budgetary revenues and expenditures and budgetary transfers as follows:

	Revenues and Other Financing <u>Sources</u>	Expenditures and Other Financing <u>Uses</u>
Per Exhibit D	\$ 41,020,263	\$ 39,235,869
Encumbrances, December 31, 2013		39,121
Encumbrances, December 31, 2012		(123,677)
Non-budgetary revenues and expenditures	(6,492)	(21,125)
Budgetary transfers	10,590	
Per Schedule 1	<u>\$ 41,024,361</u>	<u>\$ 39,130,188</u>

Budgetary information in these financial statements has been presented only for the General Fund as there is no adopted budget for the ARRA Fund.

NOTE 2—BUDGETARY FUND BALANCE

The components of the budgetary fund balance for the General Fund at December 31, 2013 are as follows:

Nonspendable:	
Prepaid expenses	\$ 208,369
Assigned for:	
Reduction of 2014 tax rate	1,653,516
Carryforward appropriations	240,428
Unassigned	<u>4,009,646</u>
	<u>\$ 6,111,959</u>

NOTE 3—RECLASSIFICATION

The fund balance components in the prior year's financial statements have been reclassified to conform with the current year's presentation.

SCHEDULE 1
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013

Federal Granting Agency/Recipient State Agency/Grant Program/State <u>Grant Number</u>	Federal Catalogue <u>Number</u>	<u>Expenditures</u>
DEPARTMENT OF AGRICULTURE		
Received directly from U.S. Treasury Department Farmer's Market and Local Food Promotion Program #12-25-G-1601-NH	10.168	\$ 24,523
Total Department of Agriculture		<u>24,523</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Pass Through Payments from Community Development Finance Authority Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii #11-403-CDHS #11-403-CDED #10-403-CDPF	14.228	207,210 14,000 <u>223,000</u>
Total Department of Housing and Urban Development		<u>444,210</u>
DEPARTMENT OF JUSTICE		
Received directly from U.S. Treasury Department Drug Court Discretionary Grant Program #2013-DC-BX-0048	16.585	<u>16,533</u>
Pass Through Payments from the New Hampshire Department of Justice Violence Against Women Formula Grants - Recovery Act #2012-WF-AX-0004	16.588	<u>30,000</u>
Residential Substance Abuse Treatment for State Prisoners #2012RS10	16.593	<u>10,520</u>
Received Directly From U.S. Treasury Department Bulletproof Vest Partnership Program	16.607	<u>1,981</u>
Pass Through Payments from the New Hampshire Department of Justice Enforcing Underage Drinking Laws Program #2012CD29 #2011CD29	16.727	6,228 4,842 <u>11,070</u>
Received Directly From U.S. Treasury Department Edward Byrne Memorial Justice Assistance Grant Program #2011-DJ-BX-3101 #2012-DJ-BX-0628	16.738	4,411 <u>11,953</u> <u>16,364</u>
Equitable Sharing Program	16.922	<u>305</u>
Total Department of Justice		<u>86,773</u>

See notes to schedule of expenditures of federal awards

SCHEDULE 1
COUNTY OF CHESHIRE, NEW HAMPSHIRE
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2013

Federal Granting Agency/Recipient State Agency/Grant Program/State Grant Number	Federal Catalogue Number	Expenditures
DEPARTMENT OF TRANSPORTATION		
Pass Through Payments from the New Hampshire Department of Transportation Enhanced Mobility of Seniors and Individuals with Disabilities #NH-65-X002	20.513	<u>112,373</u>
State and Community Highway Safety #315-14A-030 #315-13A-069	20.600	<u>245</u> <u>1,483</u> <u>1,728</u>
Total Department of Transportation		<u>114,101</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Pass Through Payments from the Town of New Ipswich, New Hampshire Medical Reserve Corps Small Grant Program #1MRCSG101005-01	93.008	<u>1,723</u>
Pass Through Payments from the National Association of County and City Health Officials Medical Reserve Corps Small Grant Program #5MRC13-1587 #5MRCSG101005-02	93.008	<u>2,992</u> <u>60</u> <u>3,052</u>
Pass Through Payments from the New Hampshire Department of Health and Human Services Public Health Emergency Preparedness	93.069	<u>93,135</u>
Substance Abuse and Mental Health Services - Projects of Regional and National Significance #1H79T11024980-01 #SAMHSA	93.243	<u>79,801</u> <u>2,174</u> <u>81,975</u>
Pass Through Payments from the Community Health Institute National Bioterrorism Hospital Preparedness Program #2013-03	93.889	<u>6,000</u>
Pass Through Payments from the New Hampshire Bureau of Drug and Alcohol Services Block Grants for Prevention and Treatment of Substance Abuse #95846502	93.959	<u>70,015</u>
Total Department of Health and Human Services		<u>255,900</u>
DEPARTMENT OF HOMELAND SECURITY		
Pass Through Payments from the New Hampshire Department of Safety Emergency Management Performance Grants	97.042	<u>18,073</u>
Homeland Security Grant Program	97.067	<u>400,290</u>
Total Department of Homeland Security		<u>418,363</u>
Total Expenditures of Federal Awards		<u>\$ 1,343,870</u>

See notes to schedule of expenditures of federal awards

COUNTY OF CHESHIRE, NEW HAMPSHIRE
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2013

NOTE 1—GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the County of Cheshire. The County's reporting entity is defined in Note 1 of the County's basic financial statements.

NOTE 2—BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 of the County's basic financial statements.

NOTE 3—RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The recognition of expenditures of federal awards has been reported in the County's basic financial statements as intergovernmental revenues in the governmental funds as follows:

Major Governmental Fund:	
General Fund	\$ 893,580
Nonmajor Governmental Funds	<u>450,290</u>
	<u>\$ 1,343,870</u>

**REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Independent Auditor's Report

To the Board of Commissioners
County of Cheshire, New Hampshire

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Cheshire, New Hampshire, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County of Cheshire, New Hampshire's basic financial statements, and have issued our report thereon dated May 6, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County of Cheshire, New Hampshire's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County of Cheshire, New Hampshire's internal control. Accordingly, we do not express an opinion on the effectiveness of the County of Cheshire, New Hampshire's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County of Cheshire, New Hampshire's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jason Clukay & Company PC

Manchester, New Hampshire
May 6, 2014

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE**

Independent Auditor's Report

To the Board of Commissioners
County of Cheshire, New Hampshire

Report on Compliance for Each Major Federal Program

We have audited the County of Cheshire, New Hampshire's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County of Cheshire, New Hampshire's major federal programs for the year ended December 31, 2013. The County of Cheshire, New Hampshire's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County of Cheshire, New Hampshire's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Cheshire, New Hampshire's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County of Cheshire, New Hampshire's compliance.

Opinion on Each Major Federal Program

In our opinion, the County of Cheshire, New Hampshire complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

Management of the County of Cheshire, New Hampshire is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County of Cheshire, New Hampshire's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County of Cheshire, New Hampshire's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Vachon Clukay & Company PC

Manchester, New Hampshire
May 6, 2014

**County of Cheshire, New Hampshire
Schedule of Findings and Questioned Costs
Year Ended December 31, 2013**

Section I—Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Adverse – Governmental activities
Unmodified –All other opinion units

Internal control over financial reporting:

Material weakness(es) identified? _____yes X no

Significant deficiency(ies) identified
not considered to be material weaknesses? _____yes X none reported

Noncompliance material to financial statements noted? _____yes X no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? _____yes X no

Significant deficiency(ies) identified
not considered to be material weaknesses? _____yes X none reported

Type of auditor’s report issued on compliance
for major programs: Unmodified

Any audit findings disclosed that are required
to be reported in accordance with
Circular A-133, Section .510(a)? _____yes X no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
14.228	Community Development Block Grants / State’s Program and Non-Entitlement Grants in Hawaii
97.067	Homeland Security Grant Program

Dollar threshold used to distinguish between Type A and Type B program: \$ 300,000.

Auditee qualified as low-risk auditee? _____yes X no

Section II—Financial Statement Findings

There were no findings relating to the financial statements required to be reported by GAGAS.

Section III—Federal Award Findings and Questioned Costs

There were no findings and questioned costs as defined under OMB Circular A-133 .510(a).

MINUTES
Cheshire County Executive Committee
Monday, January 7, 2013 – 9:00AM
Department of Corrections
825 Marlboro Road, Keene, NH 03431

PRESENT: Representatives Hunt, Eaton, Robertson, Butynski, Johnson, Sad, Tatro, Berch, Mann, and Weed, Commissioners Pratt, Zerba, and Patt; Administrator Wozmak, Assistant Finance Director Hall, Project Manager Bouchard

ABSENT: Representative

At 9:03AM Chairman Hunt called the Executive Meeting to order to review the 2013 Budget.

S. Trombly reviews the Assisted Living Facility budget and answered questions concerning the status of the nursing home and informed the committee that a new Assisted Living Administrator had been hired and would start shortly.

Discussion of outside services line items and the taxi service costs that is available for ALF residents.

Discussion of number of residents and single double occupancy issues.

The Nursing Home review then began with K. Kindopp reviewing the administration budget. Reduced receptionist hours by 15 hours (.3 FTE).

Review of outside services line – “lobbying” issue in dues and subscriptions. Discussion of new tri-provider system that is being put in place by the State.

Tax question – Nursing quality assessment tax decrease – reduced census for 2013 is driving cost lower. Budget reflect 133 residents actual 2012 run rate was 132.

KK speaks to laundry issue costs and answers questions about outside laundry services. She also speaks to hiring of outside consultants to help identify and implement Medicare recovery training to increase MNH revenue.

Legal costs – decrease of legal costs from \$30,000.00 to \$10,000.00 due to offset of union legal costs.

Dodi Sheltra and Sabrina Hutchins (Quality Assurance Infection Control) join meeting to discuss MNH staffing and nursing operations. Speaks to flu issue and lack of impact overall on MNH.

Dietary was then reviewed and Bethany Lawson joined the meeting. Aides were reduced by eight (8) hours or .1 FTE's.

Speaks to use of non-authorized foods stuffs that do not meet CMS requirements and the need to buy from only approved sources and with prior approval.

Question regarding unemployment insurance and impact on insurance costs.

MINUTES
Cheshire County Executive Committee
Monday, January 7, 2013 – 9:00AM
Department of Corrections
825 Marlboro Road, Keene, NH 03431

Capital requests from K. Kindopp. Bethany Lawson speaks to acquisition of new blender. Discusses the aspect of acquiring two new benders and replacement of two ovens. Ovens are older than 1999 and do not heat reliably.

Discussion of increased cost for RN's due to more staff getting further education and the inability to hire LPN's.

Covers the Registry usage by MNH to supplement staffing needs. Speaks to acquiring full time speech therapist and other therapist staffing.

TLC Unit – Psychiatric Unit – staff is cross-trained to cover nursing home residents' needs and TLC needs.

Speaks to difficulty with getting paid from Medicaid for residents that are accepted. \$407K at the beginning of 2013.

Environmental Services – Robin Rahe – discussion of impact on laundry because of increase in census. Discussion of census rise and fall in nursing home bed count.

Activities was then reviewed. Steve Wilson joined the meeting. Discusses request for small increase in Activities to meet CMS requirements and to provide needed services.

Laurel Moody – Physical Therapy – discuss change in way residents are rated to increase re-imbursements from Medicare. Medium to high increase re-imbursements by \$355 week, high to very high increases to ...

Capital expenses: electric High-Low table. 15 years old. Does not lift residents any longer.

Gina Cutler – Occupational Therapist – Travel expenses question. State and National license training courses.

Misc. Services for Residents -

Speech Therapist – KK answers questions about filling position – Joined in November

Capital equipment discussion – discussion of capital requests and specifically chairs and lifts.

There being no other business to conduct, Rep. Eaton moved to adjourn the meeting and upon vote the motion passed unanimously.

Respectfully Submitted,

Tara Sad, Clerk

MINUTES
Cheshire County Delegation
Executive Committee Meeting
Monday, January 7, 2013
Department of Corrections
825 Marlboro Street, Keene, NH 03431

PRESENT: Representatives Hunt, Eaton, Robertson, Weed, Emerson, Johnson, Sad, Tatro, Berch, Mann, Commissioners Pratt, Rogers and Zerba, Administrator Wozmak, Finance Director Trombly, Director of Facilities King, Grant Specialist Desrosiers, and Project Manager Bouchard

ABSENT: Representative Butynski (with notice)

At 9:08AM Executive Committee Chair Hunt convened the meeting and provided an overview to the process used to review the proposed budget.

Commissioner Pratt was recognized and reviewed the large number of changes in County elected officials and in the Delegation membership followed by a short synopsis of the overall 2013 budget.

Facilities Director King reviewed the County facilities / maintenance budget and discussed overall fuel and heating costs and answered a number of questions concerning the old Department of Corrections building in Westmoreland. He also responded to questions concerning the County-wide maintenance contract currently with Honeywell and discussed energy saving programs that are being investigated. Also covered were the water and waste water plants, farm maintenance, Courthouse and Administration building maintenance and general equipment repair and manpower allocations. The following changes were made to the facilities budget, decreasing the 2013 Facilities budget by the following amounts;

Account 4194.19.13 –\$300.00 - Water Plant Continuing Education

Account 4194.82.19 –\$500.00 - Courthouse Bldg. Repairs

Account 4194.82.20 –\$500.00 - Administration Bldg. Repairs

Account 4900.89.19 –\$10,000.00 - Removal of Sprinkler Piping (Completed 2012)

At 10:00AM in response to a legal residency concern brought forth by the NH Attorney General's office, the Commissioners convened a Special Meeting to review the appointment of J. Webb as the interim County Attorney. After an extended discussion, the Commissioners moved to remove J. Webb as the interim County Attorney because of his residence outside of the County of Cheshire and upon unanimous vote, moved to appointment K. O'Reilly as interim County Attorney.

An extended discussion around the proposed drug court began and a number of questions concerning the grant funding and proposed operations were addressed by Grant Specialist Desrosiers and Administrator Wozmak. At the end of the discussion the Executive Committee members moved to support the proposed program through a straw vote and were unanimously in endorsing the submission of a grant to create and fund a drug court program for a three year period.

The Finance, Treasurer, and Personnel Administration budgets were reviewed with no changes made.

The Commissioners budget was then reviewed and no changes were made to proposed budget.

MINUTES
Cheshire County Delegation
Executive Committee Meeting
Monday, January 7, 2013
Department of Corrections
825 Marlboro Street, Keene, NH 03431

The General County, Human Resources, and Delegation budgets were reviewed and discussed with no changes made to the proposed budget.

At 11:30AM under the direction of the Commissioners, a signed document was hand carried by Cheshire County Sheriff Rivera to Judge J. Kissinger appointing K. O'Reilly as the interim County Attorney.

The Delegation then reviewed the Human Services (Medicaid Expenses) and Public Health budgets and no changes were made to the proposed budgets.

The Commissioners went over their list of recommend budget changes that included adding \$125,000 for wage adjustments for the Department of Corrections Correctional Officers in 2013. This will provide enough funds to give approximately a \$1.00 per hour wage adjustment, as well as a longevity increase, to the Correctional Officer's. No changes were made to the Commissioners proposed wage adjustments for the 2013 budget.

There being no further business scheduled Chair Hunt made a motion to suspend the meeting until January 14, 2013 at 11:43AM and the motion passed unanimously.

Respectfully Submitted

Tara Sad, Clerk

MINUTES
Cheshire County Delegation
Executive Committee Meeting
Monday, January 7, 2013
Department of Corrections
825 Marlboro Street, Keene, NH 03431

PRESENT: Representatives Hunt, Eaton, Robertson, Weed, Emerson, Johnson, Sad, Tatro, Berch, Mann, Commissioners Pratt, Rogers and Zerba, Administrator Wozmak, Finance Director Trombly, Director of Facilities King, Grant Specialist Desrosiers, and Project Manager Bouchard

ABSENT: Representative Butynski (with notice)

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An extended discussion around the proposed drug court began and a number of questions concerning the grant funding and proposed operations were addressed by Grant Specialist Desrosiers and Administrator Wozmak. At the end of the discussion the Executive Committee members moved to support the proposed program through a vote and were unanimously in endorsing the submission of a grant to create and fund a drug court program for a three year period.

The Finance, Treasurer, and Personnel Administration budgets were reviewed with no changes made.

The Commissioners budget was then reviewed and no changes were made to proposed budget.

MINUTES
Cheshire County Delegation
Executive Committee Meeting
Monday, January 7, 2013
Department of Corrections
825 Marlboro Street, Keene, NH 03431

The General County, Human Resources, and Delegation budgets were reviewed and discussed with no changes made to the proposed budget.

At 11:30AM under the direction of the Commissioners, a signed document was hand carried by Cheshire County Sheriff Rivera to Judge J. Kissinger appointing K. O'Reilly as the interim County Attorney.

The Delegation then reviewed the Human Services (Medicaid Expenses) and Public Health budgets and no changes were made to the proposed budgets.

There being no further business scheduled Chair Hunt made a motion to adjourn at 11:43AM and the motion passed unanimously.

Respectfully Submitted
Tara Sad, Clerk

MINUTES
Cheshire County Executive Committee
Monday, January 14, 2013 – 9:00AM
Maplewood Nursing Home
201 River Road, Westmoreland, NH 03467

PRESENT: Representatives Hunt, Eaton, Robertson, Weed, Emerson, Butynski, Johnson, Sad, Tatro, Berch, and Commissioners Pratt, Zerba, and Rogers; Administrator Wozmak, Finance Director Trombly, Administrator Kindopp, and Project Manager Bouchard

ABSENT: Representative Mann

At 9:03AM Chairman Hunt called the Executive Meeting to order to review the 2013 Budget.

Finance Director Trombly reviewed the Assisted Living Facility budget and answered questions concerning the status of the nursing home and informed the committee that a new Assisted Living Administrator had been hired (E. Kraus) and would start shortly.

The Nursing Home review then began with K. Kindopp reviewing the administration budget.

In the review of outside services line – dues and subscriptions a motion to reduce the line by \$13,755.00 was made and accepted.

In response to a questions by the Executive committee, Administrator Kindopp said that the 2013 budget reflects an assumed resident count of 133 residents as contrasted to the actual 2012 run rate of 132.

Director of Nursing Dodi Sheltra and Sabrina Hutchins (Quality Assurance Infection Control) joined the meeting to discuss MNH staffing and nursing operations. No changes were proposed to the nursing budget.

Dietary was then reviewed and kitchen manager Bethany Lawson joined the meeting. Aides were reduced by eight (8) hours or .1 FTE's.

Bethany Lawson speaks to acquisition of new blender. Discusses the aspect of acquiring two new benders and replacement of two ovens. Ovens are older than 1999 and do not heat properly or reliably. No changes were made to the dietary budget.

The discussion then moved to the increased cost for RN's due to more staff getting further education and the inability to hire LPN's.

Covers the Registry usage by MNH to supplement staffing needs. Speaks to acquiring full time speech therapist and other therapist staffing.

TLC Unit – Psychiatric Unit – staff is cross-trained to cover nursing home residents' needs and TLC needs.

Speaks to difficulty with getting paid from Medicaid for residents that are accepted. \$407K at the beginning of 2013.

MINUTES
Cheshire County Executive Committee
Monday, January 14, 2013 – 9:00AM
Maplewood Nursing Home
201 River Road, Westmoreland, NH 03467

Environmental Services – Robin Rahe – discussion of impact on laundry because of increase in census. Discussion of census rise and fall in nursing home bed count. – No changes were made to the Environmental Services budget.

Activities was then reviewed. Steve Wilson joined the meeting. Discusses request for small increase in Activities to meet CMS requirements and to provide needed services. – No changes were made to the Activities budget.

Laurel Moody – Physical Therapy – discuss change in way residents are rated to increase reimbursements from Medicare. No changes were made to the Physical Therapy budget.

Capital expenses were reviewed and no changes were made to the proposed budget items.

Gina Cutler – Occupational Therapist – Travel expenses question. State and National license training courses. – No changes were made to the budget.

There being no other business to conduct, Rep. Eaton moved to suspend the meeting until January 28, 2013 and upon vote the motion passed unanimously.

Respectfully Submitted,

Tara Sad, Clerk

MINUTES
Cheshire County Executive Committee
Monday, December 14, 2013 – 9:00AM
Maplewood Nursing Home
201 River Road, Westmoreland, NH 03467

PRESENT: Representatives Hunt, Eaton, Robertson, Weed, Emerson, Butynski, Johnson, Sad, Tatro, Berch, and Commissioners Pratt, Zerba, and Patt; Administrator Wozmak, Finance Director Trombly, Administrator Kindopp, and Project Manager Bouchard

ABSENT: Representative Mann

At 9:03AM Chairman Hunt called the Executive Meeting to order to review the 2013 Budget.

S. Trombly reviewed the Assisted Living Facility budget and answered questions concerning the status of the nursing home and informed the committee that a new Assisted Living Administrator had been hired and would start shortly.

The Nursing Home review then began with K. Kindopp reviewing the administration budget.

In the review of outside services line – dues and subscriptions a motion to reduce the line by \$13,755.00 was made and accepted.

In response to a questions by the Executive committee, Administrator Kindopp Tax said that the 2013 budget reflects an assumed resident count of 133 residents as contrasted to the actual 2012 run rate of 132.

Director of Nursing Dodi Sheltra and Sabrina Hutchins (Quality Assurance Infection Control) joined the meeting to discuss MNH staffing and nursing operations. No changes were proposed to the nursing budget.

Dietary was then reviewed and Bethany Lawson joined the meeting. Aides were reduced by eight (8) hours or .1 FTE's.

Speaks to use of non-authorized foods stuffs that do not meet CMS requirements and the need to buy from only approved sources and with prior approval.

Question regarding unemployment insurance and impact on insurance costs.

Capital requests from K. Kindopp. Bethany Lawson speaks to acquisition of new blender. Discusses the aspect of acquiring two new benders and replacement of two ovens. Ovens are older than 1999 and do not heat reliably.

Discussion of increased cost for RN's due to more staff getting further education and the inability to hire LPN's.

MINUTES
Cheshire County Executive Committee
Monday, December 14, 2013 – 9:00AM
Maplewood Nursing Home
201 River Road, Westmoreland, NH 03467

Covers the Registry usage by MNH to supplement staffing needs. Speaks to acquiring full time speech therapist and other therapist staffing.

TLC Unit – Psychiatric Unit – staff is cross-trained to cover nursing home residents’ needs and TLC needs.

Speaks to difficulty with getting paid from Medicaid for residents that are accepted. \$407K at the beginning of 2013.

Environmental Services – Robin Rahe – discussion of impact on laundry because of increase in census. Discussion of census rise and fall in nursing home bed count.

Activities was then reviewed. Steve Wilson joined the meeting. Discusses request for small increase in Activities to meet CMS requirements and to provide needed services.

Laurel Moody – Physical Therapy – discuss change in way residents are rated to increase re-imbursments from Medicare. Medium to high increase re-imbursments by \$355 week, high to very high increases to ...

Capital expenses: electric High-Low table. 15 years old. Does not lift residents any longer.

Gina Cutler – Occupational Therapist – Travel expenses question. State and National license training courses.

Misc. Services for Residents -

Speech Therapist – KK answers questions about filling position – Joined in November

Capital equipment discussion – discussion of capital requests and specifically chairs and lifts.

There being no other business to conduct, Rep. Eaton moved to adjourn the meeting and upon vote the motion passed unanimously.

Respectfully Submitted,

Tara Sad, Clerk

MINUTES
Cheshire County - County Attorney Search Committee
Monday, January 14, 2013 – 12:05PM
Maplewood Nursing Home
201 River Road, Westmoreland, NH 03467

PRESENT: Representatives Hunt, Eaton, Berch, Tatro, Administrator Wozmak, and Project Manager Bouchard

ABSENT: Representatives Lerandeau and Sad

At 12:00PM the first meeting of the Cheshire County – County Attorney Search Committee was called to order by Rep. Tatro.

Administrator Wozmak briefed the committee members of the contents of their search committee packets. He reported that three current Assistant County Attorneys have applied for the position. Those individuals are John Gasaway, Chris McLaughlin and Keith Clouatre. He said that in addition, Attorneys Stephen R. Kasmar from Merrimack, Jorel V. Booker from Dover and Morgan Bitton from Wilmington, VT also applied.

He then informed the committee members that conversations with the State Attorney General's office and the Secretary of State's office indicated that any applicant had to be domiciled within the County at the time of application in the same manner as if one were filing for elected office. He said that due to some language differences between certain statutes, there was a difference of opinion as to whether domicile was required by statute in this instance.

The members of the committee discussed the domicile issue and after discussion **Rep. Eaton moved to eliminate from consideration any applicant who is not currently domiciled within the County of Cheshire. Upon a voice vote the motion passed unanimously.**

The committee then discussed the Lambert v. Belknap County Convention NH Supreme Court case relating to the appointment of an elected official and the prohibition of secret ballots and the caution against using non-public sessions unless in strict conformance with the NH Right-to-Know law.

A draft scoring matrix was provided as a guide for grading candidates was reviewed and committee members were advised that the matrix was only one of a number of tools that could be used to rank the applicants. It was discussed that each member of the committee could determine which ranking method they wished to utilize.

The discussion then turned to the remaining three candidates and it was decided that interviews would be held on February 4, 2013 at the House of Correction, beginning at 12:30 and each would be scheduled approximately forty-five minutes apart. Administrator Wozmak will contact the candidates and apprise them of the times and place for the interviews.

At 12:15PM there being no other business Rep. Eaton moved to suspend the meeting until February 4th at 12:15pm and upon vote the motion passed unanimously.

Respectfully Submitted,
J. Wozmak, Clerk

MINUTES
Cheshire County Executive Committee
Monday, January 28, 2013 – 9:00AM
Department of Corrections
825 Marlboro Street, Keene, NH 03431

PRESENT: Representatives Eaton, Weed, Emerson, Butynski, Johnson, Sad, Tatro, Berch, and Shepardson, Commissioners Pratt, Zerba, and Rogers; Administrator Wozmak, Finance Director Trombly, and Project Manager Bouchard

ABSENT: Representative Hunt and Mann

At 9:03AM Vice-Chairman Eaton called the Executive Meeting to order to review the 2013 Budget.

The Department of Corrections budget was reviewed and Superintendent Van Wickler, Medical Supervisor Mullins, Kitchen Manager Nason, and Executive Assistant Lantry were present.

Superintendent Van Wickler presented the 2013 Department of Corrections overview that reflected a \$500,000.00 overall decrease from 2012. He also stated that the projected revenue projections for 2013 derived from housing inmates from other counties and the State of Vermont will bring in approximately \$1,000,000.00 in revenue. Superintendent Van Wickler and his staff answered a number of questions concerning food costs, personnel, the Geo Thermal heating / cooling systems, local and federal inmates housed at Cheshire DOC, and expenses for requested capital expense items. The budget was accepted as presented and no adjustments were made to the 2013 budget request for the Department of Corrections.

Michael Potter of the Alternative Sentencing / Mental Health Court presented his budget request and distributed a fact sheet that reviewed prior year's client profiles and the drug court program. The Representatives posed a number of questions concerning the operational aspects of the programs and discussed the overall effectiveness of the program(s). The budget was accepted and proposed and no changes were made.

IT Director Hummel then presented the IT budget for 2013 highlighting the needed upgrades to in-place networks and application software and the rising cost of external maintenance/support agreements needed for various County departments. Director Hummel answered a number of questions concerning cost containment and further explained the necessity of the proposed system upgrades. The IT budget was accepted as presented with no changes.

At 11:04AM there being no further public business to discuss Vice-Chair Eaton moved to suspend the meeting until February 4, 2013. Upon vote the motion passed unanimously.

Respectfully Submitted,

Tara Sad, Clerk

MINUTES
Cheshire County Executive Committee
Monday, February 4, 2013 – 9:00AM
Department of Corrections
825 Marlboro Street, Keene, NH 03431

PRESENT: Representatives Eaton, Robertson, Weed, Emerson, Butynski, Johnson, Sad, Tatro, Berch, and Shepardson, Commissioners Pratt, Zerba, and Rogers; Administrator Wozmak, Finance Director Trombly, and Project Manager Bouchard

ABSENT: Representative Hunt and Mann

At 9:08AM Vice-Chairman Eaton called the Executive Meeting to order to review the 2013 Budget.

The outside agencies budget review began with Home Health Care Hospice and Community Services. The budget for HHCH&CS was reviewed and the request for an increase in funding to \$103,000.00 was discussed. No changes were proposed to the 2013 budget which levels funds the agency at the 2012 budgeted amount of \$50,000.00.

The Monadnock Center for Violence Prevention budget was then reviewed and no changes were made to the 2013 proposed budget.

The Monadnock Regional Child Advocacy Center requested budget was reviewed and following an extended discussion no change was made to the proposed 2013 budget.

The Community Kitchen then presented their request for funding and the operation of the program and its facilities were discussed. No changes were made to the 2013 proposed budget.

Monadnock Developmental Services then presented the 2013 request for funding and it was learned that approximately twenty-five (25%) of organizations the total budget comes from County funding. Following discussion, no changes were proposed for the 2013 budget.

Monadnock Family Services presented their budget request and it was learned that the total budget for services is \$1,100,000.00. It was also learned that due to State funding cutbacks MFS will experience an expected deficit of approximately \$114,000.00 for 2013. No changes were made to the proposed budget.

The Youth Services Division from the city of Keene presented their budget request for the Juvenile Court Diversion program and CHINS (Children In Need of Services) Diversion Program. It was learned that out of a total of 76 cases handled in 2012 and that the average cost to the County for adjudicating these cases was approximately \$300.00. After discussion, no changes were made to the budget and the program will continue level funded from 2012.

The University of New Hampshire Cooperative Extension then presented their budget request. A discussion of the various programs began and covered the Forestry programs, Agriculture Agents, and the 4 H program. No changes were made to the proposed budget.

MINUTES
Cheshire County Executive Committee
Monday, February 4, 2013 – 9:00AM
Department of Corrections
825 Marlboro Street, Keene, NH 03431

At 12:04AM there being no further public business to discuss Vice-Chair Eaton moved to suspend the meeting until February 11, 2013. Upon vote the motion passed unanimously.

Respectfully Submitted,

Tara Sad, Clerk

MINUTES
Cheshire County - County Attorney Search Committee
Monday, February 4, 2013 – 12:45PM
Cheshire County Department of Corrections
825 Marlboro Street, Keene, NH

PRESENT: Representatives Eaton, Berch, Tatro and Sad, Commissioner Pratt, Administrator Wozmak, and Project Manager Bouchard.

ABSENT: Representatives Lerandeau and Hunt

At 12:45PM the second meeting of the Cheshire County – County Attorney Search Committee was called to order by Rep. Eaton.

Administrator Wozmak briefed the committee members on the purpose for the meeting today, which was to conduct three interviews of the candidates selected at the previous meeting. The three applicants are John Gasaway, Chris McLaughlin and Keith Clouatre, all who currently work as Assistant County Attorneys in Cheshire County and who are residents of the County.

John Gasaway was interviewed first and made opening statements that were followed by a series of questions from the committee members. Inquiries were made regarding the applicant's management experience, legal experience and the direction in which the applicant intended to take the department if selected as the Interim County Attorney. Summarizing the discussion; Mr. Gasaway received his law degree in 2002. The County has employed him since 2010. Before this, he spent two years in Ireland as a Legal Case Officer and from 2006-2008 worked in the NH Attorney General's office as an Assistant Attorney General. From 2004 to 2006, he worked as an Assistant County Attorney in the Rockingham County Attorney's office. He would not intend to make many major changes within the department as an Interim but had several areas to offer that he would work on. He has been involved in the discussions regarding the Drug Court. Although he has supervised some people in the past, he has not had a managerial role. The interview lasted approximately 45 minutes.

Chris McLaughlin was interviewed next and was asked a series of questions. He was asked about his background, his prior law office management experience and the direction in which he would take the office if selected as Interim County Attorney. Summarizing the discussion; Mr. McLaughlin received his law degree in 1988 and has worked for the County from 2006 to the present. He has worked in the NH Public Defender's Office for a total of 12 years and was the Assistant Appellate Defender. He has had experience in a management role when he was the Managing Attorney for the NH Public Defender's Office. He believes very strongly in alternatives to incarceration and is a strong advocate of the Drug Court. He is very much involved in the Alternative Sentencing/Mental Health Court program in the Circuit Court. He also practiced privately for 5 years at a law firm in Claremont from 1993 to 1997. He presented his view of the changes he would make in the management and operation of the County Attorney's office. The interview lasted approximately 45 minutes.

Keith Clouatre was the final applicant interviewed. He was asked about his background, his prior time as an Assistant County Attorney in Coos County and his one-term as Coos County Attorney. His view of the department was explored as well as his views on alternatives to prosecution, such as an envisioned drug court in Superior Court. Summarizing the discussion; Mr. Clouatre has been an attorney since 2001 and began his legal career in Coos County as an Assistant County Attorney until 2006 when he secured a one-term position as County Attorney for Coos County. He stated that he tried for a second term but was not re-elected. Following this, he moved to Cheshire County and

MINUTES
Cheshire County - County Attorney Search Committee
Monday, February 4, 2013 – 12:45PM
Cheshire County Department of Corrections
825 Marlboro Street, Keene, NH

obtained his current position as Assistant County Attorney. He said he would make changes in the operation of the department that he thinks are necessary to clarify the various roles and positions within the department. When asked, was reluctant to totally embrace the Drug Court, stating that some drug addicted felons should not be given the option of treatment instead of prosecution. The interview lasted approximately 30 minutes.

The committee briefly discussed who had the strongest combination of background, education, experience and training to be the Interim County Attorney. After discussion, the Committee decided to take the matter under advisement and to meet next Monday following the Executive Committee budget meeting to make a report regarding a recommendation to the full delegation.

At 2:40 PM the meeting was suspended until February 11, 2013 immediately following the Executive Committee meeting.

Respectfully Submitted,
J. Wozmak, Clerk

MINUTES
Cheshire County Executive Committee
Monday, February 11, 2013 – 9:00AM
Department of Corrections
825 Marlboro Street, Keene, NH 03431

PRESENT: Representatives Hunt, Eaton, Robertson, Weed, Butynski, Johnson, Sad, Tatro, Berch, Mann, Commissioners Pratt, Zerba, and Rogers; Administrator Wozmak, Finance Director Trombly, Sheriff Rivera, Capt. Croteau, Dispatch Director Crowell, Register of Deeds Tilton, Conservation Manager Littleton, and Project Manager Bouchard

ABSENT: Representative Emerson

At 9:20AM Vice-Chairman Hunt called the Executive Meeting to order to review the 2013 Budget.

Administrator Wozmak presented the County Attorney's budget and reported that the overall budget request is \$500.00 less than 2012. A number of questions were asked regarding the selection process for the new County Attorney. Following the conclusion of discussions, no changes were made to the proposed budget.

The Medical Examiner's budget was then reviewed and no changes were made to the proposed budget.

The Sheriff Rivera then presented the Sheriff's department budget request for 2013. A wide ranging discussion covering personnel, video conferencing, Vermont Yankee evacuation plans and other topics ensued. Sheriff Rivera promised the Executive Delegation that he would come back before the committee prior to filling any Deputy Sheriff vacancies. At the conclusion of the discussion no changes were made to the proposed budget.

Registrar Tilton then presented the budget request for the Registry of Deeds. Registrar Tilton reviewed some of the changes being instituted in 2013 including changes in fee's for copies of registry materials. At the conclusion of the discussions, no changes were made to the proposed budget.

Conservation Manager Costello-Littleton then reviewed the budget for the Cheshire County Conversation District. A short discussion of the number and quality of the programs being provided by the Conservation District began and the assembled Representatives voiced support for good work the program is doing in supporting local agriculture. No changes were made to the proposed budget.

Rep. Butynski moved to accept the proposed budget at a zero (0%) percent increase in taxes to be raised of \$41,082,903.00. The motion was seconded by Rep. Eaton. Discussion followed concerning allocations for the proposed Drug Court, County retirement costs, and outside revenues that are anticipated such as those received by the Department of Corrections for Federal inmates holds. After discussion Rep. Butynski and Eaton withdrew their motion and moved to recommend to the full delegation a total budget of \$41,216,650 with \$23,122,637 in taxes to be raised, resulting in a total increase of \$13,043.00 in taxes to be raised, a decrease of 0.06%.

MINUTES
Cheshire County Executive Committee
Monday, February 11, 2013 – 9:00AM
Department of Corrections
825 Marlboro Street, Keene, NH 03431

Upon vote the motion passed with seven (7) Yea's and one (1) Nay from Rep. Weed.

The Executive Committee then took-up the discussion of personnel compensation for Union and non-union employees in 2013. The Union members will receive the previously approved 2012 (and deferred for 2012 budgetary reasons), one (1) time wage adjustment of one-point-nine percent (1.9%) effective March 31, 2013. Further increases for future years are still being negotiated.

Hourly Staff employees (not members of the Union) will receive the one (1) time wage adjustment of one-point-nine percent (1.9%) effective March 31, 2013 and a Cost-of-Living-Adjustment (COLA) of one-point-seven percent (1.7%) and a longevity of point-eight percent (.8%) for a total of four-point-four percent (4.4%).

Salaried employees will receive a Cost-of-Living-Adjustment (COLA) of one-point-seven percent (1.7%) and a longevity of one-point-three percent (1.3%) for a total of three percent (3%).

The Department of Corrections Correctional Officers, will receive a one (1) time wage adjustment of one-dollar (\$1.00) per hour effective March 31, 2013 and will be eligible for a point-eight percent (.8%) longevity adjustment on their anniversary hire date.

At 12:04AM there being no further public business to discuss Vice-Chair Eaton moved to suspend the meeting until March 18, 2013. Upon vote the motion passed unanimously.

Respectfully Submitted,

Tara Sad, Clerk

MINUTES
Cheshire County - County Attorney Search Committee
Monday, February 11, 2013 – 12:30PM
Cheshire County Department of Corrections
825 Marlboro Street, Keene, NH

PRESENT: Representatives Eaton, Hunt and Sad, Commissioner Pratt, Administrator Wozmak, and Project Manager Bouchard.

ABSENT: Representatives Tatro, Lerandeau and Berch.

At 12:30PM the third and final meeting of the Cheshire County – County Attorney Search Committee was called to order by Rep. Eaton.

Upon a motion by Rep. Eaton, seconded by Rep Sad, the minutes of the Committee meeting of January 14 and February 4 were approved.

The Committee reviewed a draft memorandum and recommendation for the Delegation and approved the memorandum and asked that it be dispatched to the full Delegation.

Representative Eaton made a motion to nominate D. Chris McLaughlin as the Interim County Attorney until the next general election. Rep. Sad seconded the motion. The motion passed unanimously.

At 12:45 PM the meeting was adjourned.

Respectfully Submitted,
J. Wozmak, Clerk

MINUTES
Cheshire County Executive Committee
Monday, February 18, 2013 – 7:00PM
12 Court Street, Keene, NH 03431

PRESENT: Representatives Eaton, Emerson, Weed, Butynski, Lerandean, Roberts, Johnson, Sad, Weber, Burrige, Chase, Johnsen, G., Tatro, Ames, Berch, Ley, Shepardson, Commissioners Pratt, and Zerba, Administrator Wozmak, Finance Director Trombly, and Project Manager Bouchard

ABSENT: Representative(s) Hunt, Robertson, Parkhurst, Mann, Phillips, Young

At 7:00PM Chairman Tatro called the Executive Meeting to order to consider the appointment of D. Chris McLaughlin as County of Cheshire County Attorney.

Commissioner Pratt was recognized by the chair and rose to congratulate Sheriff Rivera, and Register of Deeds Tilton on their election.

Chair Tatro then detailed the selection process used by the County Attorney search committee comprised of Rep.'s Hunt, Eaton, Berch, Sad, Tatro, Commissioner Pratt and Administrator Wozmak.

Commissioner Pratt then added that the committee was deeply impressed by all three (3) candidates and said that the County was fortunate to have all three attorneys on staff.

Rep. Eaton then moved, "That as a result of the resignation of elected County Attorney Peter Heed, that the Delegation accept the recommendation of the County Attorney Search Committee to appoint D. Chris McLaughlin to fill the vacancy for the unexpired term in accordance with RSA 661:9-1".

The motion was seconded by Rep. Burrige and Rep. Weber, and upon vote the motion passed with unanimously with sixteen (16) Yea's.

Attorney McLaughlin was sworn into office by Administrator Wozmak.

Commissioner Pratt spoke to a job well done by interim County Attorney K. O'Reilly and thanked her for her willingness to temporarily step into the job.

At 7:10PM there being no further public business to discuss Chairman Tatro moved to adjourn the meeting. Upon vote the motion passed unanimously.

Respectfully Submitted,

Tara Sad, Clerk

MINUTES
Cheshire County Delegation
Tuesday, March 18, 2013 – 7:00PM
Jury Assembly Room
12 Court Street, Keene, NH 03431

PRESENT: Representatives Eaton, Robertson, Weed, Parkhurst, Lerandeau, Johnson, Sad, Weber, Berch, Burrige, Chase, Johnsen, G., Ames, Berch, Ley, Phillips, and Shepardson, Commissioners Pratt, Zerba, and Rogers; Administrator Wozmak, Finance Director Trombly, and Project Manager Bouchard

ABSENT: Representative Hunt, Emerson, Butynski, Roberts, Tatro, Mann, and Young,

At 7:00PM Vice-Chairman Eaton called the Delegation Meeting to order to consider the 2013 Budget.

Vice-Chair Eaton speaks to the “yeoman’s” work that was done by the County department manager’s, executive staff, and Commissioners, to deliver a 2013 budget that is an extremely modest 0.06% increase over the 2012 budget.

- 1.) Vice-Chair Eaton moves to accept the Executive Committee proposed budget for 2013 in the amount of \$40,216,650 and is seconded by Rep. Berch.**

Rep. Weed spoke to supporting the budget but states that he would like to see more dollars allocated to reserves going forward.

Upon roll call vote the motion passes with thirteen (13) Yea’s and one (1) Nay. (Rep. Parkhurst dissenting).

- 2.) Rep. Lerandeau then rose and made a motion to approve taxes to be raised from cities and towns for the obligations mandated by RSA 167:18-a in the amount of \$6,864,784.00 which represents 17% of the total County budget. The motion was seconded by Rep. Weber.**

Following a short discussion a roll call vote was taken and the motion passed with thirteen (13) Yea’s and one (1) Nay. (Rep. Parkhurst dissenting).

- 3.) Rep. Parkhurst then presented a motion to approve taxes to be raised from cities and towns for the operating and capital budget of the County for 2013 in the amount of \$16,257,853.00 which represents 40% of the total County Budget. The motion was seconded by Rep. Weed.**

Upon vote the motion passed with fourteen (14) Yea’s – unanimously.

At 07:15PM there being no further public business to discuss Vice-Chair Eaton moved to adjourn the meeting. Upon vote the motion passed unanimously.

Respectfully Submitted,

Tara Sad, Clerk

MINUTES
Cheshire County Executive Committee Meeting
Monday, August 05, 2013 1:00PM
Department of Corrections
825 Marlboro Street, Keene, NH 03431

PRESENT: Representatives Hunt, Weed, Robinson, Eaton, Berch, Mann, Butynski, Johnson, Tatro and Emerson. Commissioners Pratt, Rogers, and Zerba, Administrator Wozmak, Finance Director Trombly, and Assistant County Administrator Bouchard

ABSENT: Representative Tara Sad.

Rep. Hunt opened the Executive delegation meeting at 1:00PM for the purpose of;

1. Conducting the second quarter County budget review for 2013.
2. Discuss and vote on the ProShare funds allocation.
3. Discuss and vote on the Deeds Surcharge Account.
4. Discuss and vote on the Collective Bargaining Agreement ratification.
5. Discuss and vote on a transfer from Capital Reserves to the emergency replacement of the back-flow prevention device at the farm.
6. Discuss and vote on the budget amendment regarding the receipt of grant funds received from the Cheshire County Drug Court.
7. To discuss any other business coming before the committee.

Rep. Hunt opens the meeting at 1:06PM and reviews the agenda.

Finance Director Trombly presented the second quarter budget review and reviewed the 2013 ProShare recommendations from the Commissioners. Expenses are on target County-wide. There was a discussion about deeds and Maplewood Nursing home revenue, which are both ahead of budget.

Rep. Hunt asked a question concerning the use of the old courthouse after the state court system moves out of the building at the end of the year. Administrator Wozmak discussed some of the options to the build out of the courthouse facilities needed to hold county departments that currently rent space elsewhere. There was some discussion about whether any of the space could be rented to private attorneys. Rep. Hunt asked for reports to show the costs of operating the 33 West Street building to help determine the overall operating costs and whether the building at 33 West Street would become excess property as against the amount of square footage in the courthouse building. Wozmak suggested that the broad conversation of reuse wait until we complete the space planning work and building review. That work is currently underway.

Moving to the agenda items: Rep. Eaton moved to Increase revenue line #3404.10.00 (State of NH Proportional Share Funds) by \$1,465,713 for the receipt of State of NH Proportional Share Funds not previously budgeted, and to authorize the use of Proshare funds by increasing account #4900.89.11, Maplewood Capital Improvements by \$57,750 for additional building projects to include:

**\$7,000 (Stairwell Alarm upgrade),
\$4,000 (Kitchen Drain Repairs),
\$12,500 (Transfer Switches),
\$27,500 (Shower Re-tiling),
\$3,750 (Replace failed A/C in QAIC/Medication Office), and
\$3,000 (Replace hot water pump in boiler room);**

MINUTES
Cheshire County Executive Committee Meeting
Monday, August 05, 2013 1:00PM
Department of Corrections
825 Marlboro Street, Keene, NH 03431

Increase account # 4900.97.52 by \$5,400 for the following:
 \$1,400 (2nd Floor Fridge replacement) and
 \$4,000 (10 battery replacements for Mechanical Lifts)

Increase account # 4900.97.11 by \$600 for 2 portable radios for Maintenance and

Increase account # 4900.97.34 by \$800 for 1 additional laptop for the wireless project;

Furthermore, to decrease the use of ARRA funds initially appropriated for the nursing home capital projects and replace with the use of ProShare funds in the amount of \$247,647; and reserve the remaining \$1,153,516 by applying to fund balance to offset the 2014 Projected MNH Revenue shortfall.

Rep. Berch seconded the motion. Following a number of questions and extended discussion the motion passed unanimously with 10 Yea's upon vote.

Discussion began of the allocation of the ProShare funds as an off-set to the previous allocated ARRA funds for nursing home improvements. This was followed by a discussion of the ability to continue a flat budget for the next year because of the receipt of the large ProShare funds for 2013.

Rep. Eaton made a motion to **authorize a Register of Deeds Surcharge Funds amendment to make the following recommendation to the Cheshire County Delegation to increase the 2013 Register of Deeds surcharge fund expenses by \$5,946.00 from \$21,954.00 to \$27,900.00 in order to purchase a new reception desk/area.** Register of Deeds Tilton said that the operational and office layout changes being made in the Registry are intended to streamline processing of the deeds and registry of documents.

Motion is voted unanimously with 10 Yea's.

Motion by Rep. Eaton seconded by Rep. Berch regarding the Collective Bargaining Agreement. **To recommend to the Delegation to accept and ratify the Commissioners approval of the three-year collective bargaining agreement (effective as of April 1, 2013) for the Maplewood Nursing Home Service Employees and to vote to appropriate such funds in 2014 and 2015 as may be required to fund the COLA and Longevity provisions of the agreement.**

Following discussion and upon vote the motion passed unanimously with 10 Yea's.

Rep. Eaton made a motion to make the following recommendation to the Cheshire County Delegation to increase revenue line #3915.00.00 (Transfer from Capital Reserve Funds) by \$3,600.00 to allow for the use of Farm Capital Reserve Funds and to authorize the use of these funds by increasing account #4900.89.15 (Capital Outlay-Farm) by \$3,600.00 in order to replace the back flow prevention device that has failed.

Upon vote the motion passed unanimously with 10 Yea's.

MINUTES
Cheshire County Executive Committee Meeting
Monday, August 05, 2013 1:00PM
Department of Corrections
825 Marlboro Street, Keene, NH 03431

Rep Eaton made the following motion; to make the following recommendation to the Cheshire County Delegation: To increase revenue line #3319.00.00 (Federal Grants Reimbursement) by \$135,395.00 to allow for the receipt of Federal Grant funds for the Cheshire County Drug Court Program and to authorize the use of these funds by creating department #4462.00.00 (Drug Court Grant Program in the amount of \$135,395.00.

Upon vote the motion passed unanimously with 10 Yea's.

Rep. Butynski asked about the nursing home committee and spoke to the rating of the Maplewood by the federal government on the Medicare.gov web site. Administrator Kindopp spoke to a single incident that occurred in 2010 that caused the low rating for Maplewood. Since then the rating have been good and in 2013 the posted rating will return to a higher rating. Administrator Wozmak said the previous years in which County Nursing homes were targeted by the state inspectors that has since been addressed.

A discussion began concerning the over quality of the building and the possible impact on the rating of MNH.

At 2:47PM **there being no further business for the Executive Committee to consider**, Rep Eaton moved to adjourn. Upon vote the motion passed unanimously.

Respectfully Submitted,
J. Wozmak, Clerk Pro-Temp

MINUTES
Cheshire County Delegation Meeting
Monday, August 12, 2013 1:00PM
Jury Assembly Room
12 Court Street, Keene, NH 03431

PRESENT: Representatives Robertson, Emerson, Parkhurst, Butynski, Lerandeau, Johnson, Sad, Burr ridge, Chase, Johnsen, Tatro, Ames, Berch, Phillips, and Young, Commissioners Pratt, and Zerba, Administrator Wozmak, Finance Director Trombly, and Assistant County Administrator Bouchard

ABSENT: Representatives Hunt, Eaton, Weed, Roberts, Weber, Ley, Mann, and Shepardson.

Rep. Tatro opened the delegation meeting at 7:02PM for the purpose of;

1. Discuss and vote on the ProShare funds allocation.
2. Discuss and vote on the Deeds Surcharge Account.
3. Discuss and vote on the Collective Bargaining Agreement ratification.
4. Discuss and vote on a transfer from Capital Reserves to the emergency replacement of the back-flow prevention device at the farm.
5. Discuss and vote on the budget amendment regarding the receipt of grant funds received from the Cheshire County Drug Court.
6. To discuss any other business coming before the delegation.

Rep. Parkhurst moves to Increase revenue line #3404.10.00 (State of NH Proportional Share Funds) by \$1,465,713 for the receipt of State of NH Proportional Share Funds not previously budgeted, and to authorize the use of Proshare funds by increasing account #4900.89.11, Maplewood Capital Improvements by \$57,750 for additional building projects to include:

- \$7,000 (Stairwell Alarm upgrade),**
- \$4,000 (Kitchen Drain Repairs),**
- \$12,500 (Transfer Switches),**
- \$27,500 (Shower Re-tiling),**
- \$3,750 (Replace failed A/C in QAIC/Medication Office), and**
- \$3,000 (Replace hot water pump in boiler room);**

Increase account # 4900.97.52 by \$5,400 for the following:

- \$1,400 (2nd Floor Fridge replacement) and**
- \$4,000 (10 battery replacements for Mechanical Lifts)**

Increase account # 4900.97.11 by \$600 for 2 portable radios for Maintenance and

Increase account # 4900.97.34 by \$800 for 1 additional laptop for the wireless project;

Furthermore, to decrease the use of ARRA funds initially appropriated for the nursing home capital projects and replace with the use of ProShare funds in the amount of \$247,647; and reserve the remaining \$1,153,516 by applying to fund balance to offset the 2014 Projected MNH Revenue shortfall.

Rep. Berch seconded motion. Following a number of questions and extended discussion the motion passed unanimously with fourteen (14) Yea's and no Nay's upon vote.

MINUTES
Cheshire County Delegation Meeting
Monday, August 12, 2013 1:00PM
Jury Assembly Room
12 Court Street, Keene, NH 03431

Discussion began of the allocation of the ProShare funds as an off-set to the previous allocated ARRA funds for nursing home improvements.

Rep. Robinson made a motion to **authorize a Register of Deeds Surcharge Funds amendment to increase the 2013 Register of Deeds surcharge fund expenses by \$5,946.00 from \$21,954.00 to \$27,900.00 in order to purchase a new reception desk/area.** Seconded by Rep. Berch. Rep. Johnson states that although she will vote for the motion she thinks that the price for the desk / counter is too expensive. Register Tilton explains the process involved in searching out a source for the desk / counter and explained that she was only able to find one (1) source for the equipment.

Upon vote the motion passed with fourteen (13) Yea's and one (1) Nay's.

Motion by Rep. Butynski seconded by Rep. Ames regarding the Collective Bargaining Agreement. **To accept and ratify the Commissioners approval of the three-year collective bargaining agreement (effective as of April 1, 2013) for the Maplewood Nursing Home Service Employees and to vote to appropriate such funds in 2014 and 2015 as may be required to fund the COLA and Longevity provisions of the agreement.**

Following discussion and upon vote the motion passed unanimously with fourteen (14) Yea's and no Nay's

Rep. Johnson made a motion to increase revenue line #3915.00.00 (Transfer from Capital Reserve Funds) by \$3,600.00 to allow for the use of Farm Capital Reserve Funds and to authorize the use of these funds by increasing account #4900.89.15 (Capital Outlay-Farm) by \$3,600.00 in order to replace the backflow prevention device that has failed. Seconded by Rep. Lerandau.

Upon vote the motion passed unanimously with fourteen (14) Yea's and no Nay's

Rep. made Burrige following motion; seconded by Rep. Robinson to increase revenue line #3319.00.00 (Federal Grants Reimbursement) by \$135,395.00 to allow for the receipt of Federal Grant funds for the Cheshire County Drug Court Program and to authorize the use of these funds by creating department #4462.00.00 (Drug Court Grant Program in the amount of \$135,395.00.

Upon vote the motion passed unanimously with fourteen (14) Yea's and no Nay's.

Rep. Ames moves to amend the 2013 County Budget to the amount of \$40,420.195.00. Seconded by Rep. Cynthia Chase. **Upon vote the motion passed fourteen (14) Yea's and no Nay's**

At 7:22PM there being no further business for the Delegation to consider, Rep. Parkhurst moved to adjourn. **Upon vote the motion passed unanimously. Motion passes with fourteen (14) Yea's and no Nay's.**

Respectfully Submitted,
Tara Sad, Clerk

MINUTES
Cheshire County Delegation
Executive Committee Meeting
Monday, December 09, 2013
12 Court Street, Keene, NH

PRESENT: Representatives Hunt; Johnson, Robertson, Weed, Butynski, Berch, Man, Tatro, Treasurer William Lynch, Commissioners Pratt and Rogers; Administrator Wozmak, Finance Director Trombly, Assistant County Administrator Bouchard

ABSENT: Representatives Eaton and Emerson

Chair Hunt opened the meeting at the conclusion of the Delegation meeting.

The Chair then heard a motion from Rep. Tatro and seconded by Rep. Berch to “authorize the Treasurer of Cheshire County, upon the request of the Cheshire Board of Commissioners to borrow in anticipation of taxes an amount not to exceed \$21 million dollars for the 2014 budget year, January 1, 2014 to December 31, 2014. Motion was voted on and passed unanimously.

The schedule for the 2014 Proposed Budget Review meetings was discussed and dates identified for the normal budget review cycle.

Chair Hunt made a motion to adjourn and the motion passed unanimously.

Respectfully Submitted,

Rep. Jane Johnson, Clerk Pro Tem

MINUTES
Cheshire County Delegation Meeting
Monday, December 9, 2013, 7PM
Jury Assembly Room
12 Court Street, Keene, NH 03431

PRESENT: Representatives Hunt, Robertson, Weed, Parkhurst, Butynski, Roberts, Johnson, Johnsen, Tatro, Ames, Berch, Ley, Mann, Phillips, Shepardson and Young, Commissioners Pratt, and Rogers, Administrator Wozmak, Finance Director Trombly.

ABSENT: Representatives Eaton, Emerson, Leraudeau, Sad, Burrige and Chase.

Representative Tatro open the public hearing on the commissioners proposed budget at 7 PM. He turned the meeting over to Commissioner Jack Pratt, chairman of the board of commissioners, who made opening statements about I proposed budget for 2014. Commissioner Pratt said that the proposed budget is \$41,786,495 which represents an increase of \$723,592 or an increase of 1.76% from 2013. Taxes to be raised are proposed at \$21,387,451. This figure is an increase of \$264,814 or 1.15% from 2013. He said that over the past two years the commissioners have decreased the overall budget by 5.6%. While they were unable to absorb all of the usual and customary increases in expenses, they remain proud of the work at maintaining the downward curve of taxes to be raised. Taxes remain 4.45% lower than the amount three years ago. The proposed 2014 budget is again virtually level funded but for some unavoidable increases in health insurance and retirement funding; both of which are difficult to totally contain within a neutral budget. The Department managers of the County worked very hard to offset any new requests for equipment or personnel by making reductions elsewhere within their budgets. However, there are select increases in certain departments. For example, the Department of Corrections budget has increased by the addition of two additional correctional officers and the information technology Department has one additional staff member proposed due to the increasingly complex and expanded IT infrastructure. At Maplewood nursing home we continue to be mindful of the balance between the revenue and the expenses and continue to advance towards quote rightsizing" our staffing. We are pleased with the efforts of our Department managers and elected officials as they recognize the pressure to minimize the impact on the taxpayer and our obligation to provide necessary and essential services to the citizens of the County, and fulfilling our obligations to provide fair and equitable wages to the County's hard-working employees.

Chairman Representative Tatro then asked there was any questions from any member of the public about the proposed budget. A citizen in attendance, Bill McGrath, of Winchester, made several comments about the budget and was concerned about increases which he identified in detail having read from a long list. There was some discussion among the representatives about how little the public gets to know about the actual budget process and the details behind the numbers that appear in the newspaper. It was noted that the information that appears in the newspaper is what is required by law but that it does not always Rick left the actual or amended budget that might be approved later in the year. Citizen McGrath understood that in all likelihood that answers to the many questions that he had and invited members of the executive committee to take a close look at the list that he had comprised. He was asked to mail his list to representative hunt caribou County administration building. There being no further questions from members of the public the public hearing was closed at 7:28 PM

Chairman Tatro then recognized representative Roberts for a motion. Representative Roberts moved to authorize the Registry of Deeds to extend 2014 surcharge funds in the amount of \$14,400.00. The motion was seconded by Representative Weber. The register of deeds Anna Tilton explained the contract for Fiddler for Internet service and for online records for public access which is responsible for the bulk of the surcharge fund expenditures. Upon a roll call vote the motion passed 17 Yea and zero (0) Nay.

MINUTES
Cheshire County Delegation Meeting
Monday, December 9, 2013, 7PM
Jury Assembly Room
12 Court Street, Keene, NH 03431

The Chairman recognized Representative Weber for a motion. Representative Weber moved to authorize the County commissioners to hire one additional full-time employee for the information technology department as soon as possible in January 2014. The motion was seconded by Representative Robertson. Chairman Pratt asked IT director Robert Hummel explained the need for the additional person.

Hummel explained that there were many hardware and software applications that have been backlogged and the workload in general was increasing. Some of the backlog an ID projects included the mandatory upgrade from Windows XP 2003 for all users with significant retraining; installation of the new Keene phone system; expansion of Maplewood electronic charting system to include accounts receivable and prescription medication orders; upgrade of Microsoft office from Office 97 to office 2010; finalizing the computer system in the Sheriff's new mobile command post; and implementing a new secure e-mail server to comply with it but security requirements regarding encryption. There was significant discussion about the procedure of advancing a new FTE at this level as opposed to having it considered by the executive committee. Representative hunt stated that this was an unusual circumstance and that he was skeptical of approving it at this time without having had the opportunity to have a discussion about it. Hunt's feeling was that it was inappropriate at this may be meeting and that this matter should be referred to the executive committee. There were however, some members of the delegation who were willing to accept the explanation given and to authorize the commissioners to move forward. Representative Weber moved to amend the motion to authorize the executive committee to authorize the commissioners to create an additional ID position when they begin meeting in January. The amended motion was called for a vote and as a result of a roll call vote the amended motion passed 11 Yeas and six (6) Nays. Therefore the executive committee will take up the matter when they convene in January.

The Chairman recognized Representative Parkhurst for a motion. Representative Parkhurst moved to act on the commissioner's recommendation to sell the Blood farm with a minimum of 5 acres of land. The motion was seconded by Representative Gladys Johnsen. Commissioners Pratt and Rogers explained what the Blood farm was and answered a series of questions around the history of their interest in selling the book for. There was a variety of questions regarding what the appraisal value of the property was, why five-acre minimum, why not more than 5 acres, how many acres etc. Representative Weber offered a friendly amendment to the motion that would authorize the commissioners to explore the sale of the Blood farm and to require the commissioners to present to the delegation their proposal for a sale at a future delegation meeting. The friendly amendment was accepted and seconded by Representative Berch. Upon a roll call vote the amended motion passed 16 Yeas and one (1) Nay.

There was a discussion about the situation in the town of Troy and the possibility that the town may be unable to make their tax payment to the County due to the rate setting delay of their local tax rate. While the chairman was interested in advancing a motion to forgive any interest as a result of the late payment he withdrew his motion after discussion with the delegation about the timeliness of the motion. It was determined that since taxes are not due until December 17, that the delegation could take the matter up if and when interest penalties attached. There was significant concern that waiving the interest fees indiscriminately would set a bad precedent for the other towns in the County. It was noted how important it is for the tax payments to arrive in a timely fashion to the County so that the County can repay its tax anticipation note when it is due on December 31.

MINUTES
Cheshire County Delegation Meeting
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There being no further business the meeting was adjourned.

Respectfully submitted, Rep. Jane Johnson