



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



Victoria F. Sheehan
Commissioner

William Cass, P.E.
Assistant Commissioner

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, NH 03301

Bureau of Rail & Transit
June 7, 2021

REQUESTED ACTION

Authorize the Department of Transportation to enter into an agreement with the Southern New Hampshire Planning Commission, (Vendor 154521), Manchester, New Hampshire, for an amount not to exceed \$918,800.00 for coordinated transportation services for seniors and individuals with disabilities, for the period of July 1, 2021 through June 30, 2023, effective upon Governor and Executive Council approval. 100% Federal Funds.

Funding for this agreement is contingent upon the availability of funds in Fiscal Year 2022 and Fiscal Year 2023, with the ability to adjust encumbrances through the Budget Office between State Fiscal Years if needed and justified.

	<u>FY 2022</u>	<u>FY 2023</u>
04-96-96-964010-2916		
Public Transportation		
072-500575 Grants to Non-Profits-Federal	\$459,400.00	\$459,400.00

EXPLANATION

Southern New Hampshire Planning Commission (SNHPC) has been awarded funding from the Federal Transit Administration (FTA) Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities (Section 5310) program to provide expanded transportation services in the Region 8 Greater Manchester Regional Coordinating Council (RCC) service area.

This agreement includes Federal COVID relief funding including, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) enacted December 27, 2020, and the American Rescue Plan (ARP) Act enacted March 11, 2021. The FTA apportioned funding to all states to support operating, capital, and other expenses generally eligible under the FTA Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program. This request includes formula and relief funds from each of the aforementioned funding programs.

SNHPC will act as the lead agency to ensure the provision of accessible demand response transportation services for seniors and individuals with disabilities within the region, and will support mobility management and strategic planning activities in cooperation with the Region 8 Greater Manchester Regional Coordinating Council.

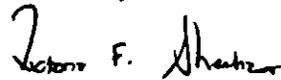
The Section 5310 RCC funds were allocated by region according to a formula based on regional populations of residents over 65 and those between the ages of 5-64 with disabilities. Each individual RCC was responsible for conducting its own project solicitation, evaluation, and prioritization and then submitting one regional application for eligible Section 5310 RCC projects through an approved lead agency. The Greater Manchester RCC designated the SNHPC as the lead agency for Region 8 and tasked the SNHPC with applying for Section 5310 RCC funds on behalf of Region 8. As required by FTA, all projects are identified in a locally developed coordinated public transit-human services transportation plan.

SNHPC, in conjunction with its regional partners as applicable, will provide the required non-federal matching funds. Stimulus funding supported by FTA at 100% in the form of CRRSAA, and ARP will be utilized by drawing against the CRRSAA balance first and then ARP funds. In the event that Federal Funds become unavailable, general funds will not be requested to support this program.

The agreement has been approved by the Attorney General as to form and execution. Copies of the fully executed agreement are on file at the Secretary of State's Office and the Department of Administrative Services' Office; and subsequent to Governor and Council approval will be on file at the Department of Transportation.

Your approval of this resolution is respectfully requested.

Sincerely,



Victoria F. Sheehan
Commissioner

Attachments

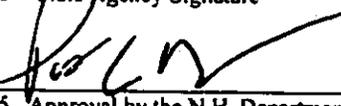
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name NH Department of Transportation		1.2 State Agency Address PO Box 483, 7 Hazen Dr., Concord, NH 03302-0483	
1.3 Contractor Name Southern New Hampshire Planning Commission		1.4 Contractor Address 438 Dubuque St., Manchester, NH 03102-3546	
1.5 Contractor Phone Number 603-669-4664	1.6 Account Number 04-96-96-964010-2916-072-500575	1.7 Completion Date June 30, 2023	1.8 Price Limitation \$918,800.00
1.9 Contracting Officer for State Agency Michelle Winters, Administrator, Bureau of Rail & Transit		1.10 State Agency Telephone Number 603-271-2468	
1.11 Contractor Signature  Date: 5/7/21		1.12 Name and Title of Contractor Signatory Sylvia von Aulock Executive Director	
1.13 State Agency Signature  Date: 5/19/21		1.14 Name and Title of State Agency Signatory Patrick C. Herlihy Director Aeronautics, Rail and Transit	
1.15 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.16 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By: <u>Allen B. Greenstein</u> On: <u>6/2/21</u>			
1.17 Approval by the Governor and Executive Council (if applicable) G&C Item number: _____ G&C Meeting Date: _____			

Contractor Initials SVA
Date 5/7/21

2. SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT B which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.

Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds affected by any state or federal legislative or executive action that reduces, eliminates or otherwise modifies the appropriation or availability of funding for this Agreement and the Scope for Services provide in EXHIBIT B, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to reduce or terminate the Services under this Agreement immediately upon giving the Contractor notice of such reduction or termination. The State shall not be required to transfer funds from any other account or source to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT C which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the

performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal employment opportunity laws. In addition, if this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all federal executive orders, rules, regulations and statutes, and with any rules, regulations and guidelines as the State or the United States issue to implement these regulations. The Contractor shall also comply with all applicable intellectual property laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 The Contractor agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

Contractor Initials SVA
Date 5/7/21

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely cured, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 give the Contractor a written notice specifying the Event of Default and set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 give the Contractor a written notice specifying the Event of Default, treat the Agreement as breached, terminate the Agreement and pursue any of its remedies at law or in equity, or both.

8.3. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

9. TERMINATION.

9.1 Notwithstanding paragraph 8, the State may, at its sole discretion, terminate the Agreement for any reason, in whole or in part, by thirty (30) days written notice to the Contractor that the State is exercising its option to terminate the Agreement.

9.2 In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall, at the State's discretion, deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT B. In addition, at the State's

discretion, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement.

10. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

11. **CONTRACTOR'S RELATION TO THE STATE.** In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS.

12.1 The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice, which shall be provided to the State at least fifteen (15) days prior to the assignment, and a written consent of the State. For purposes of this paragraph, a Change of Control shall constitute assignment. "Change of Control" means (a) merger, consolidation, or a transaction or series of related transactions in which a third party, together with its affiliates, becomes the direct or indirect owner of fifty percent (50%) or more of the voting shares or similar equity interests, or combined voting power of the Contractor, or (b) the sale of all or substantially all of the assets of the Contractor.

12.2 None of the Services shall be subcontracted by the Contractor without prior written notice and consent of the State. The State is entitled to copies of all subcontracts and assignment agreements and shall not be bound by any provisions contained in a subcontract or an assignment agreement to which it is not a party.

13. **INDEMNIFICATION.** Unless otherwise exempted by law, the Contractor shall indemnify and hold harmless the State, its officers and employees, from and against any and all claims, liabilities and costs for any personal injury or property damages, patent or copyright infringement, or other claims asserted against the State, its officers or employees, which arise

out of (or which may be claimed to arise out of) the acts or omission of the Contractor, or subcontractors, including but not limited to the negligence, reckless or intentional conduct. The State shall not be liable for any costs incurred by the Contractor arising under this paragraph 13. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and continuously maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate or excess; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than ten (10) days prior to the expiration date of each insurance policy. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. The Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. **NOTICE.** Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

17. **AMENDMENT.** This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

18. **CHOICE OF LAW AND FORUM.** This Agreement shall be governed, interpreted and construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party. Any actions arising out of this Agreement shall be brought and maintained in New Hampshire Superior Court which shall have exclusive jurisdiction thereof.

19. **CONFLICTING TERMS.** In the event of a conflict between the terms of this P-37 form (as modified in EXHIBIT A) and/or attachments and amendment thereof, the terms of the P-37 (as modified in EXHIBIT A) shall control.

20. **THIRD PARTIES.** The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. **HEADINGS.** The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. **SPECIAL PROVISIONS.** Additional or modifying provisions set forth in the attached EXHIBIT A are incorporated herein by reference.

23. **SEVERABILITY.** In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. **ENTIRE AGREEMENT.** This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire agreement and understanding between the parties, and supersedes all prior agreements and understandings with respect to the subject matter hereof.

Contractor Initials SvA
Date 5/7/21

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
EXHIBITS TO CONTRACT**

EXHIBIT A Special Provisions

EXHIBIT B Scope of Services

EXHIBIT C Budget

Certificate of Good Standing Exemption

Certificate of Corporate Vote

Certificate of Insurance

FTA Certifications and Assurances

FTA Master Agreement

2 CFR Part 200

FTA Section 5310

Social Service Documents to Include:

501 (c)

Financial Report

Board of Directors

Key Personnel and Salaries

Resumes

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
EXHIBIT A
SPECIAL PROVISIONS

- A.1.** Amend P-37 Section 2. "EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED" by adding the following:
- 2.1 The Contractor may change services only with the prior written agreement of the State and in accordance with applicable Federal Transit Administration (FTA) requirements.
- A.2.** Amend P-37 Section 5. "CONTRACT PRICE/PRICE LIMITATION/PAYMENT" by adding the following:
- 5.5 As applicable based on Federal participation ratios, the amount paid by the State to the Contractor shall not exceed 50% of allowable operating costs less fare revenues plus 80% of allowable administrative and capital costs. Contracted Services and Mobility Management costs are identified in Exhibit B. The Contractor shall provide and document the availability of local funds sufficient to meet the project cost in excess of the Contract Price Limitation.
 - 5.6 In the event that revenues exceed the total allowable costs, said revenues in excess of total allowable costs shall be placed in an interest-bearing account within 30 days of the Completion Date and made available to the State upon demand.
 - 5.7 The Contractor shall submit a request for payment to the State on a form specified by the State on a monthly or quarterly basis, together with all information to support the request. Such requests for payment shall be properly completed and signed. Requests for payments must be for allowable costs only as defined in 2 CFR Part 200. No requests for advance payment will be accepted by the State.
 - 5.8 Upon receipt of the request for payment, the State shall review the request to determine the allowability of costs. In connection with this review, the State may demand production of (and the Contractor shall produce) and inspect any documents and records described in Section 5.
 - 5.9 Within 30 days of receipt of the request for payment and other documents and records required by the State, the State shall determine the allowability of costs and the amount due and owing to the Contractor and shall pay said amount, subject to other provisions of this Agreement. Contract reimbursements shall not exceed 50% of the total contract amount in any given quarter.
 - 5.10 Final Payment. Satisfactory acceptance by the State and FTA of all reports required by this Agreement is a condition precedent to final payment (i.e., payment for the last month or portion thereof of this Agreement). All reports will be prepared to the satisfaction of the State and Federal Transit Administration (FTA). The final payment may be retained and withheld pending receipt and satisfactory acceptance of all reports required by this Agreement and resolution of all pending matters.

- A.3. Amend P-37 Section 6. "COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/EQUAL EMPLOYMENT OPPORTUNITY" by adding the following:
- 6.4 The Contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
 - 6.5 The Contractor shall state, in all solicitations or advertisements for employees, that all qualified applicants will receive consideration for employment without regard to race, color, age, creed, sex or national origin.
 - 6.6 The provisions of 2 CFR 200 shall apply to local administration of this agreement and any subcontracts under this agreement.
- A.4. Amend P-37 Section 9. "DATA/ACCESS/CONFIDENTIALITY/PRESERVATION" by adding the following:
- 9.4 The following restrictions apply to all subject data first produced in the performance of this agreement:
 - a) Except for its own internal use, the Contractor may not publish or reproduce such data in whole or in part, or in any manner or form, nor may the Contractor authorize others to do so, without the written consent of the State, until such time as the FTA may have either released or approved the release of such data to the public.
 - b) As authorized by 2 CFR 200, the FTA reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish and otherwise use, and to authorize others to use, for Federal purposes, any work developed under a grant, cooperative agreement, sub-grant, or third party contract, irrespective of whether a copyright has been obtained; and any rights of copyright to which a recipient, sub-recipient, or third party contractor purchases ownership with Federal assistance.
 - 9.5 It is FTA's intent to increase the body of mass transportation knowledge. Therefore, the Contractor understands and agrees that in addition to the rights set forth in 9.4 (b) above, FTA may make available to any recipient, subgrantee, contractor or subcontractor its license in the copyright to the date derived under this Agreement or a copy of the data first produced under this Agreement.
 - 9.6 The Contractor shall indemnify, save and hold harmless the State and United States, their officers, agents and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation of the proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under this Agreement.
 - 9.7 Nothing contained in this clause shall imply a license to the United States under any patent or be construed as affecting the scope of any license or other right otherwise granted to the United States under any patent.
 - 9.8 Sections 9.4, 9.5, and 9.6 above are not applicable to material furnished to the Contractor by the State or United States and incorporated in the work furnished under the agreement;

provided that such incorporated material is identified by the Contractor at the time of delivery of such work.

- 9.9 In the event that the project is not completed for any reason, all data developed under that project shall become subject Data as defined in Section 9.1 and shall be delivered as the State or FTA may direct.

A.5. Amend P-37 Section 10. "TERMINATION" by adding the following:

- 10.1 The termination report must be accepted by the State and the Federal Transit Administration (FTA) prior to final payment.
- 10.2 Termination; Liability. In the event of termination under Section 4 or 10.4 of this Agreement, the acceptance of a Termination Report by the State shall in no event relieve the Contractor from any and all liability for damages sustained or incurred by the State as a result of the Contractor's breach of its obligations hereunder, including refund of any federal funds required by FTA.
- 10.3 Completion of Services; Payment of Price. Excepting those obligations of the Contractor which, by the terms of this Agreement, do not expire on the Completion Date, upon the completion of the Services and upon payment of the Contract Price, this Agreement, and all obligations of the parties hereunder, shall cease and shall be without recourse to the parties hereto.
- 10.4 Termination for Convenience. Notwithstanding anything in this Agreement to the contrary, either the State or, except where notice of default has been given to the Contractor hereunder, the Contractor may terminate this Agreement without cause upon thirty (30) days written notice.

A.6. Amend P-37 Section 12. "ASSIGNMENTS/DELEGATION/SUBCONTRACTS" by adding the following:

- 12.1 The Contractor shall cause the provisions of this contract to be inserted in all subcontracts for any work covered by this Agreement so that the provisions will be binding on each subcontractor; provided, however, that the foregoing provisions shall not apply to subcontractors for standard commercial supplies or raw materials. The Contractor shall take such action with respect to any subcontract as the State may direct as a means of enforcing such provisions, including sanctions for noncompliance. The Contractor shall ensure that any subcontractor has obtained all licenses, permits or approvals required for the performance of contract services.

A.7. Amend P-37 by adding "DEFINITIONS" as Section 25:

25. DEFINITIONS

ALLOWABLE COSTS: Costs that are incurred in the performance of the Services described in Exhibit A and which satisfy the requirements of 2 CFR 200.

FTA: U.S. Department of Transportation, Federal Transit Administration

PROJECT APPLICATION: The narrative, charts, figures and/or maps submitted to the State detailing the scope of the public transportation program of the Contract as modified and approved by the State.

REVENUE: Fares from individuals or other direct income for the public transportation services being provided by the Contractor. Revenues also include funds from contracts, purchase of service/contracted services agreement, and excess matching funds that directly benefit the transportation service.

SECTION 5310: Section 5310 as codified within Federal transit laws in 1994, as amended. Title 49 U.S.C. 5310 authorizes the formula assistance program for the Enhanced Mobility of Seniors and Individuals with Disabilities Program and provides formula funding to states and designated recipients (recipients) to improve mobility for seniors and individuals with disabilities.

STATE: The State of New Hampshire, acting through the Department of Transportation, Bureau of Rail and Transit.

A.8. Amend P-37 by adding "ACCOUNTING, BOOKKEEPING AND REPORTING REQUIREMENTS" as Section 26:

- .1. Ledgers.** Contractor and/or subcontractor shall establish and maintain ledger sheets for each budget category. Entries shall be made and shall reflect the financial activities of the Contractor. The ledger sheet must be in a form approved by the State. The ledger will indicate the funds remaining in each line item of the Contract Budget at the beginning of each month. Entries shall be made on a running basis and carried over to the following month; that is, figures will be brought forward cumulatively. Contractor shall also prepare and submit to the State a profit and loss statement quarterly if such information is not provided with invoices.
- .2. Accounts Receivable.** Contractor and/or subcontractor shall deposit all revenue in an interest-bearing account with a banking institution in this State. Contractor shall prepare and maintain receipt vouchers for all revenue. Immediately upon receipt, Contractor and/or subcontractor shall credit all revenue to the appropriate receipt account. Contractor and/or subcontractor shall establish and maintain an Accounts Receivable Ledger. The receipt number appearing in the Ledger shall correspond to the receipt voucher number. A receipt voucher must be completed on a form approved by the State and shall identify each component of every deposit. All appropriate supporting documents for each deposit should be attached to the receipt voucher.
- .3. Payables.** Contractor and/or subcontractor shall prepare vouchers to document all expenditures of funds. The voucher shall include the following information and shall be prepared on a form approved by the State: The Division and account numbers from which the funds will be drawn, the date of expenditure, a voucher number running in sequence, and any appropriate comments supporting the expenditure of funds (e.g., invoices and payroll vouchers). All invoices received by the Contractor shall be checked for accuracy and allowability. Each invoice must be approved for payment by the Contract Manager or designee. Immediately upon payment, Contractor and/or subcontractor shall make entries

to the appropriate ledger sheets documenting payment. (Each subcontractor shall identify a Contract Manager).

4. **Voucher and Receipt Register.** Contractor and/or subcontractor shall establish and maintain two registers that will contain a running total of all payable receipt vouchers. The registers will provide a summary of voucher or receipt numbers, amount and purpose of action. No self-designated abbreviations are to be used.
5. **Check Register.** Contractor and/or subcontractor shall maintain a check register. This register is also considered a book of original entry, and is posted to the ledger immediately.
6. **Time Sheet, Taxes, and Benefits.** Contractor and/or subcontractor shall require each of its employees funded in whole or in part via this contract to: 1) submit weekly time reports designating work performed and time spent on such work, or 2) be included in an indirect cost allocation plan approved by the cognizant Federal agency. The contractor shall summarize time reports by task and apply employee's rates of pay to the hours worked. The Contract Manager shall review completed and signed time reports, and cause them to be posted to the appropriate category in the general ledger. The Contractor shall maintain records of employee payroll and benefits and shall post this information to the appropriate category in the general ledger. The Contract Manager shall ensure that all payments are on a timely basis.
7. **Reimbursements.** On a monthly or quarterly basis, the Contractor shall submit a description of Contract activities, in a format as required by the State. Should the Contractor show a profit for any month/quarter, the Contractor shall apply the amount of profit against subsequent reimbursement requests. The Contractor shall agree to provide information in addition to the monthly narrative at such times and in such manner as the State may require, and to prepare any reports which may be requested by the State including but not limited to a final or termination report if operations cease.
8. **Maintenance of Records.** The Contractor shall keep and maintain the records, documents, and accounts described herein for a period of three years after the FTA grant is closed. The Contractor shall maintain, and make available to the State and FTA, records relating to complaints and comments received from the public. In the event the State disputes the Contractor's operations or records as submitted for payment or otherwise, final resolution shall rest with the State.
9. **Audits and Inspections.** Between the Effective Date and the Completion Date, and for a period of three (3) years after the FTA grant is closed or the date of resolution of all matters relating to this Agreement, whichever is later, at any time during the Contractor's normal business hours, and as often as the State or FTA may demand, the Contractor shall make available to the State and FTA or their designees all records pertaining to matters covered by this Agreement. The Contractor shall permit the State and FTA to audit, examine, and reproduce such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, Data (as defined in P-37 section 9.1) and other information relating to all matters covered by this Agreement. As used in this paragraph, "Contractor" includes all persons, natural or fictional, affiliated with, controlled by, or under common ownership with, the entity identified as the Contractor in 1.3 of P-37.

10. **Independent Audit.** The Contractor shall submit one audit done by one Certified Public Accountant (CPA) for the entire project, or, as the State may require, for any part of the project upon demand. Monies required for payment of the audit shall be set aside in the Contract Budget for that specific purpose.

10.1. In the event the audit reveals that monies are due and owing to the State from the Contractor, for whatever reasons, the Contractor shall pay to the State such sums within thirty (30) days of the audit date.

11. The Contractor shall submit quarterly performance, drug and alcohol, and charter activity reports within 30 days of the end of each quarter and shall submit any forms, information or reports required by the State to complete the FTA's National Transit Database (NTD) reporting.

A.9. Amend P-37 by adding "PROJECT EQUIPMENT AND REAL PROPERTY" as Section 27:

27. **PROJECT EQUIPMENT AND REAL PROPERTY.** The following terms and conditions apply to all equipment and real property purchased in whole or in part with funds provided through this or other Agreements between the State and the Contractor:

a. All procurements shall be made in accordance with 2 CFR 200 and FTA Circular 4220.1F and future amendments, and with Buy America requirements, 49 CFR Parts 661 and 663.

b. All other equipment with a cost in excess of five hundred (\$500) per unit shall be purchased by the Contractor subject to the prior approval of the State.

c. Title to all project equipment shall be in the name of the Contractor, provided, however, that in order to secure the complete performance of this Agreement, the Contractor shall give the State a security interest in all such equipment at the time of purchase and shall execute financing statements and do all other acts necessary or useful to the perfection of that interest and the renewal thereof. In connection with the purchase of any motor vehicles pursuant to this Agreement, the Contractor shall give the State a security interest in the motor vehicles at the time of purchase and shall take all steps necessary to protect the State's security interest, including taking steps to identify the State as a lien holder of such motor vehicles on the motor vehicle titles.

d. In the event that this agreement is terminated, all project equipment and property becomes the property of the State and it is understood and agreed that legal title to such equipment shall be transferred to the State as soon as feasible. Project equipment will be disposed of in accordance with FTA Circular 9040.1G and the State Management Plan.

A.10. Amend P-37 by adding "EQUIPMENT CERTIFICATION" as section 28:

28. **EQUIPMENT CERTIFICATION.** The Contractor shall maintain a current inventory listing of all nonexpendable property involved in this Agreement. The Contractor shall submit to the State a certification that the equipment is still being used in accordance

with the terms of the Agreement. The inventory listing and equipment certification shall be supplied to the State by each year, generally by June 30th.

A.11. Amend P-37 by adding “TRAINING AND DRIVER REVIEW” as section 32:

- 32. TRAINING AND DRIVER REVIEW.** The State may require participation in training courses determined to be essential to FTA program management in this contract period and may require participation in such training programs as it deems necessary by drivers and other employees involved in the transportation of the public. Training may include defensive driving, passenger assistance, emergency procedures and periodic refresher training every three (3) years. The Contractor agrees that the State shall have the right to review the performance of all drivers who are employed in connection with this Agreement, and to disallow the use of any driver whose performance as a driver is determined to be unsatisfactory by the State.

A.12. Amend P-37 by adding “SERVICE LIMITATIONS” as section 34:

- 34. SERVICE LIMITATIONS.** The Contractor shall not engage in the provision of transportation services other than those described in Exhibit B, or outside the service area described in Exhibit B, without the written consent of the State and without obtaining the appropriate operating authority. The Contractor shall not engage in charter or school bus operations except as permitted by 49 CFR Parts 604 and 605, respectively.

A.13. Amend P-37 by adding “CONTRACTOR REPRESENTATIONS” as section 35:

- 35. CONTRACTOR REPRESENTATIONS.** Contractor warrants that with respect to the Services to be performed, it has obtained all licenses, permits, or approvals which are required by any law, order or regulation of any authority, state or federal, or which may be necessary for the performance of the Services hereunder. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform such Services, and shall be properly licensed and authorized to perform such Services under all applicable laws.

A.14. Amend P-37 by adding “PATENT RIGHTS” as section 37:

- 37. PATENT RIGHTS.** If any invention, improvement, or discovery of the Contractor is conceived or first actually reduced to practice in the course of or under this Contract, which invention, improvement or discovery may be patentable under the laws of the United States or any foreign country, the Contractor shall immediately notify the State and provide a detailed report. The rights and responsibilities of the Contractor and the State with respect to such invention, improvement, or discovery will be determined in accordance with applicable Federal laws, regulations, policies and any waiver thereof.

A.15. Amend P-37 by adding “BROKERAGE REPRESENTATION” as section 38:

- 38. BROKERAGE REPRESENTATION.** The Contractor warrants that it has not employed or retained any company or person, other than a bona-fide employee working solely for the Contractor, to solicit or secure this Agreement; and that it has not paid or agreed to pay any company or person, other than a bona-fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts or any other

consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the State shall have the right to annul this Agreement without liability or, in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such fee, commission, percentage, brokerage, brokerage fee, gift, or contingent fee.

Rev 5/05/2021

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
EXHIBIT B
SCOPE OF SERVICES**

1. The Contractor, Southern New Hampshire Planning Commission, (hereinafter the “Contractor”) will provide transportation services as described in its Federal Transit Administration (FTA) Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Regional Coordinating Council (RCC) grant application to the New Hampshire Department of Transportation, Bureau of Rail and Transit (hereinafter “NHDOT”). The Contractor will serve as the lead agency for Region 8 Manchester for FTA Section 5310 RCC funds to provide accessible transportation services to seniors and individuals with disabilities in cooperation with the Region 8 Manchester RCC. This project is for the time period July 1, 2021 – June 30, 2023. The Contractor’s grant application is hereby incorporated by reference and made part of this agreement. The Contractor agrees to provide all services indicated in the grant application unless modified per this agreement.

2. The following terms and conditions apply to all of the FTA Section 5310-funded services for seniors and individuals with disabilities provided by Contractor pursuant to this agreement:
 - a. Mobility management activities, and as applicable, transportation services, subcontractors, and maximum reimbursement rates, shall consist of those submitted in the Contractor’s 5310 Regional Coordinating Council (RCC) application or as subsequently modified by NHDOT through written notification to the Contractor. Further amendments to mobility management activities, transportation services, subcontractors, and/or maximum reimbursement rates require RCC approval, as documented in official minutes, as well as written approval from the Commissioner.

 - b. Eligible Regional Mobility Manager expenses shall be limited to those directly related to the position’s role as described within the 2016 New Hampshire Statewide Coordination of Community Transportation Services Plan, hereby incorporated by reference. Roles may be further modified based on those recommended by the Statewide Coordinating Council (SCC) and approved in writing by the Commissioner.

 - c. All services provided shall conform to FTA Section 5310 guidelines. Per FTA requirements, the Contractor shall be responsible for oversight of subrecipients and contractors relative to FTA requirements.

 - d. The Contractor shall ensure the provision of ADA accessible services within the RCC region. Any marketing materials, brochures, and other service information shall describe it as ADA-accessible. It is acceptable for a subcontractor/lower-tier subrecipient that does not utilize accessible vehicles to contract with an accessible provider in order to meet this requirement.

- e. The Contractor must fulfill its contractual obligations and provide its scope of services throughout the contract period regardless of mobility management expenses exceeding the maximum allowed to be reimbursed.
- f. The Commissioner may require the Contractor to provide additional transportation services or to reduce transportation services provided under this contract. Any alterations to such transportation services shall be submitted in writing by the Commissioner to the Contractor. The Contractor shall implement the alterations within thirty (30) days unless another timeframe is agreed to by the Commissioner and the Contractor.
- g. Services shall last the entire contract period. As necessary, the Contractor shall establish trip priorities to ensure funds are not expended prematurely.

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
EXHIBIT C
BUDGET**

- I. The Contract price, as defined in Section 1.8 of the General Provisions, are the FTA Section 5310 portion of the eligible project cost. Federal (FTA) Funds are granted as follows:

	SFY 2022	SFY 2023
FTA Section 5310		
Contracted Services	\$302,397.00	\$302,397.00
Mobility Management Activities	\$92,003.00	\$92,003.00
Regional Mobility Manager Position	\$65,000.00	\$65,000.00
Total FTA Section 5310 Funds	\$459,400.00	\$459,400.00
Total Two-Year Contract Funds	\$918,800.00	

- a. Funds are contingent upon Federal and State appropriations.

- I. Not less than fourteen days prior to the submission of the Contractor's first request for reimbursement, the Contractor shall submit to the Commissioner a budget incorporating all funds to be expended in the provision of services pursuant to this contract. Budget revisions may be made with written approval of the Commissioner. Unless otherwise advised by NHDOT, budget revisions may only request the transfer of funds within a category or between categories with the same matching ratio.
- II. The Contractor may seek reimbursement for these funds by submitting a monthly or quarterly invoice for the total eligible expenses, less agency match as applicable, to NHDOT. The invoice must include verification of source(s) of matching funds and statements from service providers, as applicable, to support the request for matching funds.
- III. Mobility management costs shall be itemized and include such information as required to support the request.
- IV. The Contractor will verify that reimbursement is for non-Medicaid-eligible trips only.
- V. For expenses other than contracted services, the Contractor may seek reimbursement only for eligible expenses listed in the budget and detail-of-cost form provided by the State, with the exception of funds specifically reserved, if any, and identified in "Specifically Programmed Funds," at the end of this Exhibit.
- VI. At the sole discretion of the Commissioner, the Contractor may carry forward any unexpended portion of the federal funds included in the Contract Price to a subsequent contract, if any, between the State and the Contractor.

CERTIFICATE OF VOTE

I, **David Pierce**, do hereby certify that I am the duly elected and acting Treasurer of the Southern New Hampshire Planning Commission (SNHPC), a regional planning agency established pursuant to the laws of the State of New Hampshire (RSA 36). I hereby certify that, at a meeting of the SNHPC Executive Committee duly called and held on **February 4, 2021**, at which a quorum of members were present and voting, the following action was taken.

The SNHPC Executive Committee authorized the SNHPC Executive Director, Sylvia von Aulock, to execute any documents which may be necessary to effectuate the FY 2022-2023 Section 5310 Program contract with the New Hampshire Department of Transportation.

This authorization has not been revoked, annulled or amended in any manner whatsoever, and remains in full force and effect as of the date hereof.

I further certify that it is understood that the State of New Hampshire will rely on this certificate as evidence that the person(s) listed above currently occupy the position(s) indicated and that they have full authority to bind the Southern New Hampshire Planning Commission.

IN WITNESS WHEREOF, I have hereunto set my hand as the Treasurer of the Southern New Hampshire Planning Commission on this 7th day of MAY, 2021.

David W Pierce

David Pierce
SNHPC Treasurer

STATE OF NEW HAMPSHIRE
County of Hillsborough

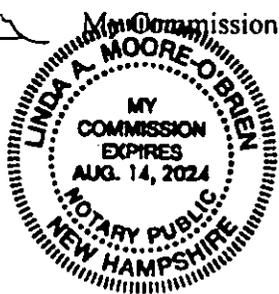
On this the 7th day of May, 2021, before me Linda Moore-O'Brien the undersigned officer, personally appeared, **David Pierce**, who acknowledged himself to be the Treasurer of the Southern New Hampshire Planning Commission, and that he, as such Treasurer, being so authorized to do so, executed the foregoing instrument for the purpose therein contained.

In witness whereof, I have set my hand and official seal.

Linda Moore O'Brien

Notary Public

(Official Seal)



8/14/24

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
CERTIFICATE OF GOOD STANDING
EXEMPTION**

Southern New Hampshire Planning Commission is not required to have a Certificate of Good Standing as a "political subdivision" under RSA 36:49-a.



NH Public Risk Management Exchange

CERTIFICATE OF COVERAGE

The New Hampshire Public Risk Management Exchange (Primex³) is organized under the New Hampshire Revised Statutes Annotated, Chapter 5-B, Pooled Risk Management Programs. In accordance with those statutes, its Trust Agreement and bylaws, Primex³ is authorized to provide pooled risk management programs established for the benefit of political subdivisions in the State of New Hampshire.

Each member of Primex³ is entitled to the categories of coverage set forth below. In addition, Primex³ may extend the same coverage to non-members. However, any coverage extended to a non-member is subject to all of the terms, conditions, exclusions, amendments, rules, policies and procedures that are applicable to the members of Primex³, including but not limited to the final and binding resolution of all claims and coverage disputes before the Primex³ Board of Trustees. The Additional Covered Party's per occurrence limit shall be deemed included in the Member's per occurrence limit, and therefore shall reduce the Member's limit of liability as set forth by the Coverage Documents and Declarations. The limit shown may have been reduced by claims paid on behalf of the member. General Liability coverage is limited to Coverage A (Personal Injury Liability) and Coverage B (Property Damage Liability) only. Coverage's C (Public Officials Errors and Omissions), D (Unfair Employment Practices), E (Employee Benefit Liability) and F (Educator's Legal Liability Claims-Made Coverage) are excluded from this provision of coverage.

The below named entity is a member in good standing of the New Hampshire Public Risk Management Exchange. The coverage provided may, however, be revised at any time by the actions of Primex³. As of the date this certificate is issued, the information set out below accurately reflects the categories of coverage established for the current coverage year.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend, or alter the coverage afforded by the coverage categories listed below.

Participating Member: Southern New Hampshire Planning Commission 438 Dubuque Street Manchester, NH 03102		Member Number: 525	Company Affording Coverage: NH Public Risk Management Exchange - Primex ³ Bow Brook Place 46 Donovan Street Concord, NH 03301-2624	
Type of Coverage	Effective Date (mm/dd/yyyy)	Expiration Date (mm/dd/yyyy)	Limits - NH Statutory Limits May Apply, if Not	
<input checked="" type="checkbox"/> General Liability (Occurrence Form) <input type="checkbox"/> Professional Liability (describe) <input type="checkbox"/> Claims Made <input type="checkbox"/> Occurrence	1/1/2021	1/1/2022	Each Occurrence	\$ 5,000,000
			General Aggregate	\$ 5,000,000
			Fire Damage (Any one fire)	
			Med Exp (Any one person)	
<input checked="" type="checkbox"/> Automobile Liability Deductible Comp and Coll: <input type="checkbox"/> Any auto	1/1/2021	1/1/2022	Combined Single Limit (Each Accident)	\$5,000,000
			Aggregate	\$5,000,000
<input checked="" type="checkbox"/> Workers' Compensation & Employers' Liability	1/1/2021	1/1/2022	<input checked="" type="checkbox"/> Statutory	
			Each Accident	\$2,000,000
			Disease - Each Employee	\$2,000,000
			Disease - Policy Limit	
<input checked="" type="checkbox"/> Property (Special Risk includes Fire and Theft)	1/1/2021	1/1/2022	Blanket Limit, Replacement Cost (unless otherwise stated)	Deductible: \$1,000
Description: Proof of Primex Member coverage only.				

CERTIFICATE HOLDER:	Additional Covered Party	Loss Payee	Primex ³ - NH Public Risk Management Exchange
			By: <i>Mary Beth Purcell</i>
State of New Hampshire Dept of Transportation 7 Hazen Drive Concord, NH 03302			Date: 2/22/2021 mpurcell@nhprimex.org
			Please direct inquiries to: Primex ³ Claims/Coverage Services 603-225-2841 phone 603-228-3833 fax

FEDERAL FISCAL YEAR 2021 CERTIFICATIONS AND ASSURANCES FOR FTA ASSISTANCE PROGRAMS

(Signature pages alternate to providing Certifications and Assurances in TrAMS.)

Name of Applicant: Southern NH Planning Commission

The Applicant certifies to the applicable provisions of categories 01-21. X

Or,

The Applicant certifies to the applicable provisions of the categories it has selected:

Category	Certification
01 Certifications and Assurances Required of Every Applicant	_____
02 Public Transportation Agency Safety Plans	_____
03 Tax Liability and Felony Convictions	_____
04 Lobbying	_____
05 Private Sector Protections	_____
06 Transit Asset Management Plan	_____
07 Rolling Stock Buy America Reviews and Bus Testing	_____
08 Urbanized Area Formula Grants Program	_____
09 Formula Grants for Rural Areas	_____
10 Fixed Guideway Capital Investment Grants and the Expedited Project Delivery for Capital Investment Grants Pilot Program	_____
11 Grants for Buses and Bus Facilities and Low or No Emission Vehicle Deployment Grant Programs	_____

Certifications and Assurances

Fiscal Year 2021

12 Enhanced Mobility of Seniors and Individuals with Disabilities Programs

13 State of Good Repair Grants

14 Infrastructure Finance Programs

15 Alcohol and Controlled Substances Testing

16 Rail Safety Training and Oversight

17 Demand Responsive Service

18 Interest and Financing Costs

19 Construction Hiring Preferences

20 Cybersecurity Certification for Rail Rolling Stock and Operations

21 Tribal Transit Programs

FEDERAL FISCAL YEAR 2021 FTA CERTIFICATIONS AND ASSURANCES SIGNATURE

PAGE

(Required of all Applicants for federal assistance to be awarded by FTA in FY 2021)

AFFIRMATION OF APPLICANT

Name of the Applicant: Southern NH Planning Commission

BY SIGNING BELOW, on behalf of the Applicant, I declare that it has duly authorized me to make these Certifications and Assurances and bind its compliance. Thus, it agrees to comply with all federal laws, regulations, and requirements, follow applicable federal guidance, and comply with the Certifications and Assurances as indicated on the foregoing page applicable to each application its Authorized Representative makes to the Federal Transit Administration (FTA) in federal fiscal year 2021, irrespective of whether the individual that acted on his or her Applicant's behalf continues to represent it.

FTA intends that the Certifications and Assurances the Applicant selects on the other side of this document should apply to each Award for which it now seeks, or may later seek federal assistance to be awarded during federal fiscal year 2021.

The Applicant affirms the truthfulness and accuracy of the Certifications and Assurances it has selected in the statements submitted with this document and any other submission made to FTA, and acknowledges that the Program Fraud Civil Remedies Act of 1986, 31 U.S.C. § 3801 *et seq.*, and implementing U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR part 31, apply to any certification, assurance or submission made to

Certifications and Assurances

Fiscal Year 2021

FTA. The criminal provisions of 18 U.S.C. § 1001 apply to any certification, assurance, or submission made in connection with a federal public transportation program authorized by 49 U.S.C. chapter 53 or any other statute

In signing this document, I declare under penalties of perjury that the foregoing Certifications and Assurances, and any other statements made by me on behalf of the Applicant are true and accurate.

Signature: Sylvia von Aulock

Date: 2/10/2021

Name: Sylvia von Aulock

Authorized Representative of Applicant 657

FFY 2021 MASTER AGREEMENT

ACKNOWLEDGEMENT OF RECEIPT

The Federal Transit Administration (FTA) Federal Fiscal Year 2021 Master Agreement requires recipients and subrecipients to comply with the requirements contained in the agreement in order to receive Federal funds. The language contained in the Master Agreement must be incorporated into the administration of the agreement my agency has with the New Hampshire Department of Transportation (NHDOT).

I acknowledge receipt of the FFY 2021 Federal Transit Administration (FTA) Master Agreement and understand this agreement is referred to in my agency's agreement with NHDOT by reference. The Master Agreement remains in force for the term of the agreement.

Southern NH Planning Commission

Name of Agency

2/10/2021

Date

Sylvia von Aulock

Name of Authorized Official



Signature



FTA and 2 CFR 200 Agreement

Revised 11/10/2020

Subaward Period of performance:

Start Date: 7/1/21 End Date: 6/30/23

Total amount of FTA sub-award obligated by this action (contract/amendment):

For FFY: 2021 Section: 5310 RCC Amount: \$918,800.00

Total amount of FTA sub-award committed to the subrecipient (original contract & amendments):

For FFY: 2021 Section: 5310 RCC Amount: \$918,800.00

Pass-through requirements:

The subrecipient, Southern New Hampshire Planning Commission, agrees to meet all requirement imposed by the pass-through entity (NHDOT) on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award.

The subrecipient, Southern New Hampshire Planning Commission, agrees to any additional requirements that the pass-through entity (NHDOT) imposes on the subrecipient in order for the pass-through entity (NHDOT) to meet its own responsibility to the Federal awarding agency (FTA) including identification of any required financial and performance reports.

The subrecipient, Southern New Hampshire Planning Commission, agrees to permit the pass-through entity (NHDOT) and auditors to have access to the subrecipients records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and appropriate terms and conditions concerning closeout of the subaward.

Date: 5/7/21

Name of authorizing subrecipient official: Sylvia Von Aulock

Title of authorizing subrecipient official: Executive Director

Signature of authorizing subrecipient official:

**SOUTHERN NEW HAMPSHIRE
PLANNING COMMISSION
Financial Statements**

With Schedule of Expenditures of Federal Awards

June 30, 2020

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
Required by the Uniform Guidance**

Schedule of Findings and Questioned Costs

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
FINANCIAL STATEMENTS
June 30, 2020

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SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
FINANCIAL STATEMENTS
June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Southern New Hampshire Planning Commission

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Southern New Hampshire Planning Commission (the Commission), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission'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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Southern New Hampshire Planning Commission, as of June 30, 2020, and the respective changes in financial position 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, schedule of changes in the Commission's proportionate share of the net OPEB liability, schedule of Commission OPEB contributions, schedule of changes in the Commission's total OPEB liability and related ratios, schedule of changes in the Commission's proportionate share of the net pension liability, and schedule of Commission pension contributions on pages i-vi and 27-32 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 Southern New Hampshire Planning Commission's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the supplemental schedule of expenditures – General Fund are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures of federal awards and the supplemental schedule of expenditures – General Fund are the responsibility of management and were derived from and relate 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 and the supplemental schedule of expenditures – General Fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2021 on our consideration of the Southern New Hampshire Planning Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Southern New Hampshire Planning Commission's 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 Southern New Hampshire Planning Commission's internal control over financial reporting and compliance.

Vashon Clukay & Company PC

Manchester, New Hampshire
April 20, 2021

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2020**

Presented herewith please find the Management Discussion & Analysis Report for the Southern New Hampshire Planning Commission for the year ended June 30, 2020. The responsibility for accuracy of the data, the completeness and fairness of this documentation (including all disclosures) rests with management. To the best of our knowledge and belief, the data contained herein is accurate in all material aspects. This report and its contents have been designed to fairly present the Commission's financial position, including the result of operations of all the funds of the Commission. All the disclosures necessary to enable and to assist the reader in acquiring an accurate understanding of the Commission's financial activities have been included.

The Commission's management is responsible for establishing accounting and internal control structures designed to ensure that the physical, data, informational, intellectual, and human resource assets of the Commission are protected from loss, theft and misuse, and to ensure that adequate accounting information is maintained and reported in conformity with generally accepted accounting principles (GAAP). Management also strives to ensure that these assets are put to good and effective use. The internal control structure is designed to provide reasonable assurances that these objectives are attained.

Overview of the Financial Statements

The financial statements presented herein include all of the activities of the Southern New Hampshire Planning Commission using the integrated approach as prescribed by GASB Statement 34.

This discussion and analysis is intended to serve as an introduction to the Southern New Hampshire Planning Commission's financial statements. The basic financial statements are comprised of three components:

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

This report also contains required supplementary information on the OPEB liability and the net pension liability. Supplemental information includes a section on federal compliance and a schedule of expenditures for the General Fund.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to most private-sector companies.

The statement of net position presents information on all of the Commission's (a) assets and deferred outflows of resources and (b) liabilities and the deferred inflows of resources with the difference between these reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2020**

The statement of activities presents information showing how the Commission's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain the control over resources that have been segregated for specific activities or objectives. The Commission uses fund accounting to ensure and to demonstrate compliance with finance-related legal requirements. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Commission's near-term financing requirements.

Because the focus of 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 in the government-wide financial statements. By doing so, our readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between the governmental activities statement of net position and statement of activities.

The Commission maintains one individual governmental fund and a blended component unit. Information is presented separately in the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balance for the General Fund and the Sustainable Southern New Hampshire Planning Commission Foundation Fund (a blended component unit).

The Commission has included information for the Sustainable Southern New Hampshire Planning Commission Foundation Fund, a separate non-profit organization, as a blended component unit. Inclusion in the financial statements was determined necessary as the Foundation exists solely for the benefit and support of the Commission and its member communities. The Foundation does not issue separate financial statements.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2020**

Governmental Activities

Statement of Net Position

Net position of the Southern New Hampshire Planning Commission's governmental activities as of June 30, 2020 and 2019 is as follows.

	<u>2020</u>	<u>2019</u>
Current and other assets:		
Capital assets	\$ 810,362	\$ 847,843
Other assets	784,812	711,687
Total assets	<u>1,595,174</u>	<u>1,559,530</u>
Deferred outflows of resources:	<u>214,617</u>	<u>172,160</u>
Liabilities:		
Non current liabilities	871,881	761,579
Other liabilities	159,382	213,877
Total liabilities	<u>1,031,263</u>	<u>975,456</u>
Deferred inflows of resources:	<u>180,684</u>	<u>249,849</u>
Net position:		
Net investment in capital assets	810,362	847,843
Restricted	25,918	48,894
Unrestricted (deficit)	<u>(238,436)</u>	<u>(390,352)</u>
Total net position	<u>\$ 597,844</u>	<u>\$ 506,385</u>

The largest portion of the Commission's net position reflects its investment in capital assets. As of June 30, 2020 and 2019, the Commission has no outstanding long-term debt. An additional portion of the Commission's net position represents resources that are subject to external restrictions on how they may be used. For the Commission, those restrictions include the unexpended donations raised by the SNHPC Sustainable Foundation.

The deficit unrestricted net position is the result of reporting the Commission's unfunded share of the OPEB liability and net pension liability as required by GASB Statement No. 75 and No. 68, respectively. See Notes 5 and 6 in the Notes to the Basic Financial Statements for additional information.

Statement of Activities

Changes in net position of the Commission's governmental activities for the years ended June 30, 2020 and 2019 are as follows:

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2020**

	<u>2020</u>	<u>2019</u>
Program revenues:		
Charges for services	\$ 89,805	\$ 38,524
Operating grants and contributions	<u>1,255,050</u>	<u>1,176,007</u>
Total program revenues	<u>1,344,855</u>	<u>1,214,531</u>
General revenues:		
Member assessments	188,428	184,996
Interest and investment earnings	5,242	7,057
Miscellaneous	<u>17,678</u>	<u>16,654</u>
Total general revenues	<u>211,348</u>	<u>208,707</u>
Total revenues	<u>1,556,203</u>	<u>1,423,238</u>
Program expenses:		
General government	<u>1,503,112</u>	<u>1,280,985</u>
Total expenses	<u>1,503,112</u>	<u>1,280,985</u>
Change in net position	53,091	142,253
Net position - beginning of year	506,385	364,132
Restatement	<u>38,368</u>	<u>-</u>
Net position - end of year	<u>\$ 597,844</u>	<u>\$ 506,385</u>

As shown in the above statement the Commission's governmental activities experienced an increase in financial position of \$53,091 on the full accrual basis of accounting.

Commission Activities

The General Fund shows a fund balance of \$599,512 at year end. This is an increase of \$112,228 from the previous year. The Commission's primary source of revenue is from federal and state grant awards. During the year ended June 30, 2020 the recognized intergovernmental revenue of \$1,243,808 represents 78.92% of all recognized revenue and other financing sources. Total intergovernmental revenue increased by approximately \$164,075 over the prior fiscal year.

The Commission's General Fund expenditures increased from the previous fiscal year by \$202,344 or 16.04%. A comparison of expenditures for the years ended June 30, 2020 and 2019 is as follows:

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2020**

	<u>2020</u>	<u>2019</u>
General Government:		
Salaries and benefits	\$ 858,890	\$ 803,758
Contracted services	448,963	263,927
Computer equipment, software, and network	41,752	35,870
Insurance	14,035	14,119
Traffic counting	574	40,390
Travel	3,851	9,921
Truck related expenditures	2,013	2,001
Workshops and conferences	5,164	4,094
Office occupancy	32,072	30,558
Utilities	6,698	6,928
Office supplies and maintenance	8,141	6,615
Other	<u>41,683</u>	<u>43,311</u>
Total General Government	<u>1,463,836</u>	<u>1,261,492</u>
Capital Outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 1,463,836</u>	<u>\$ 1,261,492</u>

The Foundation transferred \$21,861 as previously raised to the Commission's General Fund. The fund balance of the Foundation at year end is \$25,918.

Capital Assets

During the year, the net capital assets decreased by \$37,481. During the year ending June 30, 2020 there were assets placed in the construction in process category for technology equipment in the amount of \$4,500. The current year depreciation expense was \$41,981. See Note 3 in the Notes to the Basic Financial Statements for a summary of all capital asset activity.

Long-Term Obligations

The Commission has no outstanding obligated debt. Long-term obligations at year end include the Commission's compensated absences, its proportionate share of the net OPEB liability, the implicit liability from its single-employer OPEB plan, and its proportionate share of the net pension liability. See Notes 4, 5 and 6 in the Notes to the Basic Financial Statements for additional information.

**SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2020**

Significant Accomplishments for Fiscal Year 2020

- Continued to provide circuit rider planning assistance to the Town of Deerfield
- Continued coordinating the Town of Goffstown Master Plan update
- Continued coordinating the Town of Hooksett Master Plan update
- Completed the Town of Windham Hazard Mitigation Plan
- Began coordinating an update of the Town of Frankestown Hazard Mitigation Plan
- Implemented Phase 4 of the regional Becoming Age-Friendly Program
- Completed the regional EPA Brownfields Assessment Program
- Coordinated the FY 2020 Regional Traffic Counting Program
- Continued coordinating the planning process for the Manchester Transit-Oriented Development Plan
- Coordinated with the Central NH Regional Planning Commission and other statewide partner agencies on the implementation of the CommuteSmart NH travel demand management program
- Completed updates to the FY 2019-2022 SNHPC Transportation Improvement Program
- Assisted the New Hampshire Department of Transportation in finalizing the FY 2021-2030 Ten-Year Transportation Improvement Plan
- Continued coordinating the activities of the Robert Frost/Old Stagecoach and Upper Lamprey Scenic Byway Councils
- Assisted in facilitating the merger of the Greater Derry-Salem Cooperative Alliance for Regional Transportation (CART) with the Manchester Transit Authority (MTA)
- Assisted in facilitating the merger of the Greater Manchester Regional Coordinating Council for Community Transportation (Region 8) and Greater Derry-Salem Regional Coordinating Council for Community Transportation (Region 9)
- Continued coordinating the activities of the Region 8 Coordinating Council for Community Transportation and administering FTA Section 5310 funding for regional elderly and disabled transportation services

Contacting the Southern New Hampshire Planning Commission Financial Management

This financial report is intended to provide our citizens and creditors with a general overview of the Commission's finances and to show a measure of accountability for the money it receives. If you have any questions about this report or need to get additional information, contact the Board of Commissioners at Southern New Hampshire Planning Commission, 438 Dubuque Street, Manchester, NH 03102. Telephone (603) 669-4664.

EXHIBIT A
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Statement of Net Position
June 30, 2020

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 147,481
Investments	324,198
Accounts receivable	583
Due from other governments	311,606
Restricted cash and cash equivalents	944
Total Current Assets	<u>784,812</u>
Noncurrent Assets:	
Non-depreciable capital assets	4,500
Depreciable capital assets, net	805,862
Total Noncurrent Assets	<u>810,362</u>
Total Assets	<u>1,595,174</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to OPEB liability	62,068
Deferred outflows of resources related to net pension liability	152,549
Total Deferred Outflows of Resources	<u>214,617</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	110,976
Accrued expenses	34,495
Advances from grantors	12,967
Payable from restricted cash and cash equivalents	944
Total Current Liabilities	<u>159,382</u>
Noncurrent Liabilities:	
Compensated absences payable	43,998
OPEB liability	184,352
Net pension liability	643,531
Total Noncurrent Liabilities	<u>871,881</u>
Total Liabilities	<u>1,031,263</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to OPEB liability	547
Deferred inflows of resources related to net pension liability	180,137
Total Deferred Inflows of Resources	<u>180,684</u>
NET POSITION	
Net investment in capital assets	810,362
Restricted for Foundation programs	25,918
Unrestricted (deficit)	(238,436)
Total Net Position	<u>\$ 597,844</u>

See accompanying notes to the basic financial statements

EXHIBIT B
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Statement of Activities
For the Year Ended June 30, 2020

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>Governmental Activities</u>
Governmental Activities:				
General government	<u>\$ 1,503,112</u>	<u>\$ 89,805</u>	<u>\$ 1,255,050</u>	<u>\$ (158,257)</u>
Total governmental activities	<u>\$ 1,503,112</u>	<u>\$ 89,805</u>	<u>\$ 1,255,050</u>	<u>(158,257)</u>
		General revenues:		
		Member assessments	188,428	
		Interest and investment earnings	5,242	
		Miscellaneous	17,678	
		Total general revenues	<u>211,348</u>	
		Change in net position	53,091	
		Net Position at the beginning of year, as restated	<u>544,753</u>	
		Net Position at the end of year	<u>\$ 597,844</u>	

See accompanying notes to the basic financial statements

EXHIBIT C
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Balance Sheet
Governmental Funds
June 30, 2020

	<u>General Fund</u>	<u>Sustainable SNHPC Foundation Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 128,917	\$ 18,564	\$ 147,481
Investments	324,198		324,198
Accounts receivable	583		583
Due from other funds		7,354	7,354
Due from other governments	311,606		311,606
Restricted cash and cash equivalents	944		944
Total Assets	<u>766,248</u>	<u>25,918</u>	<u>792,166</u>
DEFERRED OUTFLOWS OF RESOURCES			
Total Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 766,248</u>	<u>\$ 25,918</u>	<u>\$ 792,166</u>
LIABILITIES			
Accounts payable	\$ 110,976		\$ 110,976
Accrued expenses	34,495		34,495
Advances from grantors	12,967		12,967
Due to other funds	7,354		7,354
Payable from restricted cash and cash equivalents	944		944
Total Liabilities	<u>166,736</u>	<u>\$ -</u>	<u>166,736</u>
DEFERRED INFLOWS OF RESOURCES			
Total Deferred Inflows of Resources	-	-	-
FUND BALANCES			
Restricted		25,918	25,918
Assigned	38,368		38,368
Unassigned	561,144		561,144
Total Fund Balances	<u>599,512</u>	<u>25,918</u>	<u>625,430</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 766,248</u>	<u>\$ 25,918</u>	<u>\$ 792,166</u>

See accompanying notes to the basic financial statements

EXHIBIT C-1
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2020

Total Fund Balances - Governmental Funds (Exhibit C)	\$ 625,430
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.	810,362
Deferred outflows of resources and deferred inflows of resources that do not require or provide the use of current financial resources are not reported within the funds:	
Deferred outflows of resources related to OPEB liability	62,068
Deferred outflows of resources related to net pension liability	152,549
Deferred inflows of resources related to OPEB liability	(547)
Deferred inflows of resources related to net pension liability	(180,137)
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:	
Compensated absences	(43,998)
OPEB liability	(184,352)
Net pension liability	<u>(643,531)</u>
Net Position of Governmental Activities (Exhibit A)	<u>\$ 597,844</u>

See accompanying notes to the basic financial statements

EXHIBIT D
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2020

	General Fund	Sustainable SNHPC Foundation Fund	Total Governmental Funds
Revenues:			
Intergovernmental revenues	\$ 1,243,808		\$ 1,243,808
Member assessments	188,428		188,428
Charges for services	89,805		89,805
Interest and investment earnings	5,242		5,242
Miscellaneous	<u>26,920</u>	\$ 2,000	<u>28,920</u>
Total Revenues	<u>1,554,203</u>	<u>2,000</u>	<u>1,556,203</u>
Expenditures:			
Current operations:			
General government	<u>1,463,836</u>	<u>3,115</u>	<u>1,466,951</u>
Total Expenditures	<u>1,463,836</u>	<u>3,115</u>	<u>1,466,951</u>
Excess revenue over (under) expenditures	<u>90,367</u>	<u>(1,115)</u>	<u>89,252</u>
Other financing sources (uses):			
Transfers in	21,861		21,861
Transfers out	<u>(21,861)</u>	<u>(21,861)</u>	<u>(21,861)</u>
Total other financing sources (uses)	<u>21,861</u>	<u>(21,861)</u>	<u>-</u>
Net change in fund balances	112,228	(22,976)	89,252
Fund Balances at beginning of year, as restated	<u>487,284</u>	<u>48,894</u>	<u>536,178</u>
Fund Balances at end of year	<u>\$ 599,512</u>	<u>\$ 25,918</u>	<u>\$ 625,430</u>

See accompanying notes to the basic financial statements

EXHIBIT D-1
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2020

Net Change in Fund Balances - Governmental Funds (Exhibit D)	\$ 89,252
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 outlay in the current period.	(37,481)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources, and therefore, are not reported as expenditures in governmental funds.	(10,348)
Governmental funds report OPEB and pension contributions as expenditures. However, in the statement of activities, OPEB and pension expense reflects the change in the OPEB liability and net pension liability and related deferred outflows and inflows of resources, and does not require the use of current financial resources. This is the amount by which OPEB and pension expense differed from OPEB and pension contributions in the current period.	
Net changes in OPEB	(10,219)
Net changes in pension	<u>21,887</u>
Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 53,091</u>

See accompanying notes to the basic financial statements

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Southern New Hampshire Planning Commission conform to accounting principles 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 Southern New Hampshire Planning Commission (the Commission) was organized and incorporated in 1966 as a subdivision of the State of New Hampshire in accordance with State law (RSA 36). Pursuant to State law, the Commission is not required to adopt an annual budget.

The Commission serves as the coordinating agency for the land use planning initiatives of fourteen communities in the region. The Commission also serves as a metropolitan planning organization that provides the overall direction for the transportation planning process within the region. This region encompasses portions of Hillsborough, Merrimack and Rockingham Counties.

The financial statements of the following organization are included in this report as a blended component unit:

The Sustainable Southern New Hampshire Planning Commission Foundation (the Foundation) is a non-profit organization created to provide support and encourage sound growth through effective community and regional development. The Foundation is governed by a separately appointed board, however, exists solely for the benefit of the Commission and its member municipalities. The Foundation is organized under Internal Revenue Code 501(c)(3) and therefore has no provision for federal income taxes. The Foundation does not issue separate financial statements.

Basis of Presentation

The Commission'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 Commission as a whole. These statements include the financial activities of the primary government.

The statement of net position presents the financial condition of the governmental activities of the Commission at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Commission'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 Commission. The comparison of direct expenses with program

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Commission.

2. Fund Financial Statements:

During the year, the Commission segregates transactions related to certain Commission 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 Commission at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

Fund Accounting

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

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 Commission's major governmental funds:

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

The Sustainable Southern New Hampshire Planning Commission Foundation Fund is used to account for financial resources relating to donations and grants for the sole purpose of supporting and enhancing the efforts of the Commission and its member municipalities.

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 Commission 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

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

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.

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. 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 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 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 year. For the Commission, available means expected to be received within sixty days of year end.

Non-exchange transactions, in which the Commission receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is 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 Commission must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Commission on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Grants and entitlements received before the eligibility requirements are met are recorded as advances from grantors.

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.

Accounts Receivable

The Commission recognizes uncollectible accounts under the allowance method. No provision for an allowance has been recorded. The Commission believes that outstanding receivables at year end are fully collectible.

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the 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 acquisition value as of the date received. The Commission maintains a capitalization threshold of \$5,000. The Commission does not possess any infrastructure or intangible assets. 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>
Buildings and improvements	5-40
Vehicles	7
Equipment	5-15

Compensated Absences

Employees accumulate leave time as they provide services. All full-time employees and permanent employees will accrue PTO monthly in hourly increments, based on their length of service. Unused annual leave will be paid upon termination at a rate of 50%, unless the employee is retiring, whereupon the rate will be paid at 100% of unused PTO.

For governmental fund financial statements, compensated absences are reported as liabilities and expenditures as payments come due each period upon the occurrence of employee death or retirement. The entire compensated absences liability is reported on the government-wide financial statements.

Accrued Liabilities

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. However, compensated absences that will be paid from governmental funds are reported as liabilities in the fund financial statements only to the extent that they are due for payment during the current fiscal year.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Hampshire Retirement System (NHRS) OPEB Plan and additions to/deductions from NHRS's fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, NHRS recognizes benefit payments when due and payable in accordance with the benefit terms.

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Investments are reported at fair value, except for non-registered commingled funds valued at net asset value (NAV) as a practical expedient to estimate fair value.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the NHRS and additions to/deductions from NHRS's fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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

Fund Balance Policy

The Commission has segregated fund balance into five classifications: Nonspendable, Restricted, Committed, Assigned, and Unassigned. The components of fund balance are defined as follows:

- **Nonspendable Fund Balance**: Amounts that are not in a spendable form 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 government itself using its highest level of decision-making authority. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
- **Assigned Fund Balance**: Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- **Unassigned Fund Balance**: Amounts that are available for any purpose; these amounts are reported only in the General Fund.

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Spending Prioritizations

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance and lastly, unassigned fund balance.

Minimum Level of Unassigned Fund Balance

In accordance with the Commission's fund balance policy, the Commission will strive to maintain a minimum unassigned fund balance equal to six percent of the annual budget. Any amount of the unassigned fund balance in excess of the designated percentage may be appropriated by the Commission and Executive Director to offset contracts, grants, and membership dues as part of the final adopted budget for the fiscal year. In the event of emergency purposes or other purposes as deemed necessary, the Commission and Executive Director may appropriate funds from the unassigned fund balance even if such use decreases the unassigned fund balance below the designated percentage.

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements.

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.

NOTE 2—DEPOSITS AND INVESTMENTS

Deposits and investments as of June 30, 2020 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 147,481
Investments	324,198
Restricted cash and cash equivalents	944
	<u>\$ 472,623</u>

Deposits and investments as of June 30, 2020 consist of the following:

Deposits with financial institutions	\$ 148,425
Investments	324,198
	<u>\$ 472,623</u>

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

The Commission's investment policy applies to all financial assets in the custody of the Commission and was established to provide a safe and prudent investment of public funds. The investment policy is to be conducted in accordance with the "prudent person" standard. The Commission limits its investments to obligations of the United States government, New Hampshire Public Deposit Investment Pool established pursuant to RSA 383:22, deposits in banks incorporated under the laws of the State of New Hampshire, or in fully insured or collateralized certificates of deposits. Deposits held in excess of the amount insured by the Federal Deposit Investment Corporation (FDIC) shall be fully collateralized with U.S. government obligations, U.S. government agency obligations, or obligations of the State of New Hampshire.

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. Investments in the New Hampshire Public Deposit Investment Pool (NHPDIP) held by the Commission as of June 30, 2020 in the amount of \$324,198 are rated as Aaa-m.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The Commission requires that all deposits be either insured or collateralized by securities. As of June 30, 2020, the entire balance of the Commission's deposits with financial institutions at year end was insured by the FDIC.

Investment in NHPDIP

The Commission 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. Financial statements for the NHPDIP can be accessed through the NHPDIP's website at www.NHPDIP.com.

The Commission's exposure to derivatives is indirect through its participation in the NHPDIP. The Commission'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 3—CAPITAL ASSETS

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

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

	Balance <u>7/1/19</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>6/30/20</u>
Capital assets not depreciated:				
Construction in process		\$ 4,500		\$ 4,500
Total capital assets not being depreciated	\$ -	4,500	\$ -	4,500
Other capital assets:				
Buildings and improvements	1,339,347			1,339,347
Vehicles	24,272			24,272
Equipment	18,745			18,745
Total other capital assets at historical cost	<u>1,382,364</u>	<u>-</u>	<u>-</u>	<u>1,382,364</u>
Less accumulated depreciation for:				
Buildings and improvements	(506,610)	(37,858)		(544,468)
Vehicles	(17,626)	(3,468)		(21,094)
Equipment	(10,285)	(655)		(10,940)
Total accumulated depreciation	<u>(534,521)</u>	<u>(41,981)</u>	<u>-</u>	<u>(576,502)</u>
Total other capital assets, net	847,843	(41,981)	-	805,862
Total capital assets, net	<u>\$ 847,843</u>	<u>\$ (37,481)</u>	<u>\$ -</u>	<u>\$ 810,362</u>

Depreciation expense was charged to governmental functions as follows:

General government	<u>\$ 41,981</u>
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NOTE 4—LONG-TERM OBLIGATIONS

Changes in Long-term Obligations

The changes in the Commission's long-term obligations for the year ended June 30, 2020 are as follows:

<u>Type</u>	Balance <u>7/1/19</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>6/30/20</u>	Amounts Due within <u>One year</u>
Compensated absences	\$ 33,650	\$ 14,795	\$ (4,447)	\$ 43,998	\$ -

Compensated absences will be paid from the General Fund.

NOTE 5—OTHER POST EMPLOYMENT BENEFITS

Total OPEB Liabilities, Deferred Outflows of Resources, Deferred Inflows of Resources and OPEB Expense

	Deferred <u>Outflows</u>	OPEB <u>Liability</u>	Deferred <u>Inflows</u>	OPEB <u>Expense</u>
Cost-Sharing Multiple Employer Plan	\$ 1,893	\$ 15,140	\$ 43	\$ 1,620
Single Employer Plan	60,175	169,212	504	16,713
Total	<u>\$ 62,068</u>	<u>\$ 184,352</u>	<u>\$ 547</u>	<u>\$ 18,333</u>

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

The net amount of deferred outflows of resources and deferred inflows of resources related to OPEB is reflected as an increase to unrestricted net position in the amount of \$61,521.

COST-SHARING MULTIPLE EMPLOYER PLAN

Plan Description

The New Hampshire Retirement System (NHRS) administers a cost-sharing multiple-employer other postemployment benefit plan (OPEB Plan). The OPEB Plan provides a medical insurance subsidy to qualified retired members.

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 at 54 Regional Drive, Concord, New Hampshire 03301 or from their website at www.nhrs.org.

The OPEB Plan is divided into four membership types. The four membership types are Group II Police Officer and Firefighters, Group I Teachers, Group I Political Subdivision Employees, and Group I State Employees. The OPEB plan is closed to new entrants.

Benefits Provided

Benefit amounts and eligibility requirements for the OPEB Plan are set by state law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being cared for by the retiree. If the health insurance premium amount is less than the medical subsidy amount, then only the health insurance premium amount will be paid. If the health insurance premium amount exceeds the medical subsidy amount, then the retiree or other qualified person is responsible for paying any portion that the employer does not pay.

Group I benefits are based on creditable service, age and retirement date. Group II benefits are based on hire date, age and creditable service. Medical subsidy rates established by RSA 100-A:52 II are dependent upon whether retirees are eligible for Medicare. Retirees not eligible for Medicare may receive a maximum medical subsidy of \$375.56 for a single person plan and \$751.12 for a two-person plan. Retirees eligible for Medicare may receive a maximum medical subsidy of \$236.84 for a single person plan and \$473.68 for a two-person plan.

Funding Policy

Per RSA-100-A:16, contribution rates are established and may be amended by the New Hampshire State legislature and are determined by the NHRS Board of Trustees based on an actuarial valuation. The Commission's contribution rates for the covered payroll of employees was 0.29% for the year ended June 30, 2020. Contributions to the OPEB plan for the Commission were \$1,819 for the year ended June 30, 2020. Employees are not required to contribute to the OPEB plan.

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the Commission reported a liability of \$15,140 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by a roll forward of the actuarial valuation from June 30, 2018. The Commission's proportion of the net OPEB liability was based on actual contributions by the Commission during the relevant fiscal year relative to the actual contributions of all participating plan members, excluding contributions to separately finance specific liabilities of individual employers or NHRS. At June 30, 2019, the Commission's proportion was approximately 0.0035 percent, which is an increase of 0.0002 percentage points from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Commission recognized OPEB expense of \$1,620. At June 30, 2020, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience		\$ 26
Net difference between projected and actual earnings on OPEB plan investments		17
Changes in proportion and differences between Commission contributions and proportionate share of contributions	\$ 74	
Commission contributions subsequent to the measurement date	<u>1,819</u>	
Totals	<u>\$ 1,893</u>	<u>\$ 43</u>

The Commission reported \$1,819 as deferred outflows of resources related to OPEB resulting from Commission contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net OPEB liability in the measurement period ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense for the measurement periods as follows:

<u>June 30,</u>	
2020	\$ 36
2021	(11)
2022	1
2023	<u>5</u>
	<u>\$ 31</u>

Actuarial Assumptions

The total OPEB liability was determined by a roll forward of the actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Inflation	2.50%
Wage inflation	3.25% (3.00% for Teachers)
Salary increases	5.60%, average, including inflation
Investment rate of return	7.25% per year, net of OPEB plan investment expense, including inflation for determining solvency contributions

Mortality rates were based on the RP-2014 healthy annuitant and employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using scale MP-2015, based on the last experience study.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

The long-term expected rate of return on OPEB Plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and geometric real rates of return for each asset class:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Domestic equity	30%	4.25-4.50%
International equity	20%	4.50-6.00%
Fixed income	25%	1.12-2.46%
Alternative investments	15%	4.86-7.90%
Real estate	10%	3.00%
Total	<u>100%</u>	

The discount rate used to measure the collective total OPEB liability as of June 30, 2019 was 7.25%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made under the current statute RSA 100-A:16 and RSA 100-A:53. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

Sensitivity of the Commission's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the Commission's proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the Commission's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

	1% Decrease <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
Net OPEB liability	\$ 16,422	\$ 15,140	\$ 14,027

SINGLE EMPLOYER PLAN

Plan Description

The Southern New Hampshire Planning Commission administers the retiree health care benefits program, a single employer defined benefits plan that is used to provide postemployment benefits other than pensions (OPEB) for all permanent full-time employees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Commission provides medical benefits to its eligible retirees and their spouses. The benefits are provided through fully insured plans that are sponsored by a state-wide health insurance consortium. Employees hired prior to July 1, 2011 are eligible to retire at age 60 regardless of years of creditable service, age 50 with at least 10 years of creditable service, or at any age if they have at least 20 years of creditable service and the sum of their age and years of service is at least 70. Employees hired on or after July 1, 2011 are eligible to retire at age 65 regardless of years of creditable service, or age 60 with at least 30 years of creditable service. Retirees and their covered spouses are required to pay 100% of the cost of the premium. The valuation does not account for the cost of benefits to retirees or their spouses after age 65. Surviving spouses continue to receive coverage after the death of the eligible retired employee but are required to pay 100% of the premium.

Employees Covered By Benefit Terms

At July 1, 2019, the census collection date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	10
	<u>11</u>

Total OPEB Liability

The Commission's total OPEB liability of \$169,212 was measured as of June 30, 2020 and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions and Other Inputs for OPEB

The total OPEB liability in the July 1, 2019 valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Salary increases	2.50%
Discount rate	2.21%
Healthcare cost trend rates	0.90% for 2020, increasing to 9.50%, then decreasing 0.50% per year to an ultimate rate of 5.00% for 2030 and later years

The discount rate was based on the Bond Buyer 20-Bond General Obligation Index based on the 20 year AA municipal bond rate as of June 30, 2020.

Mortality rates were based on the SOA RP-2014 Total Dataset Mortality with Scale MP-2019 (base year 2006).

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2019	\$ 98,729
Changes for the year:	
Service cost	5,680
Interest	3,604
Differences between expected and actual experience	13,627
Changes in assumptions or other inputs	53,867
Benefit payments	<u>(6,295)</u>
Net changes	<u>70,483</u>
Balance at June 30, 2020	<u>\$ 169,212</u>

Changes of assumptions and other inputs reflect a change in the discount rate of 3.58% at June 30, 2019 to 2.21% as of June 30, 2020. Mortality assumptions changed from the SOA RP-2014 Total Dataset Mortality with Scale MP-2017 (base year 2006) to SOA RP-2014 Total Dataset Mortality with Scale MP-2019 (base year 2006).

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	<u>(1.21%)</u>	<u>(2.21%)</u>	<u>(3.21%)</u>
Total OPEB liability	\$ 180,843	\$ 169,212	\$ 158,380

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (-0.10 percent increasing to 4.00 percent) or 1-percentage-point higher (1.90 percent increasing to 6.00 percent) than the current healthcare cost trend rate:

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

	1% Decrease (-0.10% decreasing to 4.00%)	Healthcare Cost Trend Rates (0.90% decreasing to 5.00%)	1% Increase (1.90% decreasing to 6.00%)
Total OPEB liability	\$ 155,904	\$ 169,212	\$ 184,232

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the Commission recognized OPEB expense of \$16,713. At June 30, 2020, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$ 12,293	\$ 504
Changes of assumptions	47,882	
Totals	<u>\$ 60,175</u>	<u>\$ 504</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>June 30,</u>	
2021	\$ 7,429
2022	7,429
2023	7,429
2024	7,429
2025	7,455
Thereafter	<u>22,500</u>
	<u>\$ 59,671</u>

NOTE 6—DEFINED BENEFIT PENSION PLAN

Plan Description

The Commission contributes to the New Hampshire Retirement System (NHRS), a public employee retirement system that administers a single cost-sharing multiple-employer defined benefit pension plan. 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.

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

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 or from their website at www.nhrs.org.

Substantially all full-time state and local employees, public school teachers, permanent firefighters and permanent police officers within the State are eligible and required to participate in the Pension Plan.

The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II.

Benefits Provided

Benefit formulas and eligibility requirements for the pension plan are set by State law (RSA 100-A).

Group I benefits are provided based on creditable service and average final salary for the highest of either three or five years, depending on when service commenced.

Group II benefits are provided based on age, years of creditable service and a benefit multiplier depending on vesting status as of January 1, 2012. The maximum retirement allowance for Group II members vested by January 1, 2012 (45 years of age with 20 years of service or age 60 regardless of years of creditable service) is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by January 1, 2012 the benefit is calculated the same way but the multiplier used in the calculation will change depending on age and years of creditable service as follows:

<u>Years of Creditable Service as of January 1, 2012</u>	<u>Minimum Age</u>	<u>Minimum Service</u>	<u>Benefit Multiplier</u>
At least 8 but less than 10 years	46	21	2.4%
At least 6 but less than 8 years	47	22	2.3%
At least 4 but less than 6 years	48	23	2.2%
Less than 4 years	49	24	2.1%

Funding Policy

Plan members are required to contribute 7.0% of their covered salary, and the Commission is required to contribute at an actuarially determined rate. The Commission's pension contribution rate for the covered payroll of general employees was 10.88% for the year ended June 30, 2020. The Commission contributes 100% of the employer cost for general employees of the Commission.

Per RSA-100-A: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 Commission's pension contributions to the NHRS for the year ending June 30, 2020 were \$68,256.

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the Commission reported a liability of \$643,531 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by a roll forward of the actuarial valuation from June 30, 2018. The Commission's proportion of the net pension liability was based on actual contributions by the Commission during the relevant fiscal year relative to the actual contributions of all participating plan members, excluding contributions to separately finance specific liabilities of individual employers or NHRS. At June 30, 2019, the Commission's proportion was approximately 0.0134 percent, which was an increase of approximately 0.0006 percentage points from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Commission recognized pension expense of \$46,373. At June 30, 2020, the Commission reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$ 3,558	\$ 13,838
Net difference between projected and actual earnings on pension plan investments		5,257
Changes of assumptions	23,090	
Change in proportion and difference between Commission contributions and proportionate share of contributions	57,645	161,042
Commission contributions subsequent to the measurement date	<u>68,256</u>	
Totals	<u>\$ 152,549</u>	<u>\$ 180,137</u>

The net amount of deferred outflows of resources and deferred inflows of resources related to pension is reflected as a decrease to unrestricted net position in the amount of \$27,588. The Commission reported \$68,256 as deferred outflows of resources related to pension resulting from Commission contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the measurement period ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense in the measurement periods as follows:

<u>June 30,</u>	
2020	\$ (7,883)
2021	(55,203)
2022	(38,965)
2023	<u>6,207</u>
	<u>\$ (95,844)</u>

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Actuarial Assumptions

The total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2018, using the following actuarial assumptions:

Inflation	2.50%
Wage inflation	3.25% (3.00% for Teachers)
Salary increases	5.60%, average, including inflation
Investment rate of return	7.25% per year, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using scale MP-2015, based on the last experience study.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

The long-term expected rate of return on the pension plan investments was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and geometric real rates of return for each asset class:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Domestic equity	30%	4.25-4.50%
International equity	20%	4.50-6.00%
Fixed income	25%	1.12-2.46%
Alternative investments	15%	4.86-7.90%
Real estate	10%	3.00%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the collective pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer contributions are projected based on the expected payroll of current members only. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the collective pension liability.

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Sensitivity of the Commission's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Commission's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the Commission's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

	1% Decrease <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Increase <u>(8.25%)</u>
Commission's proportionate share of the net pension liability	\$ 861,714	\$ 643,531	\$ 463,204

NOTE 7—INTERFUND BALANCES AND TRANSFERS

As of June 30, 2020, the Commission's General Fund has an interfund payable balance of \$7,354 to the Sustainable SNHPC Foundation Fund. The interfund payable balance is the result of donations raised in the Sustainable SNHPC Foundation Fund that were deposited into the General Fund prior to incurring the applicable project costs.

During the year ended June 30, 2020, the Sustainable SNHPC Foundation Fund transferred \$21,861 to the Commission's General Fund.

NOTE 8—COMPONENTS OF FUND BALANCE

The components of the Commission's fund balance for its governmental funds at June 30, 2020 are as follows:

<u>Fund Balances</u>	<u>General Fund</u>	<u>Sustainable SNHPC Foundation Fund</u>	<u>Total Governmental Funds</u>
Restricted for:			
Foundation funding		\$ 25,918	\$ 25,918
Assigned for:			
Contingencies	\$ 38,368		38,368
Unassigned	<u>561,144</u>		<u>561,144</u>
	<u>\$ 599,512</u>	<u>\$ 25,918</u>	<u>\$ 625,430</u>

NOTE 9—ECONOMIC DEPENDENCE

The Commission's primary source of revenues is fees and grants received from the federal and state government. During the year ended June 30, 2020, the Commission recognized revenue of \$1,243,808 (79.93%) from the federal and state governments. Revenue is recognized as earned under the terms of the grant contracts and is received on a cost reimbursement basis. Other support originates from member assessments, charges for services, interest and investment income, and miscellaneous income.

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

NOTE 10—RISK MANAGEMENT

The Commission 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 June 30, 2020, the Commission was a member of and 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 June 30, 2020.

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 Commission shares in contributing to the cost of and receiving benefits from a self-insured pooled risk management program. The program includes a Self-Insured Retention Fund from which is paid up to \$200,000 for each and every covered property, crime and/or liability loss that exceeds \$1,000, up to an aggregate of \$1,200,000. 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 11—CONTINGENT LIABILITIES

Federal Grants

The Commission 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 any granting agency cannot be determined at this time, although the Commission expects such amounts, if any, to be immaterial.

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended June 30, 2020

Litigation

There may be various claims and suits pending against the Commission, which arise in the normal course of the Commission's activities. In the opinion of Commission management, any potential claims against the Commission, which are not covered by insurance are immaterial and would not affect the financial position of the Commission.

NOTE 12—RESTATEMENT OF EQUITY

During the year ended June 30, 2020, it was determined that due to other governments liability, as previously reported, was overstated in the Governmental Activities and General Fund.

Net position of the Governmental Activities as of July 1, 2019 has been restated as follows:

Net Position - July 1, 2019 (as previously reported)	\$ 506,385
Amount of restatement due:	
Overstatement of due to other governments	<u>38,368</u>
Net Position - July 1, 2019, as restated	<u>\$ 544,753</u>

Fund balance of the General Fund as of July 1, 2019 has been restated as follows:

Fund Balance - July 1, 2019 (as previously reported)	\$ 448,916
Amount of restatement due:	
Overstatement of due to other governments	<u>38,368</u>
Fund Balance - July 1, 2019, as restated	<u>\$ 487,284</u>

SCHEDULE I
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Schedule of Changes in the Commission's Proportionate Share of the Net OPEB Liability
For the Year Ended June 30, 2020

<u>Measurement Period Ended</u>	Cost-Sharing Multiple Employer Plan Information Only				
	<u>Commission's Proportion of the Net OPEB Liability</u>	<u>Commission's Proportionate Share of the Net OPEB Liability</u>	<u>Commission's Covered Payroll</u>	<u>Commission's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>
June 30, 2019	0.00345342%	\$ 15,140	\$ 525,294	2.88%	7.75%
June 30, 2018	0.00330070%	\$ 15,112	\$ 486,480	3.11%	7.53%
June 30, 2017	0.00329509%	\$ 15,066	\$ 629,936	2.39%	7.91%
June 30, 2016	0.00316834%	\$ 15,338	\$ 594,013	2.58%	5.21%

See accompanying notes to the required supplementary information

SCHEDULE 2
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Schedule of Commission OPEB Contributions
For the Year Ended June 30, 2020

<u>Year Ended</u>	Cost-Sharing Multiple Employer Plan Information Only				
	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Commission's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2020	\$ 1,819	\$ (1,819)	\$ -	\$ 627,353	0.29%
June 30, 2019	\$ 1,576	\$ (1,576)	\$ -	\$ 525,294	0.30%
June 30, 2018	\$ 1,460	\$ (1,460)	\$ -	\$ 486,480	0.30%
June 30, 2017	\$ 1,953	\$ (1,953)	\$ -	\$ 629,936	0.31%
June 30, 2016	\$ 1,841	\$ (1,841)	\$ -	\$ 594,013	0.31%

See accompanying notes to the required supplementary information

SCHEDULE 3
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Schedule of Changes in the Commission's Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2020

<u>Single Employer Plan Information Only</u>			
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability:			
Service cost	\$ 5,680	\$ 3,336	\$ 3,254
Interest	3,604	3,371	3,365
Differences between expected and actual experience	13,627	(612)	256
Changes of assumptions or other inputs	53,867	-	-
Benefit payments	<u>(6,295)</u>	<u>(3,056)</u>	<u>(10,349)</u>
Net change in total OPEB liability	70,483	3,039	(3,474)
Total OPEB liability - beginning of year	<u>98,729</u>	<u>95,690</u>	<u>99,164</u>
Total OPEB liability - end of year	<u>\$ 169,212</u>	<u>\$ 98,729</u>	<u>\$ 95,690</u>
Covered employee payroll	\$ 602,656	\$ 525,057	\$ 512,251
Total OPEB liability as a percentage of covered employee payroll	28.08%	18.80%	18.68%
<u>Significant Actuarial Assumptions</u>			
Discount rate	2.21%	3.58%	3.58%
Health cost trend rates:			
Initial	0.90%	9.50%	-6.60%
Ultimate	5.00%	5.00%	5.00%
Mortality improvement scale	MP-2019	MP-2017	MP-2017

See accompanying notes to the required supplementary information

SCHEDULE 4
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Schedule of Changes in the Commission's Proportionate Share of the Net Pension Liability
For the Year Ended June 30, 2020

<u>Measurement Period Ended</u>	<u>Commission's Proportion of the Net Pension Liability</u>	<u>Commission's Proportionate Share of the Net Pension Liability</u>	<u>Commission's Covered Payroll</u>	<u>Commission's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2019	0.01337442%	\$ 643,531	\$ 525,294	122.51%	65.59%
June 30, 2018	0.01275311%	\$ 614,088	\$ 486,480	126.23%	64.73%
June 30, 2017	0.01867401%	\$ 918,386	\$ 629,936	145.79%	62.66%
June 30, 2016	0.01801529%	\$ 957,980	\$ 594,013	161.27%	58.30%
June 30, 2015	0.01534003%	\$ 607,699	\$ 492,950	123.28%	65.47%
June 30, 2014	0.01697392%	\$ 637,131	\$ 527,467	120.79%	66.32%
June 30, 2013	0.01651152%	\$ 710,620	\$ 484,157	146.77%	59.81%

See accompanying notes to the required supplementary information

SCHEDULE 5
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Schedule of Commission Pension Contributions
For the Year Ended June 30, 2020

<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Commission's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2020	\$ 68,256	\$ (68,256)	\$ -	\$ 627,353	10.88%
June 30, 2019	\$ 58,203	\$ (58,203)	\$ -	\$ 525,294	11.08%
June 30, 2018	\$ 53,902	\$ (53,902)	\$ -	\$ 486,480	11.08%
June 30, 2017	\$ 68,411	\$ (68,411)	\$ -	\$ 629,936	10.86%
June 30, 2016	\$ 64,509	\$ (64,509)	\$ -	\$ 594,013	10.86%
June 30, 2015	\$ 51,464	\$ (51,464)	\$ -	\$ 492,950	10.44%
June 30, 2014	\$ 55,067	\$ (55,067)	\$ -	\$ 527,467	10.44%
June 30, 2013	\$ 41,056	\$ (41,056)	\$ -	\$ 484,157	8.48%

See accompanying notes to the required supplementary information

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2020

NOTE 1—SCHEDULE OF CHANGES IN THE COMMISSION'S PROPORTIONATE SHARE OF NET OPEB LIABILITY AND SCHEDULE OF COMMISSION OPEB CONTRIBUTIONS

In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the Commission is required to disclose historical information for each of the prior ten years within a schedule of changes in the Commission's proportionate share of the net OPEB liability and schedule of Commission OPEB contributions. The Commission implemented the provisions of GASB Statement No. 75 during the year ended June 30, 2018. Accordingly, the historic information has only been presented for those years which information was readily available. Additional disclosures will be made in future years as additional information becomes available.

NOTE 2—SCHEDULE OF CHANGES IN THE COMMISSION'S TOTAL OPEB LIABILITY AND RELATED RATIOS

In accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the Commission is required to disclose historical information for each of the prior ten years within a schedule of changes in the Commission's total OPEB liability and related ratios. The Commission implemented the provisions of GASB Statement No. 75 during the year ended June 30, 2018. Accordingly, the historic information has only been presented for those years which information was readily available. Additional disclosures will be made in future years as additional information becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

NOTE 3—SCHEDULE OF CHANGES IN THE COMMISSION'S PROPORTIONATE SHARE OF NET PENSION LIABILITY AND SCHEDULE OF COMMISSION PENSION CONTRIBUTIONS

In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the Commission is required to disclose historical information for each of the prior ten years within a schedule of changes in the Commission's proportionate share of the net pension liability and schedule of Commission pension contributions. The Commission implemented the provisions of GASB Statement No. 68 during the year ended June 30, 2015. Accordingly, the historic information has only been presented for those years which information was readily available. Additional disclosures will be made in future years as the information becomes available.

Changes in Actuarial Assumptions

For the June 30, 2015 actuarial valuation, the New Hampshire Retirement System reduced its assumption for the investment rate of return from 7.75% to 7.25%, decreased the price inflation from 3.0% to 2.5%, decreased the wage inflation from 3.75% to 3.25%, and decreased the salary increases from 5.8% to 5.6%. Additionally, the mortality table was changed from the RP-2000 projected to 2020 with Scale AA to the RP-2014 employee generational mortality table for males and females, adjusted for mortality improvements using Scale MP-2015.

SCHEDULE I
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2020

Federal Granting Agency/Recipient State Agency/Grant Program/State Grant Number	Federal Catalogue Number	Expenditures	Expenditures to Subrecipients
DEPARTMENT OF COMMERCE			
<i>Pass Through Payments from the Regional Economic Development Center</i>			
Economic Development - Support for Planning Organizations #ED19PH13020035	11.302	\$ 1,500	\$ -
Total Department of Commerce		<u>1,500</u>	<u>-</u>
DEPARTMENT OF TRANSPORTATION			
<i>Highway Planning and Construction Cluster: Pass Through Payments from the Central New Hampshire Regional Planning Commission</i>			
Highway Planning and Construction #14634F	20.205	13,477	
<i>Pass Through Payments from the Rockingham Regional Planning Commission</i>			
Highway Planning and Construction X-A004 (822)	20.205	7,386	
<i>Pass Through Payments from the New Hampshire Department of Transportation</i>			
Highway Planning and Construction #14634G X-A004 (897)	20.205	146,211 789,605	
Total Highway Planning and Construction Cluster		<u>956,679</u>	<u>-</u>
Federal Transit Cluster:			
<i>Pass Through Payments from Greater Derry Greater Salem C.A.R.T.</i>			
Federal Transit Formula Grants #NH-2019-010-00	20.507	1,120	
Total Federal Transit Cluster		<u>1,120</u>	<u>-</u>
Transit Services Programs Cluster:			
<i>Pass Through Payments from the New Hampshire Department of Transportation</i>			
Enhanced Mobility of Seniors and Individuals with Disabilities #1385-2019-2	20.513	227,379	221,215
Total Transit Services Programs Cluster		<u>227,379</u>	<u>221,215</u>
Total Department of Transportation		<u>1,185,178</u>	<u>221,215</u>
ENVIRONMENTAL PROTECTION AGENCY			
<i>Pass Through Payments from the Piscataqua Region Estuaries Partnership</i>			
National Estuary Program #CE-99171123	66.456	1,000	
<i>Received Directly From U.S. Treasury Department</i>			
Brownfields Multipurpose, Assessment, Revolving Loan Fund, and Cleanup Cooperative Agreements #00A00006	66.818	1,329	
Total Environmental Protection Agency		<u>2,329</u>	<u>-</u>
DEPARTMENT OF HOMELAND SECURITY			
<i>Pass Through Payments from the New Hampshire Department of Safety, Homeland Security and Emergency Management</i>			
Pre-Disaster Mitigation #EMB-2017-PC-0001 #EMB-2018-PC-0001 #EMB-2019-PC-0004	97.047	600 3,361 7,139	
Total Department of Homeland Security		<u>11,100</u>	<u>-</u>
Total Expenditures of Federal Awards		<u>\$ 1,200,107</u>	<u>\$ 221,215</u>

See notes to schedule of expenditures of federal awards

SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2020

NOTE 1—BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Southern New Hampshire Planning Commission (the Commission) under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Southern New Hampshire Planning Commission, it is not intended to and does not present the financial position or changes in net position of the Southern New Hampshire Planning Commission.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the Commission's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3—INDIRECT COST RATE

The Southern New Hampshire Planning Commission has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**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
Southern New Hampshire Planning Commission

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 and each major fund of the Southern New Hampshire Planning Commission, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Southern New Hampshire Planning Commission's basic financial statements, and have issued our report thereon dated April 20, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Southern New Hampshire Planning Commission's internal control over financial reporting (internal control) as a basis for designing 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 Southern New Hampshire Planning Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Southern New Hampshire Planning Commission'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 Southern New Hampshire Planning Commission'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 financial statements. 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.

Vashon Clukay & Company PC

Manchester, New Hampshire
April 20, 2021

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

To the Board of Commissioners
Southern New Hampshire Planning Commission

Report on Compliance for Each Major Federal Program

We have audited the Southern New Hampshire Planning Commission's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Southern New Hampshire Planning Commission's major federal programs for the year ended June 30, 2020. The Southern New Hampshire Planning Commission'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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Southern New Hampshire Planning Commission'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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 Southern New Hampshire Planning Commission'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 qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the Southern New Hampshire Planning Commission's compliance.

Basis for Qualified Opinion on Enhanced Mobility of Seniors and Individuals with Disabilities Program

As described in the accompanying schedule of findings and questioned costs, the Southern New Hampshire Planning Commission did not comply with requirements regarding CFDA #20.513 Enhanced Mobility of Seniors and Individuals with Disabilities program (Transit Services Programs Cluster) as described in finding #2020-001 for Subrecipient Monitoring. Compliance with such requirements is necessary, in our opinion, for the Southern New Hampshire Planning Commission to comply with the requirements applicable to that program.

Qualified Opinion on Enhanced Mobility of Seniors and Individuals with Disabilities Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the Southern New Hampshire Planning Commission complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the Enhanced Mobility of Seniors and Individuals with Disabilities program (Transit Services Programs Cluster) for the year ended June 30, 2020.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the Southern New Hampshire Planning Commission 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 other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the Southern New Hampshire Planning Commission 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 Southern New Hampshire Planning Commission'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 the Uniform Guidance, 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 Southern New Hampshire Planning Commission'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 a 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item #2020-001, that we consider to be a significant deficiency.

The Southern New Hampshire Planning Commission's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Southern New Hampshire Planning Commission's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Vashon Clukay & Company PC

Manchester, New Hampshire
April 20, 2021

**Southern New Hampshire Planning Commission
 Schedule of Findings and Questioned Costs
 Year Ended June 30, 2020**

Section I—Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial Statements audited were prepared in accordance with GAAP: Unmodified – all reporting units

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no
 Significant deficiency(ies) identified? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ yes X no
 Significant deficiency(ies) identified? X yes _____ no

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

Qualified – Transit Services Programs Cluster
Unmodified – Highway Planning and Construction Cluster

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

 X yes _____ no

Identification of major federal programs:

CFDA Number(s)	Name of Federal Program or Cluster
20.205	Highway Planning and Construction Cluster
20.513	Transit Services Programs Cluster

Dollar threshold used to distinguish between Type A and Type B program: \$ 750,000

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

The following findings and questioned costs are required to be reported under 2 CFR 200.516(a).

Finding #2020-001 – Subrecipient Monitoring

Transit Services Programs Cluster

Enhanced Mobility of Seniors and Individuals with Disabilities (CFDA #20.513)

Pass Through Payments from the New Hampshire Department of Transportation

Criteria: The Commission is a pass-through entity of this federal award. One of the compliance requirements is to monitor the subrecipients during the agreement and post-award audits.

Condition: Two of the nonprofit entities that received federal awards passed through from the Southern New Hampshire Planning Commission did not identify the federal awards on the Schedule of Expenditures of Federal Awards within their annual financial statements audited in accordance with the Uniform Guidance.

Cause: The signed agreements between Southern New Hampshire Planning Commission and its subrecipients indicate that federal grant funds are being administered and that federal clauses relating to transportation apply under the agreement. However, the CFDA number is not specifically identified within the agreement nor is the requirement that an annual audit performed in accordance with the Uniform Guidance if the subrecipient expended total federal awards in excess of \$750,000.

Effect: Controls over the subrecipient monitoring requirements of the Commission are weakened. Monitoring the post-award audits of its subrecipients is not included within the Southern New Hampshire Planning Commission's documented subrecipient monitoring procedures. As a result, federal pass-through funds of \$221,215 during the year ended June 30, 2020 were omitted from the single audit reporting requirements of the subrecipients.

Questioned Costs: None.

Context: Federal transit funds were passed through to three separate subrecipients during the year ended June 30, 2020. One of the subrecipients expended less than \$750,000 and did not require an audit to be performed in accordance with the Uniform Guidance. However, the other two subrecipients did meet the single audit threshold and failed to report the funding from the Southern New Hampshire Planning Commission.

Recommendation: We recommend that all future agreements pertaining to the subaward of federal funds specifically identify the CFDA number and any requirement in which a compliance audit is necessary in accordance with the Uniform Guidance. We also recommend that the Southern New Hampshire Planning Commission amend its policy for subrecipient monitoring procedures to include the request of obtaining annual audited financial statements to determine whether the federal funding received has been properly identified.

Views of Responsible Officials: Through an agreement with the New Hampshire Department of Transportation, the SNHPC serves as the Lead Agency for the administration of FTA Section 5310 (Enhanced Mobility of Senior and Individuals with Disabilities) funding to support regional transportation services for elderly and disabled residents.

Transportation services funded through this effort are determined annually by the Regional Coordinating Council for Community Transportation, and both the services and providers are specified in an annual grant application to NHDOT. During FY 2020, subrecipient agencies included the Manchester Transit Authority, Easter Seals of NH, and The CareGivers.

The SNHPC executes an annual Memorandum of Understanding (MOU) with each subrecipient agency detailing their responsibilities and requirements. Through these MOUs, each subrecipient acknowledges that they are utilizing FTA Section 5310 (Enhanced Mobility of Seniors and Individuals with Disabilities) and agree to “*at all times comply with all applicable FTA regulations, policies, procedures and directives.*” The MOU also includes 13 required federal clauses including: Energy Conservation, Federal Changes, No Federal Government Obligation to Third Parties, Program Fraud and False or Fraudulent Statements and Related Acts, Termination, Civil Rights Requirements, Disadvantaged Business Enterprises, Prompt Payment and Return of Retainage, Charter Service Operations, School Bus Operations, Access to Records, Incorporation of Federal Transit Administration (FTA) Terms, and Debarment and Suspension.

In the Incorporation of Federal Transit Administration (FTA) Terms section of the MOU, subrecipients agree that “*all agreement provisions required by DOT, as set forth in FTA Circular 4220.1F, are hereby incorporated by reference.*” FTA Circular 4220.1F does detail the requirements of the Single Audit Act and that recipients exceeding the threshold for federal awards in a single year are subject to audit requirements. The audit finding suggests that the “*requirement that an annual audit [be] performed in accordance with the Uniform Guidance*” is omitted from the MOU. However, this requirement is included by reference (because subrecipients acknowledge that all provisions of FTA Circular 4220.1F are included in the MOU by reference).

The concern is that two subrecipients – the Manchester Transit Authority (MTA) and Easter Seals of New Hampshire (ESNH) – did not appropriately report FTA Section 5310 pass through funding via the SNHPC on their respective Single Audit Schedule of Expenditures of Federal Awards (SEFA). During FY 2020, MTA utilized \$84,586 of FTA Section 5310 funding for shuttle services in Manchester, Goffstown, Hooksett, and New Boston. During FY 2020, ESNH utilized \$89,463 of FTA Section 5310 funding for demand response services and mobility management activities.

This concern is based on Vachon Clukay’s review of the most recent available audit reports available for MTA and ESNH. The most recent audit report available for MTA was for the year ending June 30, 2019 and the most recent audit report available for ESNH was for the year ending August 31, 2020. Management agrees that neither of these subrecipient audit reports correctly reported the FTA Section 5310 pass through funding received from SNHPC on their respective Single Audit SEFAs.

Management inquired with both MTA and ESNH about this concern and received the following responses:

- MTA advised that in their FY 2019 SEFA, the Section 5310 pass through funding via SNHPC was inadvertently included in another FTA line item. MTA reports that this will be corrected in their pending FY 2020 Single Audit and the funding will be reported as pass through under CFDA code 20.513.
- Easter Seals advised that, "After reviewing this it appears that this funding was missed on our Single Audit [...] We are revising our contract checklist to make sure that something like this does not happen in the future. We have notified our auditors and they had the following to say: *"The SEFA is audited and ultimately we opine that it is materially accurate and given this smaller amount, this opinion is still accurate knowing this information."* They also suggested that since this funding crosses our fiscal year we could go ahead and report this on next year's audit which we plan to do [...]"

Based on these responses, the MTA has indicated that they will be correctly reporting the pass-through funding on their FY 2020 SEFA. The audit finding suggests that *"pass through funds of \$221,215 during the year ended June 30, 2020 were omitted from the single audit reporting requirements of the subrecipients."* However, we believe that this statement will only be true of the \$89,463 utilized by Easter Seals.

In summary, Management's views on this audit finding are as follows:

- Management concurs that in the most recent audit reports from MTA (i.e. year ending 6/30/19) and ESNH (i.e. year ending 8/31/20) available to Vachon Clukay, the two subrecipients did not correctly report pass through Section 5310 funding on their respective SEFAs.
- Management does not agree with the inference that annual audit requirements were omitted from the subrecipient MOUs. This requirement is included by reference because subrecipients agree in the MOU that *"all agreement provisions required by DOT, as set forth in FTA Circular 4220.1F, are hereby incorporated by reference."* Management can take steps, however, to make the audit requirements more explicit in the MOU.
- While the subrecipient MOUs do explicitly state that the source of federal funding is the FTA Section 5310 (Enhanced Mobility of Senior and Individuals with Disabilities) program, Management concurs that the CFDA number should be explicitly listed on the MOU.
- Based on responses received by the subrecipients, we understand that MTA will be correctly reporting this funding on their pending FY 2020 audit report. Thus, Management does not agree with the statement that *"pass through funds of \$221,215 during the year ended June 30, 2020 were omitted from the single audit reporting requirements of the subrecipients."* Management believes that this statement will only be true of the \$89,463 utilized by ESNH.
- Management concurs with the recommendation that the SNHPC's subrecipient monitoring procedures include reviewing audited financial statements to ensure that subrecipients are properly reporting federal funding on their respective Single Audit SEFAs.

**Southern New Hampshire Planning Commission
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2020**

FINANCIAL STATEMENT FINDING

Finding #2019-001 – General Ledger Reconciliation

Criteria or specific requirement: Financial statements are to be prepared in accordance with generally accepted accounting principles. The trial balance presented for the audit contained several misstatements that were not identified until the audit.

Condition: The beginning fund balance of the General Fund did not reconcile with the prior year's audited balance. We further noted that several amounts included on the detailed receivable listing had been collected during the fiscal year resulting in receivables and revenues being overstated.

Context: Additional time was necessary to identify mispostings and adjust the general ledger balances. Once all audit adjustments were recorded, the preliminary increase in fund balance was reduced by approximately \$30,700.

Effect: Controls over the financial activities of the Commission are weakened. The failure to properly reconcile the activity throughout the year increases the risk that errors may occur and remain undetected.

Cause: The accounts receivable subsidiary ledger has not been properly maintained and is cumbersome. We noted numerous instances whereby multiple entries were posted to the subsidiary ledger that resulted in a net balance of \$-0-. Subsidiary ledgers that have not been properly maintained can be difficult to manage and reconcile.

Recommendation: We recommend that the general ledger accounts be reconciled on a monthly basis to detect any errors or omissions in a timely fashion. This includes reconciling the various asset, liability, and equity accounts.

Status of Finding: This finding has been corrected. The general ledger is being reconciled on a monthly basis.



Southern New Hampshire Planning Commission

438 Dubuque Street, Manchester, NH 03102-3546. Telephone (603) 669-4664 Fax (603) 669-4350
www.snhpc.org

Corrective Action Plan

Contact Person: Sylvia von Aulock, Executive Director

Finding #2020-001 – Subrecipient Monitoring

Transit Services Programs Cluster

Enhanced Mobility of Seniors and Individuals with Disabilities (CFDA #20.513)

Pass Through Payments from the New Hampshire Department of Transportation

The Southern New Hampshire Planning Commission is not in compliance with the subrecipient monitoring requirement. The signed subrecipient agreements indicate that federal grant funds are being administered and that federal clauses relating to transportation apply under the agreement. However, two of the subrecipients that received federal awards passed through from the Southern New Hampshire Planning Commission did not identify the federal awards on the Schedule of Expenditures of Federal Awards within their annual financial statements audited in accordance with the Uniform Guidance.

The SNHPC will complete the following corrective actions related to Finding #2020-001 related to subrecipient monitoring.

Planned Corrective Actions

- Planned Corrective Action #1- Send correspondence to all existing subrecipients detailing audit requirements related to federal funding and advising them that FTA Section 5310 pass through funding from the SNHPC needs to be appropriately reported under CFDA Number 20.513.
- Planned Corrective Action #2- Include the applicable CFDA Number (20.513) for the FTA Section 5310 program on Page 1 of each subrecipient MOU in the future.
- Planned Corrective Action #3- Add a specific section to each subrecipient MOU in the future detailing audit requirements related to federal funding. This new section would supplement the existing language in the Incorporation of Federal Transit Administration (FTA) Terms section of the MOU, where subrecipients already agree that “all agreement provisions required by DOT, as set forth in FTA Circular 4220.1F, are hereby incorporated by reference.”
- Planned Corrective Action #4- Update SNHPC Subrecipient Monitoring Procedures to ensure that subrecipients are properly reporting federal funding on their respective Single Audit SEFAs.

Timeline for Planned Corrective Actions

- Planned Corrective Action #1- Completion by 4/30/21
- Planned Corrective Action #2- Completion by 7/1/21
- Planned Corrective Action #3- Completion by 7/1/21
- Planned Corrective Action #4- Completion by 7/1/21

SCHEDULE A
SOUTHERN NEW HAMPSHIRE PLANNING COMMISSION
Supplemental Schedule of Expenditures
General Fund
For the Year Ended June 30, 2020

EXPENDITURES:

Current:

General Government:

Salaries and benefits	\$ 858,890
Contracted services	448,963
Computer equipment, software, and network	41,752
Insurance	14,035
Traffic counting	574
Travel	3,851
Truck related expenditures	2,013
Workshops and conferences	5,164
Office occupancy	32,072
Utilities	6,698
Office supplies and maintenance	8,141
Other	41,683
Total Expenditures	<u>\$ 1,463,836</u>

ATTACHMENT #13

List of Key Lead Agency Personnel and Salaries

Name	Title	Hourly Rate (Direct)
Nathan Miller	Deputy Executive Director	\$44.75

NATHAN C. MILLER, AICP

2016 - Present Deputy Executive Director

Southern NH Planning Commission, Manchester, New Hampshire

Assist the Executive Director in coordinating and implementing land use and transportation projects, including the development, maintenance and monitoring of the Unified Planning Work Program; preparation of core MPO documents; develop specialized analytic methods and forecasting techniques for transportation and land use studies and plan evaluations; monitor the program budget; coordinate and work with federal, state, local and regional transportation agencies to obtain travel survey, traffic count, transit ridership, and transportation facility data and other needed information/data to complete regional planning initiatives; respond to requests for information, data and technical reports from federal, state, local and regional transportation agencies, consultants, and citizens.

2014 - 2016 Executive Director

Upper Valley Lake Sunapee Regional Planning Commission, Lebanon, NH

Administered UVLSRPC's workload and budget; staffed and administered Commission, Executive Committee, Finance and Personnel Committees; Served as primary reviewer of all UVLSRPC planning products; acted as primary liaison to local, state, and federal partner agencies and funders.

2009 - 2014 Senior Planner/Planning Director

Upper Valley Lake Sunapee Regional Planning Commission, Lebanon, NH

Supervised all aspects of UVLSRPC UPWP with NH DOT; development of special planning studies, municipal master plans and locally-requested data collection; served as circuit rider planner for Town of Enfield, NH; provided review and drafted comment letters for Developments of Regional Impact.

2006 - 2009 Regional Planner

Upper Valley Lake Sunapee Regional Planning Commission, Lebanon, NH

Coordinated development of special transportation studies; reviewed member community zoning, subdivision, and site plan review regulations for consistency with regional transportation planning initiatives; oversaw regional transportation data collection program.

EDUCATION

2006 Master of Urban Planning, McGill University

Montreal, Quebec Canada
Concentration in Transportation Planning

2004 State University of New York at Plattsburgh

Bachelor of Arts: Physics and Canadian Studies, Summa Cum Laude
State University of New York Presidential Scholar

PROFESSIONAL AFFILIATIONS

American Institute of Certified Planners
American Planning Association (APA), Northern New England Chapter
New Hampshire Planners Association

SOUTHERN NH PLANNING COMMISSION MEMBERS

AUBURN

- William G. Herman
- Paula Marzloff
- Jeffrey Porter, Alt.

BEDFORD

- David J. Danielson
- William Duschatko
- Charlie Fairman
- Barbara Salvatore, Alt.
- William Jean, Alt.
- Bryan Lord, Alt.

CANDIA

- Albert Hall, III
- Richard Snow

CHESTER

- Andrew Hadik
- Deborah Munson

DEERFIELD

- Frederick J. McGarry
- Robert Cote

DERRY

- Adam Burch
- John O'Connor
- Jeffrey Moulton
- Richard Tripp, Alt.

FRANCESTOWN

- Patrick Behen
- Linda Kunhardt
- Alfred Eisenberg, Alt.
- Jennifer Vadney, Alt.

GOFFSTOWN

- Henry C. Boyle
- Barbara J. Griffin
- David Pierce
- Jo Ann Duffy, Alt.

HOOKSETT

- Cutler Brown
- Richard G. Marshall

LONDONDERRY

- Brian Battaglia
- Deborah Lievens
- Arthur E. Rugg
- Martin Srugis, Alt.
- Suzanne Brunelle, Alt.

MANCHESTER

- Peter D. Capano
- Raymond P. Clement
- Daniel P. O'Neil
- Kevin McCue, Alt.

NEW BOSTON

- David Litwinovich
- Mark Suennen

WEARE

- Tom Clow
- Naomi Bolton

WINDHAM

- John Hiltz
- Peter Griffin