

Draft Meeting Minutes for the Delegation – August 10, 2021, at 7:00 p.m.

Rep. Sylvia called the Belknap County Delegation meeting to order at 7:07 p.m. on the above date at 34 County Drive, Laconia, NH.

In attendance: Rep. Aldrich, Rep. Bean, Rep. Bordes, Rep. Comtois, Rep. Harvey-Bolia, Rep. Hough, Rep. Howard, Rep. Johnson, Rep. Lang, Rep. O'Hara, Rep. Ploszaj, Rep. Silber, Rep. Sylvia, Rep. Terry, Rep. Trottier, Rep. Varney

Absent: Rep. Littlefield, Rep. Mackie

Pledge: Rep. Hough

M/Rep. Howard S/Rep. Silber to accept minutes of April 19, 2021 – unanimous

Purpose of meeting is to discuss Investigative Committee

Opening statement made by Rep. Sylvia recapping history of misappropriations

The purpose of this meeting is to discuss and re-form the committee of investigation.

We had formed this committee in December 2020, shortly after our new members had been seated and under the less-than-optimal conditions of a mixed semi-remote meeting.

I'd like to take a few minutes to review the county history which led to the need for the committee of investigation and why it is our duty to walk this path.

When I joined the delegation in 2013, it was clear to me, as I'm sure it is to our new members, that there was a distinct tension between the legislative and executive branches of county government. That is not necessarily a bad thing, it is part of the design that build this great county.

In 2014 the judicial branch was called upon to make clear the law that applies to appropriations and transfers in county budgeting. On August 28, 2014, the Belknap Superior Court ordered a temporary injunction requiring the county commissioners to seek approval from the executive committee for transfers summing **\$300 or more from any line-item** in the budget.

Shortly after the ruling, on September 15, 2014, the executive committee reported excess spending without any transfer requests. The commissioners were more focused on spending on legal fees to challenge the ruling, rather than abide by the order. In February 2015 the executive committee received a transfer request of nearly \$60,000 to pay legal bills from 2014. Note that this was a transfer request after the money was already spent.

Early in 2015 the commissioners signed a stipulation agreement, presumably settling the issue of transfer and line-item authority.

The delegation in 2015 set a line-item transfer limit of \$800, and in 2016 increased it to \$1,000, allowing the commissioners more flexibility in moving money between lines in the budget. In the summer of 2016, it was found that transfer requests were coming in after lines had exceeded their appropriations. In November 2016 the issue of spending more than was appropriated continued, while the administration was aware of the issue the commissioners denied knowledge.

In 2017 shortly after the budget was approved, the commissioners requested a transfer to handle an urgent problem with the sprinkler system in the nursing home. The executive committee rejected it as a ploy to suggest the budget was underfunded. The sprinkler problem has faded away, the urgency went with it.

Just a month later in another attempt to beef up the budget the commissioners sought a supplemental appropriation. It was denied. The cost of seeking the appropriation was a waste of taxpayers' money. Not satisfied, in August 2017 another supplemental appropriation was brought to the delegation which did get approved for ¼ million dollars. At the end of 2017 \$1,000,000 was returned to fund balance unspent. Beyond the cost of two requests for unneeded supplemental appropriations, the commissioners wasted \$6,500 in legal fees to support their requests.

In 2018 the commissioners would up their game such as to earn two criminal complaints. The first was an illegal transfer of \$4,000 taken from the contingency fund. After the county attorney received my complaint, the commissioners restored the balance in the contingency fund. The second criminal complaint was earned for illegally creating a 'revolving fund' and moving income and expenses off the budget. Once again, the illegal action would be reversed.

With that as background, let's revisit the issue which brought the vote last December to institute a committee of investigation.

Having spelled out very clearly the terms of our transfer policy as authorized in RSA 24:14, the county commissioners allowed department 025180 with a budget of \$717,000 to spend \$919,385.88, \$202,385.88 more than had been appropriated for the department. No transfer was requested despite the department far exceeding its appropriation.

We have a duty as representatives to investigate into the details of the apparent misappropriation. While the commissioners are ultimately responsible, it is critical to understand if any others are involved. This issue has persisted over the years with several different people sitting as commissioners. It is a certainty that if we fail to find and fix the cause, the problem will get worse and harm the county, and our reputations as the people's representatives.

Rep. Silber speaking to formation of investigative committee – RSA 24:17 – when committee was formed 5 people were appointed to committee. He waited until things calmed down in the State Legislature. County Commissioner's hired a law firm and said no department head would speak to us without a subpoena - 24:18 – Committee needs to be reformed due to the RSA saying not more than 3 people from any political party can be on said committee.

M/Rep. Howard S/Rep. Hough that the delegation re-forms the committee of investigation to include Rep. Silber, Rep. Comtois, and Rep. O'Hara, designating Rep. Silber as the chairman and providing an initial budget of up to \$5,000 to investigate excess spending in department 025180, and any such other matters that may come before the committee pursuant to RSA 24:17. – motion passes 13 to 3

In favor: Rep. Aldrich, Rep. Bean, Rep. Comtois, Rep. Harvey-Bolia, Rep. Hough, Rep. Howard, Rep. Johnson, Rep. O'Hara, Rep. Ploszaj, Rep. Silber, Rep. Sylvia, Rep. Terry, Rep. Varney

Against: Rep. Bordes, Rep. Lang, Rep. Trottier

Discussion on Motion

Rep. Lang – batch of commissioners that are now following procedures set by Delegation

Commissioners have already spent \$7,500 in legal representations in response to investigative committee

What is the outcome if the current board is now abiding by now? - We have no testimony in who authorized the spending

RSA 24:15

Rep Comtois – two of the current commissioners blatantly disregarded the delegation during the last budget process 2020 - one was aware of the judgement made by the court in 2014/15 and understood what that meant.

Rep Terry – Commissioner Spanos and County Administrator Shackett spent \$7,500 on legal fees for this matter

Rep Lang – RSA 24:15 – 643:1 – perjury – to his knowledge no one has hidden anything – current commissioners are now following the rules – how do we fix this if it is already fixed and what will get after spending

Rep. Sylvia – you would rather sweep this under rug than do our duty as commanded by the statue

Rep. Bordes – how much are we going to spend? When is it going to end?

Rep. Sylvia – are you making an argument to accept corrupt government if that is the case?

Rep. Howard – everyone is asking about the outcome, what I would like to see is if policies and or procedures were violated the person(s) involved be removed from county government

Rep. Harvey-Bolia – is there a cap on spending? – A. We are only appropriating \$5k anything above would need to come before the delegation for a vote

Rep O'Hara – what would be covered by the \$5,000 – attorney fees and court reporter

Rep. Aldrich – we should not be here - Commissioner Waring told the delegation that they do not interrupt the statue that way and that is why we need to do this

Rep. Lang – under Commissioner Spanos they are abiding by our rule – are there going to be any sides on this – originally it was about the Pharmacy line – we are going to spend a whole lot of money on a fishing expedition

Rep. Sylvia – you have experience in law enforcement, and you know that one piece of evidence can lead to other things

Rep. Bordes – what are we investigating A. there is no investigation of the 2021 budget

Rep. Comtois – watching this since 2010 – ongoing pattern even with judgement by court – abide by delegation, don't abide by delegation – when do we say enough is enough so that future delegations can follow the money to make an informed decision regarding the budget

Rep. Hough – idea of concern – find it interesting that the folks who are concerned with how much we are going to spend voted not to cut the budget by 1.7 million dollars. Some are assuming there is guilt, and the people that are making that assertion is saying there is no guilt now. It is akin to someone robbing a gas station last week, but because they did not rob it this week it is okay

Rep. Terry – Chairman Silber's narrative – this committee will seek to determine what happened, why it happened– the commissioners pushed back by hiring an attorney to say no one would appear without being subpoena – with respect to Rep Lang comment about no record of anything untoward currently, we still have the matter of over expenditure of Dept 025180

Rep. O'Hara – don't we know who the fall person is going to be – Rep. Sylvia – no, how was the money spent, was it an accounting issue

Rep. Howard – I don't like to spend taxpayers' money for anything frivolous – the reality is in 2014 we spent \$60,000 – the taxpayers have already spent a lot of money to have the problem resolved

Rep Bean – Chair of previous Commissioners said he was outvoted when he wanted to bring forth information to the delegation – those 2 commissioners are now current commissioners

Rep Sylvia – next meeting Sep 07, 2021, at 7 p.m. for election of Gunstock commissioner and Gunstock RAN and another meeting to be scheduled for Sep 09, 2021 to discuss supplemental appropriation for ARPA Funds

M/Rep Aldrich S/Rep Hough motion to adjourn

7:43 p.m.