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September 6, 2011

Hand Delivered

William Gardner, Secretary of State
State House, Room 204
107 North Main Street
Concord, N.H. 03301-4989

Re: Local Government Center

Dear Mr. Gardner:

Enclosed please find the Professional Fire Fighters of New Hampshire's Motion to Intervene for filing with the Department in regards to the above referenced matter.

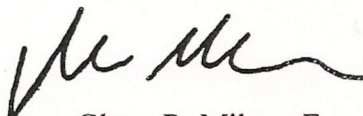
Should you have any questions or concerns, please do not hesitate to contact me. Thank you for your attention to this matter.

RECEIVED

SEP 06 2011

NEW HAMPSHIRE BUREAU
OF SECURITIES REGULATION

Sincerely,



Glenn R. Milner, Esq.

GRM/rbb
Enclosure

cc: Joseph C. Long
✓ Earl Wingate, Esq.
Donald E. Mitchell, Esq.
David Frydman, Esq.

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF STATE
BUREAU OF SECURITIES REGULATION

IN THE MATTER OF:)
)
)

Local Government Center, Inc.; Local)
Government Center Real Estate, Inc.;)
Local Government Center Health Trust,)
LLC; Local Government Center)
Property-Liability Trust, LLC;)
Health Trust, Inc.; New Hampshire)
Municipal Association Property-Liability)
Trust, Inc.; LGC-HT, LLC; Local)
Government Center Workers')
Compensation Trust, LLC; and the)
following individuals: Maura Carroll,)
Keith R. Burke, Stephen A. Moltenbrey,)
Paul G. Beecher, Robert A. Berry,)
Roderick MacDonald, Peter J. Curro,)
April D. Whittaker, Timothy J. Ruehr,)
Julia N. Griffin, Paula Adriance, John)
P. Bohenko, and John Andrews)
_____)

MOTION TO INTERVENE

NOW COME the original complainant, a class of retiree members of the Professional Fire Fighters of New Hampshire and the Professional Fire Fighters of New Hampshire (representing nearly all active full time, firefighter public employees), and each request to be considered an "interested party" in this matter and state as follows:

1. The investigation of the Secretary of State that underlies this proceeding was initiated after receiving a complaint alleging, inter alia, that the NH Local Government Center ("LGC") was utilizing health insurance premiums for purposes unrelated to the procurement of health insurance for public employees. The identity of the author of this complaint has not been released by the Secretary of State and thus shall be referred to herein as the "original complainant" until such time as directed otherwise.

2. In March 2010, the Professional Fire Fighters of New Hampshire ("PFFNH") filed a class action lawsuit against the LGC in Merrimack County Superior Court, Docket Number 2010-E-0082, on behalf of active and retired New Hampshire firefighters alleging that the LGC was, inter alia, utilizing health insurance premiums for purposes unrelated to health insurance and that LGC was improperly amassing significant wealth and not returning excess earning and surplus to New Hampshire political subdivisions as required by RSA 5-B. These claims mirror the claims and findings present in this administrative action. Following the filing of summary judgment motions, PFFNH non suited its case as a change in the law effective July 1, 2010 assigned exclusive jurisdiction of such matters to the Secretary of State.

3. The August 2, 2011 "Report on Local Government Center" issued in this case contained the finding that any retiree money paid to the LGC for health insurance that was utilized for other purposes was "improperly taken". Of note, the relief ordered by the Secretary of State in the Sept. 2, 2011 "Notice of Order" does not specifically include the order that monies improperly taken from retirees be returned to them.

4. The August 2, 2011 "Report on Local Government Center" issued in this case contained the finding (and LGC admits) that (at least) 1% of health insurance premiums paid to the LGC were utilized for other purposes, including start up costs and yearly operating losses of the LGC's Workers' Compensation risk pool. The Report dismisses the LGC claim that no employee or retiree money was part of the 1% "skim" as inconclusive at best and noted that the claim of segregation of funds was only claimed by LGC for 2004 and 2007.

5. The Report also observed that, for active employees, the health insurance benefit is a 'bargained for' portion of the active employees' compensation package and, as such, "the whole of the benefit belongs to the employee". Of note, the relief ordered by the Secretary of State in the Sept. 2, 2011 "Notice of Order" does not specifically include the order that monies improperly taken from active employees be returned to them.

6. The original complainant in this case is an "interested party" as that term is utilized in RSA 421-B:26-a as the "moving party" that initiated this case.

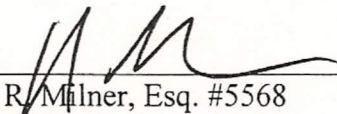
7. The class of retiree members of the PFFNH is an "interested party" as that term is utilized in RSA 421-B:26-a as they have a direct pecuniary interest in the outcome of this matter.

8. The class of active members of the PFFNH is an "interested party" as that term is utilized in RSA 421-B:26-a as they have a direct pecuniary interest in the outcome of this matter.

Wherefore the moving parties seek to intervene in this action and be considered "interested parties".

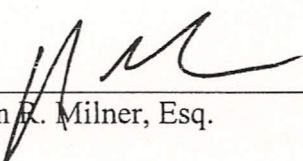
Respectfully submitted,
Professional Fire Fighters of New Hampshire
By and through counsel,
MOLAN, MILNER & KRUPSKI, PLLC

September 6, 2011

By: 
Glenn R. Milner, Esq. #5568
100 Hall Street, Ste. 101
Concord, NH 03301
(603) 410-6011

CERTIFICATION OF SERVICE

I hereby certify that a copy of the foregoing was this same day forwarded to William Gardner, Joseph C. Long, Earl Wingate, Esq., Donald E. Mitchell, Esq., and David Frydman, Esq.


Glenn R. Milner, Esq.