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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6503
603-271-4612 1-800-852-3345 Ext. 4612
Fax: 603-271-4827 TDD Access: 1-800-735-2964



Nicholas A. Toumpas
Commissioner

José Thier Montero
Director

November 18, 2013

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

SOLE SOURCE

REQUESTED ACTION

100% Other funds

Authorize the Department of Health and Human Services to enter into a **sole source** agreement with City of Franklin (Vendor #177390-B002), 316 Central Street, Franklin, NH 03235, in an amount not to exceed \$50,000.00, to provide planning, training, and equipping emergency Northern New England Metropolitan Medical Response System (MMRS) strike teams in New Hampshire to enhance the overall medical surge capability in response to a large-scale health event, to be effective the date of Governor and Council approval through August 31, 2014.

Funds are available in the following account for SFY 2014 and SFY 2015 with authority to adjust amounts within the price limitation and amend the related terms of the contract without further approval from Governor and Executive Council.

05-95-90-902510-5917 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF INFECTIOUS DISEASE CONTROL, MMRS

| Fiscal Year | Class/Account | Class Title | Job Number | Total Amount |
|-------------|---------------|------------------------|------------|--------------|
| SFY 2014 | 102-500731 | Contracts for Prog Svc | 90079100 | 46,417 |
| SFY 2015 | 102-500731 | Contracts for Prog Svc | 90079100 | 3,583 |
| | | | Total | \$50,000 |

EXPLANATION

This request is **sole source** because the recent grant award to New Hampshire from the US Department of Homeland Security specifically allocates these funds for support of activities of the federally-designated Northern New England Metropolitan Medical Response System. The US Department of Homeland Security has awarded all Metropolitan Medical Response System funds nationwide through state governments in order to enhance local coordination. The City of Franklin is the federally-designated Northern New England Metropolitan Medical Response System in New Hampshire.

Funds in this agreement will be used to recruit, train, and equip advanced medical strike teams. The Northern New England Metropolitan Medical Response System functions to coordinate resources arriving in response to the health and medical consequences of a weapon of mass destruction attack

impacting New Hampshire. The Northern New England Metropolitan Medical Response System also serves as a resource for other mass casualty events or significant disease outbreaks in the region, including serving as a structure to help local communities take advantage of arriving federal assets. In planning, exercising and responding, the Northern New England Metropolitan Medical Response System provides a system through which cooperative, regionalized activities can take place.

Should Governor and Executive Council not authorize this Request, there will be diminished ability to quickly activate advanced medical strike teams in the event of large-scale threats to public health.

The following performance measures will be used to measure the effectiveness of the agreement:

- Provide to the Department of Health and Human Services/Emergency Management Unit, the roster of volunteers available to respond during an emergency deployment within 24 hours after notification of need, unless specific time frame given;
- Process to resupply cache is started three days after demobilization;
- All response equipment is checked, cleaned and/or replaced 96 hours after demobilization,
- 90% of training attendees will rate the monthly training sessions on medical and emergency response procedures, equipment operations and maintenance, and emergency management policies and procedures as "excellent" or "very good" in an evaluation survey;
- Number of Northern New England Metropolitan Medical Response System volunteers who have met training requirements and are deemed eligible to respond to an emergency;
- Percent of requests for deployment during emergencies met by the Northern New England Metropolitan Medical Response System strike teams.

Area served: Statewide.

Source of Funds: 100% Other Funds originally awarded to the New Hampshire Department of Safety as 100% Federal Funds from the U.S. Department of Homeland Security.

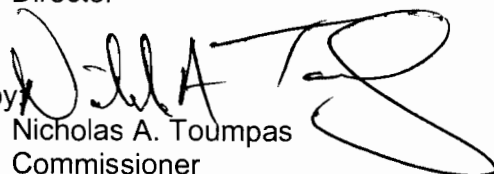
In the event that the Other Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



José Thier Montero, MD, MHCDS
Director

Approved by



Nicholas A. Toumpas
Commissioner

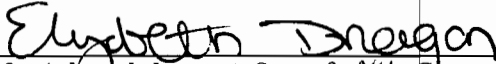
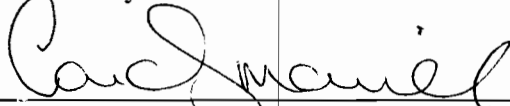

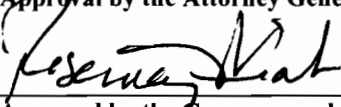
Subject: MMRS Agreement

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 Health and Human Services | | 1.2 State Agency Address 29 Hazen Drive Concord, NH 03301-6504 | |
| 1.3 Contractor Name City of Franklin | | 1.4 Contractor Address 316 Central Street Franklin, NH 03235 | |
| 1.5 Contractor Phone Number 603-934-2205 | 1.6 Account Number 05-95-90-902510-5917-102-500731 | 1.7 Completion Date August 31, 2014 | 1.8 Price Limitation \$50,000 |
| 1.9 Contracting Officer for State Agency Brook Dupee, Bureau Chief | | 1.10 State Agency Telephone Number 603-271-4501 | |
| 1.11 Contractor Signature  | | 1.12 Name and Title of Contractor Signatory City manager / city of Franklin | |
| 1.13 Acknowledgement: State of <u>NH</u> , County of <u>Merrimack</u> On <u>10/3/13</u> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12. | | | |
| 1.13.1 Signature of Notary Public or Justice of the Peace [Seal]  | | | |
| 1.13.2 Name and Title of Notary or Justice of the Peace CAROLYN P. MORRILL, Notary Public My Commission Expires December 5, 2017 | | | |
| 1.14 State Agency Signature  | | 1.15 Name and Title of State Agency Signatory Brook Dupee, Bureau Chief | |
| 1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____ | | | |
| 1.17 Approval by the Attorney General (Form, Substance and Execution) By:  On: <u>11-20-13</u> | | | |
| 1.18 Approval by the Governor and Executive Council By: _____ On: _____ | | | |

2. EMPLOYMENT OF CONTRACTOR/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 A 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, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("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, and 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 terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account 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 B 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 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 opportunity laws. In addition, the Contractor shall comply with all applicable copyright 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 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further 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: EAD
Date: 6-3-13

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 remedied, 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 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 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. 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.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall 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 A.

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. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. 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 maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance 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 fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each

Contractor Initials: EAD
Date: 10-31-13

certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

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. 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. WAIVER OF BREACH. 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.

17. 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.

18. 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.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be 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.

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 provisions set forth in the attached EXHIBIT C 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 relating hereto.

New Hampshire Department of Health and Human Services

EXHIBIT A

SCOPE OF SERVICES

1. GENERAL PROJECT DESCRIPTION

This Agreement is authorized under the provisions of the Department of Homeland Security (DHS) Appropriations Act of 2012 (P.L. 109-90) and the FFY 2012 and FFY 2012 Homeland Security Grant Program (HSGP) guidance.

The FFY 2012 HSGP State Homeland Security Program (SHSP) provides funds to enhance the capability of State and local units of Government to prevent, deter, respond to and recover from incidents of terrorism involving the use of chemical, biological, radiological, nuclear and explosive (CBRNE) weapons attacks, as well as all-hazards incidents.

The purpose of this Agreement is to identify the affiliation between the Department of Health and Human Services (DHHS) and the Municipality of Franklin, NH to support the New Hampshire Strike Team of the Metropolitan Medical Response System (MMRS), as arranged and approved by the State Administrative Agency for the HSGP, the Department of Safety (DOS), and in accordance with the DHS approved State Homeland Security Strategy.

FFY 2012 HSGP guidance states "Each state shall make no less than 80% of the total grant program amount available to local units of government..." The purpose of this Agreement is to acknowledge that DHHS will provide funding for training and equipping the Strike Team. The municipality of Franklin will provide oversight and administrative assistance to enhance the overall medical surge capability in Franklin, NH and the surrounding area, or statewide as requested by NH DHHS, in response to a large-scale health event.

2. WORK TO BE PERFORMED BY GRANTEE

CITY OF FRANKLIN DELIVERABLES/ACTIVITIES

- a) Will accept grant funds on behalf of the City of Franklin for the administrative and operational support of the MMRS and act as fiscal agent and manage the grant funds, on behalf of MMRS;
- b) Document all costs and other expenses incurred, including, but not limited to, ledgers, books, records, purchase requisitions, vouchers, requisitions for materials and other records required by the State;
- c) Designate \$47,500.00 of grant funds to the Metropolitan Medical Response System and designate \$2,500.00 for administrative costs in support of MMRS;
- d) Ensure that MMRS operating costs stay within the allotted FY budget amount;

- e) Agrees to use and apply all grant funds, and submit invoices for reimbursement as detailed in Exhibit B and Exhibit B-1;
- f) Support designated MMRS Leadership as the designated points of contact for program implementation;

MMRS DELIVERABLES/ACTIVITIES

- a) Integrate City of Franklin's, and other statewide emergency management, health, and medical systems with their Federal and State counterparts through a locally-established multi-agency, collaborative planning framework;
- b) Provide qualified staffing along with medical supplies and equipment to assist local response efforts for health and medical needs during emergency situations;
- c) Utilize DHHS' Inventory Resource Management System (IRMS) for point-in-time inventory on medical goods and supplies;
- d) Enter 100% of pharmaceutical and medical cache inventory into IRMS and keep inventory levels current;
- e) Maintain and expand equipment and pharmaceutical caches, as necessary;
- f) Reorder consumables supplies two months prior to expiration date;
- g) Build and exercise joint response capabilities with State and local municipalities;
- h) Conduct criminal record checks and validation of all license/certifications for all prospective volunteer members;
- i) Conduct monthly training sessions to new volunteers, and refresher trainings to existing volunteers on medical and emergency response processes and procedures, equipment operations and maintenance, and emergency management policies and procedures;
- j) Develop, in collaboration with DHHS/ESU, an evaluation survey to measure the knowledge and skill of training session attendees' ability to effectively respond to an emergency event;
- k) Provide all expenditure documentation and receipts to the City of Franklin's City Manager within seven (7) working days of expenditure to support the accurate maintenance of fiscal records;
- l) Ensure that operating and equipment costs stay within the allotted FY budget amount;
- m) Attend appropriate After Action meetings with Regional, State and local municipalities to review exercise objectives and improvement plans;
- n) Provide quarterly activity reports to the Director, DHHS – Emergency Services Unit by the 15th day of the next quarter.

3. WORK TO BE PERFORMED BY GRANTOR

The DHHS will:

- a) Provide Integrated Resource Management System software, equipment and training for efficient inventory management;
- b) Provide information requested regarding MMRS related activities in the State, as appropriate;
- c) Determine allowable costs and expenses in accordance with applicable state and federal laws, and process reimbursement of approved invoices as detailed in Exhibit B.

4. PERFORMANCE MEASURES

- a) Provide to the DHHS/Emergency Management Unit, the roster of volunteers available to respond during an emergency deployment within 24 hours after notification of need, unless specific time frame given;
- b) Process to resupply cache is started three days after demobilization;
- c) All response equipment is checked, cleaned and/or replaced 96 hours after demobilization,
- d) 90% of training attendees will rate the monthly training sessions on medical and emergency response procedures, equipment operations and maintenance, and emergency management policies and procedures as "excellent" or "very good" in an evaluation survey.

5. EFFECTIVE DATE

This Grant Agreement shall be effective upon approval of the Governor and Executive Council through August 31, 2014.

6. GRANTEE'S RELATION TO THE STATE

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

EXHIBIT B

METHOD AND CONDITIONS PRECEDENT TO PAYMENT

1) Funding Sources:

- a) \$50,000 funded from 100% Other Funds, originally awarded to the New Hampshire Department of Safety as 100% federal funds from the U.S. Department of Homeland Security.

2) The State shall pay the Contractor an amount not to exceed the Price Limitation, block 1.8, for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

- a) Payment for said services shall be made as follows:

The Contractor will submit an invoice each month, to include copies of invoices and proof of payment, satisfactory to the State by the fifteenth working day of the close of each month, which identifies and requests reimbursement for authorized expenses incurred in the prior quarter. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice for Contractor services provided pursuant to this Agreement. The final invoice shall be due to the State no later than thirty (30) days after the contract Completion Date.

- b) The invoice must be submitted to:

Sandra Weld, Response Coordinator
Department of Health and Human Services
Commissioner's Office – Emergency Services Unit
129 Pleasant Street
Concord, NH 03301
sweld@dhhs.state.nh.us
1-800-852-3345 ext 9476

- c) The Contractor agrees to use and apply all contract funds from the State for direct and indirect costs and expenses including, but not limited to, personnel costs and operating expenses related to the Services, as detailed in Exhibit B-1 - Budgets. Allowable costs and expenses shall be determined by the State in accordance with applicable state and federal laws and regulations. The Contractor agrees not to use or apply such funds for capital additions or improvements, entertainment costs, or any other costs not approved by the State.
- d) This is a cost-reimbursement contract based on an approved budget for the contract period. Reimbursement shall be made monthly based on actual costs incurred during the previous month.
- e) Payment will be made by the State agency subsequent to approval of the submitted invoice and if sufficient funds are available in the Service category budget line items submitted by the Contractor to cover the costs and expenses incurred in the performances of the services.

Exhibit B-1
Budget
Date of Governor and Council Approval through June 30, 2014

New Hampshire Department of Health and Human Services

Bidder/Vendor Name: City of Franklin

Budget Request for: MMRS
(Name of RFP)

Budget Period: Date of G&C Approval through June 30, 2014

| Line Item | Direct Incremental | Indirect Fixed | Total | Allocation Method for Indirect/Fixed Cost |
|---|---------------------|--------------------|---------------------|---|
| 1. Total Salary/Wages | \$ - | \$ 2,300.00 | \$ 2,300.00 | Administrative staff costs to administer funds and grant activities |
| 2. Employee Benefits | \$ - | \$ - | \$ - | |
| 3. Consultants | \$ - | \$ - | \$ - | |
| 4. Equipment: | \$ - | \$ - | \$ - | |
| Repair and Maintenance (Non-Medical) | \$ 401.20 | \$ - | \$ 401.20 | |
| Purchase/Depreciation (Non-Medical) | \$ 11,430.00 | \$ - | \$ 11,430.00 | |
| Repair and Maintenance (Medical) | \$ 1,616.00 | \$ - | \$ 1,616.00 | |
| Purchase/Depreciation (Medical) | \$ 11,687.79 | \$ - | \$ 11,687.79 | |
| 5. Supplies: | \$ - | \$ - | \$ - | |
| Educational | \$ - | \$ - | \$ - | |
| Lab | \$ - | \$ - | \$ - | |
| Pharmacy | \$ 6,000.00 | \$ - | \$ 6,000.00 | |
| Medical (Disposable Medical) | \$ 800.00 | \$ - | \$ 800.00 | |
| Office | \$ - | \$ - | \$ - | |
| 6. Travel | \$ 5,600.00 | \$ - | \$ 5,600.00 | |
| 7. Occupancy | \$ - | \$ - | \$ - | |
| 8. Current Expenses | \$ - | \$ - | \$ - | |
| Telephone | \$ - | \$ - | \$ - | |
| Postage | \$ - | \$ - | \$ - | |
| Subscriptions | \$ - | \$ - | \$ - | |
| Audit and Legal | \$ - | \$ - | \$ - | |
| Insurance | \$ - | \$ - | \$ - | |
| Board Expenses | \$ - | \$ - | \$ - | |
| 9. Software | \$ - | \$ - | \$ - | |
| 10. Marketing/Communications | \$ - | \$ - | \$ - | |
| 11. Staff Education and Training | \$ 2,707.20 | \$ - | \$ 2,707.20 | |
| 12. Subcontracts/Agreements | \$ - | \$ - | \$ - | |
| 13. Other (Field Operators Guide Printing): | \$ 1,470.00 | \$ - | \$ 1,470.00 | |
| Uniforms | \$ 2,405.00 | \$ - | \$ 2,405.00 | |
| | \$ - | \$ - | \$ - | |
| | \$ - | \$ - | \$ - | |
| TOTAL | \$ 44,117.19 | \$ 2,300.00 | \$ 46,417.19 | |

Indirect As A Percent of Direct

5.2%

Contractor's Initials: EAD

Date: 10-31-13

**Exhibit B-1
Budget
July 1, 2014 through August 31, 2014**

| New Hampshire Department of Health and Human Services | | | | |
|---|--------------------------------------|------------------|--------------------|---|
| Bidder/Vendor Name: | City of Franklin | | | |
| Budget Request for: | MMRS <i>(Name of RFP)</i> | | | |
| Budget Period: | July 1, 2014 through August 31, 2014 | | | |
| Line Item | Direct Incremental | Indirect Fixed | Total | Allocation Method for Indirect/Fixed Cost |
| 1. Total Salary/Wages | \$ - | \$ 200.00 | \$ 200.00 | Administrative staff costs to administer funds and grant activities |
| 2. Employee Benefits | \$ - | \$ - | \$ - | |
| 3. Consultants | \$ - | \$ - | \$ - | |
| 4. Equipment: | \$ - | \$ - | \$ - | |
| Repair and Maintenance (Non-Medical) | \$ 100.30 | \$ - | \$ 100.30 | |
| Purchase/Depreciation (Non-Medical) | \$ - | \$ - | \$ - | |
| Repair and Maintenance (Medical) | \$ 404.00 | \$ - | \$ 404.00 | |
| Purchase/Depreciation (Medical) | \$ - | \$ - | \$ - | |
| 5. Supplies: | \$ - | \$ - | \$ - | |
| Educational | \$ - | \$ - | \$ - | |
| Lab | \$ - | \$ - | \$ - | |
| Pharmacy | \$ - | \$ - | \$ - | |
| Medical (Disposable Medical) | \$ 200.00 | \$ - | \$ 200.00 | |
| Office | \$ 1,400.00 | \$ - | \$ 1,400.00 | |
| 6. Travel | \$ - | \$ - | \$ - | |
| 7. Occupancy | \$ - | \$ - | \$ - | |
| 8. Current Expenses | \$ - | \$ - | \$ - | |
| Telephone | \$ - | \$ - | \$ - | |
| Postage | \$ - | \$ - | \$ - | |
| Subscriptions | \$ - | \$ - | \$ - | |
| Audit and Legal | \$ - | \$ - | \$ - | |
| Insurance | \$ - | \$ - | \$ - | |
| Board Expenses | \$ - | \$ - | \$ - | |
| 9. Software | \$ - | \$ - | \$ - | |
| 10. Marketing/Communications | \$ - | \$ - | \$ - | |
| 11. Staff Education and Training | \$ 676.80 | \$ - | \$ 676.80 | |
| 12. Subcontracts/Agreements | \$ - | \$ - | \$ - | |
| 13. Other (Field Operators Guide Printing): | \$ - | \$ - | \$ - | |
| Uniforms | \$ 601.71 | \$ - | \$ 601.71 | |
| | \$ - | \$ - | \$ - | |
| | \$ - | \$ - | \$ - | |
| TOTAL | \$ 3,382.81 | \$ 200.00 | \$ 3,582.81 | |

Indirect As A Percent of Direct

5.9%

NH Department of Health and Human Services

STANDARD EXHIBIT C

SPECIAL PROVISIONS

1. Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

2. Compliance with Federal and State Laws: If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.

3. Time and Manner of Determination: Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

4. Documentation: In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

5. Fair Hearings: The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

6. Gratuities or Kickbacks: The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

7. Retroactive Payments: Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

8. Conditions of Purchase: Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractor's costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:

8.1 Renegotiate the rates for payment hereunder, in which event new rates shall be established;

8.2 Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

8.3 Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

9. Maintenance of Records: In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:

9.1 Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.

9.2 Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.

9.3 Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

10. Audit: Contractor shall submit an annual audit to the Department within 60 days after the close of the Contractor fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.

10.1 Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.

10.2 Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

11. Confidentiality of Records: All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

12. Reports: Fiscal and Statistical: The Contractor agrees to submit the following reports at the following times if requested by the Department.

12.1 Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.

12.2 Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

13. Completion of Services: Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

14. Credits: All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:

14.1 The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.

15. Prior Approval and Copyright Ownership:

All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

16. Operation of Facilities: Compliance with Laws and Regulations: In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

17. Subcontractors: DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.

When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:

- Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
- Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
- Monitor the subcontractor's performance on an ongoing basis
- Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed
- DHHS shall review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

SPECIAL PROVISIONS – DEFINITIONS

As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

Exhibit C-1

ADDITIONAL SPECIAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is replaced as follows:

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, in whole or in part, under this Agreement are contingent upon continued appropriation or availability of funds, including any subsequent changes to the appropriation or availability 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 of Services provided in Exhibit A, Scope of Services, in whole or in part. In no event shall the State be liable for any payments hereunder in excess of appropriated or available funds. In the event of a reduction, termination or modification of appropriated or available funds, the State shall have the right to withhold payment until such funds become available, if ever. The State shall have the right to reduce, terminate or modify services under this Agreement immediately upon giving the Contractor notice of such reduction, termination or modification. The State shall not be required to transfer funds from any other source or account into the Account(s) identified in block 1.6 of the General Provisions, Account Number, or any other account, in the event funds are reduced or unavailable.

2. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

10.2 In the event of early termination, 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, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

NH Department of Health and Human Services

Standard Exhibit D

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act to 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I – FOR GRANTEES OTHER THAN INDIVIDUALS

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES – CONTRACTORS
US DEPARTMENT OF EDUCATION – CONTRACTORS
US DEPARTMENT OF AGRICULTURE – CONTRACTORS**

This certification is required by the regulations implementing Sections 5151-51-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). the January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630 of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

**Commissioner
NH Department of Health and Human Services,
129 Pleasant Street
Concord, NH 03301**

- 1) The grantee certifies that it will or will continue to provide a drug-free workplace by:
 - (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - (b) Establishing an ongoing drug-free awareness program to inform employee's about:
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d) (2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

2) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, State, zip code) (list each location)

Check if there are workplaces on file that are not identified here.

City of Franklin From: Date of G&C Approval To: August 31, 2014
 Contractor Name Period Covered by this Certification

Elysebeth Dragon | City manager
 Name and Title of Authorized Contractor Representative

Elysebeth Dragon 10-31-13
 Contractor Representative Signature Date

NH Department of Health and Human Services

Standard Exhibit E

CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

**US DEPARTMENT OF HEALTH AND HUMAN SERVICES – CONTRACTORS
US DEPARTMENT OF EDUCATION – CONTRACTORS
US DEPARTMENT OF AGRICULTURE – CONTRACTORS**

Programs (indicate applicable program covered):

- *Temporary Assistance to Needy Families under Title IV-A
- *Child Support Enforcement Program under Title IV-D
- *Social Services Block Grant Program under Title XX
- *Medicaid Program under Title XIX
- *Community Services Block Grant under Title VI
- *Child Care Development Block Grant under Title IV

Contract Period: Date of G&C Approval, whichever is later, through August 31, 2014

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).
- (2) If any funds, other than Federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions, attached and identified as Standard Exhibit E-1.
- (3) The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Elizabeth Dragon
Contractor Signature

City Manager
Contractor's Representative Title

City of Franconia
Contractor Name

10-31-13
Date

NH Department of Health and Human Services

Standard Exhibit F

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions, execute the following Certification:

Instructions for Certification

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transition. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transition," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntary excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rule implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.
6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary

Exclusion – Lower Tier Covered Transaction”, “provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).
9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

1. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - b. have not within a three-year period preceding this proposal (contract) been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph 1 b of this certification; and
 - d. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

Lower Tier Covered Transactions

By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:

EAD

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

(b) where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Elizabeth Doregon
Contractor Signature

City manager
Contractor's Representative Title

CITY OF FRANKLIN
Contractor Name

10-31-13
Date

NH Department of Health and Human Services

Standard Exhibit G

**CERTIFICATION REGARDING THE AMERICANS WITH DISABILITIES ACT
COMPLIANCE**

The contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to make reasonable efforts to comply with all applicable provisions of the Americans with Disabilities Act of 1990.

Elizabeth Dragon
Contractor Signature

City manager
Contractor's Representative Title

City of Franconia
Contractor Name

10-31-13
Date

NH Department of Health and Human Services

STANDARD EXHIBIT H

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Elysebeth Dragon
Contractor Signature

City manager
Contractor's Representative Title

City of Franconia
Contractor Name

10-31-13
Date

NH Department of Health and Human Services

STANDARD EXHIBIT I

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

Standard Exhibit I, Health Insurance Portability and Accountability Act Business Associate Agreement, does not apply to this agreement.

NH Department of Health and Human Services

STANDARD EXHIBIT J

**CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY
AND
TRANSPARENCY ACT (FFATA) COMPLIANCE**

Standard Exhibit J, Certification Regarding the Federal Funding Accountability and Transparency Act (FFATA) Compliance, does not apply to this agreement.

Contractor Initials: EAD

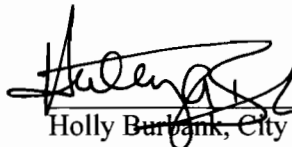
Date: 10-31-13

CERTIFICATE OF VOTE/AUTHORITY

I, Holly Burbank, of the City of Franklin, do hereby certify that:

1. I am the duly appointed City of Clerk of the City of Franklin;
2. By Unanimous vote at the May 6, 2013, Council Meeting, the City Council authorized the City Manager to sign the MOU and Grant related documents between the New Hampshire Metropolitan Medical Response System (NHMMRS), Lakes Region General Hospital, and the City of Franklin, in Minutes duly dated May 6, 2013;

IN WITNESS WHEREOF, I have hereunto set my hand as the City Clerk of the City of Franklin this 18th day of November, 2013.

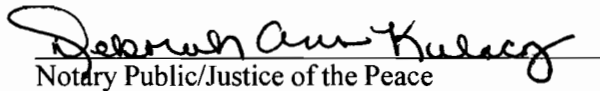


Holly Burbank, City Clerk

STATE OF NEW HAMPSHIRE

COUNTY OF Merrimack

The foregoing instrument was acknowledged before me this 18th day of November, 20 13 by Holly Burbank.



Notary Public/Justice of the Peace

My Commission Expires: 7-10-2018

CERTIFICATE OF COVERAGE

This certificate evidences the limits of liability in effect at the inception of the Member Agreement(s) described below. This certificate is issued as a matter of information only and confers no rights on the certificate holder and does not amend, extend, or alter the coverage afforded by the Member Agreements(s); except to the extent provided in the additional covered party box or loss payee below, if checked.

THIS IS TO CERTIFY THAT THE MEMBER NAMED BELOW IS A PARTICIPATING MEMBER OF EITHER OR BOTH OF THE COMPANIES AND THAT A MEMBER AGREEMENT(S) HAS BEEN ISSUED TO THE MEMBER FOR THE AGREEMENT TERM(S) INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE COVERAGE AFFORDED BY THE MEMBER AGREEMENT(S) IS SUBJECT TO ALL THE EXCLUSIONS, EXTENSIONS, TERMS AND CONDITIONS OF SUCH MEMBER AGREEMENT(S). AGGREGATE LIMITS MAY HAVE BEEN REDUCED BY PAID CLAIMS

| | | | | |
|---|--------------------------------------|--|---|--|
| Participating Member: City of Franklin Member Number: 027-090186-14 | | Company A: Local Government Center Property-Liability Trust, LLC Company B: Local Government Center Worker's Compensation Trust, LLC P.O. Box 2008, Concord, NH 03302-0617 | | |
| Coverage (Occurrence basis only): | Effective Date (mm/dd/yy) | Expiration Date (mm/dd/yy) | Limits (subject to applicable NH Statutory limits) | |
| <input checked="" type="checkbox"/> General Liability (Member Agreement Section III.A) | 7/1/2013 | 6/30/2014 | Each Occurrence | \$5,000,000 |
| | | | General Aggregate | \$ |
| | | | Personal & Adv Injury | \$ |
| | | | Med Exp (any one person) | \$ |
| | | | Products-Comp/Op Agg | \$ |
| <input checked="" type="checkbox"/> Automobile Liability (Member Agreement Section III.A) <input type="checkbox"/> Any Auto <input type="checkbox"/> All Owned Autos <input type="checkbox"/> Scheduled Autos <input type="checkbox"/> Hired Autos <input type="checkbox"/> Non-Owned Autos <input type="checkbox"/> Other _____ | 7/1/2013 | 6/30/2014 | Each Occurrence | \$ |
| | | | Bodily Injury (per person) | \$ |
| | | | Bodily Injury (per accident) | \$ |
| | | | Property Damage (per accident) | \$ |
| | | | Excess Liability | \$N/A |
| <input type="checkbox"/> Excess Liability | | | Each Occurrence | \$N/A |
| | | | Aggregate | \$N/A |
| <input checked="" type="checkbox"/> Property (All Risk including Theft) (Member Agreement Section I) Deductible: \$1,000 | 7/1/2013 | 6/30/2014 | | \$ Per Scheduled limits and Member Agreement |
| <input checked="" type="checkbox"/> Workers Compensation (Coverage A) Employer's Liability (Coverage B) | 7/1/2013 | 6/30/2014 | <input type="checkbox"/> Statutory / Cov. A | |
| | | | Each Accident / Cov. B | \$2,000,000 |
| | | | Disease - Each Employee | \$2,000,000 |
| | | | Disease - Policy Limit | \$2,000,000 |
| Description: Proof of Coverage | | | | |

CANCELLATION: If any of the above coverages under the Member Agreement are cancelled before the expiration date, the Company will endeavor to mail 30 days written notice to the Certificate Holder named below, but failure to mail such notice shall impose no obligation or liability of any kind upon the Company.

| | | |
|--|-------------------------------|---|
| <input checked="" type="checkbox"/> Certificate Holder Only | | |
| Certificate Holder: | | |
| STATE OF NH DEPT OF HUMAN SERVICES C/O NHMMRS 129 PLEASANT ST CONCORD NH 03301 | Date Issued: 11/6/2013 | Please direct inquiries to: Debra A. Lewis 603.224.7447x3332 |

DRAFT - For Discussion Purposes Only

CITY OF FRANKLIN
Franklin, New Hampshire

Financial Statements

June 30, 2011

CITY OF FRANKLIN

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GRZELAK AND COMPANY, P.C.
Certified Public Accountants

Members – American Institute of CPA’s (AICPA)
Member – AICPA Government Audit Quality Center (GAQC)
Member – AICPA Private Company Practice Section (PCPS)
Members – New Hampshire Society of CPA’s

P.O. Box 8
Laconia, New Hampshire 03247-0008
Tel (603) 524-6734
GCO-Audit@gcocpas.com

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Council
City of Franklin
Franklin, New Hampshire

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of City of Franklin as of and for the year ended June 30, 2011, which collectively comprise the City’s basic financial statements as listed in the table of contents. These financial statements are the responsibility of City of Franklin’s management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the City of Franklin, as of June 30, 2011, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2013, on our consideration of the City of Franklin’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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and budgetary comparison information on pages 7 through 23 and 52 through 55 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.

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the City of Franklin's financial statements as a whole. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements. The combining nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

GRZELAK & COMPANY, P.C., CPA's

Laconia, New Hampshire

October 22, 2013

City of Franklin, New Hampshire DRAFT - For Discussion Purposes Only
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2011

As management of the City of Franklin, we offer readers of the City of Franklin's financial statements this narrative overview and analysis of the financial activities of the City of Franklin for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlight

- The assets of the City of Franklin exceeded its liabilities at the close of the most recent fiscal year by \$26.4 million (net assets). Of this amount, \$2.8 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors. Total net assets for governmental activities were \$16.3 million (\$1.3 million unrestricted) and total net assets for business like activities were \$10.1 million (\$1.6 million unrestricted).
- As of the close of the current fiscal year, the City of Franklin's governmental funds reported combined ending fund balances of \$4.4 million, an increase of \$189 thousand over the prior year. Of the combined ending fund balances, \$1.9 million is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1.89 million, or 8.2 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Franklin's basic financial statements. The City of Franklin's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net assets* presents information on all of the City of Franklin's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Franklin is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused sick leave).

Both of the government-wide financial statements distinguish functions of the City of Franklin that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Franklin include general government, public safety, highways and streets, sanitation, economic development, and culture and recreation. The business-type activities of the City of Franklin include Water, Sewer, and Fuel Depot Activities.

City of Franklin, New Hampshire DRAFT - For Discussion Purposes Only
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2011

The government-wide financial statements include not only the City of Franklin (known as the primary government), but also a legally separate dependent school district, Franklin School District, which the City of Franklin is financially accountable. Financial information for this *component unit* is blended with the financial information presented for the primary government itself.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Franklin, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Franklin can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *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 spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government'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, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Franklin maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, capital fund and capital reserve funds which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Franklin adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. The City of Franklin maintains only two types of proprietary funds: enterprise and internal service fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Franklin uses enterprise funds to account for its water and sewer activities.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations, both of which are considered to be major funds of the City of Franklin.

Internal service funds report "any activity that provides goods and services to other funds, departments or agencies of the primary government and its component units, or to other governments, on a cost reimbursement basis". The City of Franklin uses an internal service fund to account for the fuel depot. Because the nature of these funds is internal, internal service funds are combined with governmental activities on the government-wide financial statements.

City of Franklin, New Hampshire DRAFT - For Discussion Purposes Only
 Management's Discussion and Analysis
 Fiscal Year Ended June 30, 2011

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Franklin's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the 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.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Franklin's Non-GAAP Budgetary Basis Reporting.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information.

Government-Wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Franklin, assets exceeded liabilities by \$26.4 million at the close of fiscal year 2011 and \$26.1 million at the close of fiscal year 2010. Governmental activities assets exceeded liabilities by \$16.3 million and \$16.6 million at the close of fiscal years 2011 and 2010, respectively.

The largest portion of the City of Franklin's net assets (79.7%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The City of Franklin uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Franklin's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Franklin, New Hampshire Net Assets (in Thousands)

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|--|-------------------------|--------|--------------------------|--------|--------------------------|--------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Current and other assets | 12,593 | 12,204 | 2,056 | 1,445 | 14,649 | 13,649 |
| Capital assets | 18,515 | 19,387 | 12,235 | 9,640 | 30,750 | 29,027 |
| Total assets | 31,108 | 31,591 | 14,291 | 11,085 | 45,399 | 42,676 |
| Current liabilities | 8,996 | 8,208 | 3,386 | 621 | 12,382 | 8,829 |
| Long term liabilities outstanding | 5,830 | 6,778 | 789 | 926 | 6,619 | 7,704 |
| Total liabilities | 14,826 | 14,986 | 4,175 | 1,547 | 19,001 | 16,533 |
| Net Assets: | | | | | | |
| Invested in capital assets, net of related debt | 12,738 | 12,860 | 8,296 | 8,308 | 21,034 | 21,168 |
| Restricted | 2,263 | 1,735 | 263 | | 2,526 | 1,735 |
| Unrestricted | 1,281 | 2,010 | 1,557 | 1,230 | 2,838 | 3,240 |
| Total net assets, as restated | 16,282 | 16,605 | 10,116 | 9,538 | 26,398 | 26,143 |

City of Franklin, New Hampshire DRAFT - For Discussion Purposes Only
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2011

An additional portion of the City of Franklin's net assets (10%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$2.8 million) may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the current fiscal year, the City of Franklin is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities.

City of Franklin, New Hampshire Changes in Net Assets (in Thousands)

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|--|-------------------------|---------------|--------------------------|--------------|--------------------------|---------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Revenues | | | | | | |
| Program Revenue: | | | | | | |
| Charges for Services | 1,654 | 931 | 2,514 | 2,315 | 4,168 | 3,246 |
| Operating Grants and Contributions | 10,185 | 10,664 | 10 | 10 | 10,195 | 10,674 |
| Capital Grants and Contributions | - | 332 | - | - | - | 332 |
| General Revenues: | | | | | | |
| Property Taxes | 10,119 | 9,953 | - | - | 10,119 | 9,953 |
| Other Taxes | 319 | 319 | - | - | 319 | 319 |
| Licenses and Permits | 972 | 960 | - | - | 972 | 960 |
| Grants and Contributions not restricted to specific programs | 547 | 733 | - | - | 547 | 733 |
| Interest Earnings | 342 | 165 | - | - | 342 | 165 |
| Miscellaneous | 221 | 448 | - | - | 221 | 448 |
| Total Revenues | 24,359 | 24,505 | 2,524 | 2,325 | 26,883 | 26,830 |
| Expenses | | | | | | |
| Functional Expenditures: | | | | | | |
| General Government | 1,555 | 1,575 | - | - | 1,555 | 1,575 |
| Public Safety | 4,354 | 3,769 | - | - | 4,354 | 3,769 |
| Highway and Streets | 1,590 | 1,530 | - | - | 1,590 | 1,530 |
| Sanitation | 793 | 980 | - | - | 793 | 980 |
| Health | 117 | 57 | - | - | 117 | 57 |
| Welfare | 179 | 191 | - | - | 179 | 191 |
| Culture and Recreation | 658 | 626 | - | - | 658 | 626 |
| Conservation | - | - | - | - | - | - |
| Economic Development | 46 | 45 | - | - | 46 | 45 |
| School | 15,336 | 14,945 | - | - | 15,336 | 14,945 |
| Debt Service | 54 | 307 | - | - | 54 | 307 |
| Capital Outlay | - | - | - | - | - | - |
| Proprietary Activities | - | - | 1,946 | 1,870 | 1,946 | 1,870 |
| Total Expenses | 24,682 | 24,025 | 1,946 | 1,870 | 26,628 | 25,895 |
| Change in net assets before transfers | (323) | 480 | 578 | 454 | 255 | 934 |
| Transfers | - | (1) | - | 1 | - | - |
| Increase (Decrease) in net assets | (323) | 479 | 578 | 455 | 255 | 934 |
| Net Assets, Beginning, as restated | 16,605 | 16,126 | 9,538 | 9,082 | 26,143 | 25,208 |
| Net Assets, Ending, as restated | 16,282 | 16,605 | 10,116 | 9,538 | 26,398 | 26,143 |

Governmental activities. Governmental activities decreased the City of Franklin's net assets by \$322,796.

Business-type activities. Business-type activities increased the City of Franklin's net assets by \$577,491, which, net with the decrease in net assets from governmental activities, accounts for the City's total increase in net assets.

Financial Analysis of the Government's Funds

As noted earlier, the City of Franklin uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Franklin's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City of Franklin's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the current fiscal year, the City of Franklin's governmental funds reported combined ending fund balances of \$4.4 million, an increase of \$189 thousand over the prior year. Of the combined ending fund balances, \$1.9 million is available for spending at the government's discretion (unassigned fund balance). The remainder of fund balance is *nonspendable, restricted committed or assigned* to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period (\$218,077), 2) legally restricted for permanent fund and capital purchase purposes (\$2,263,442), or 3) for a variety of other restricted purposes (\$26,778).

The general fund is the chief operating fund of the City of Franklin. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1.9 million, while total fund balance reached \$2.9 million. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 8.2 percent of total general fund expenditures, while total fund balance represents 11.2 percent of that same amount.

Proprietary funds. The City of Franklin's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the proprietary funds at the end of the year amounted to \$1,556,430. The total growth in net assets was \$577,491. Other factors concerning the finances of this fund have already been addressed in the discussion of the City of Franklin's business-type activities.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were relatively large (\$156,220 increase in appropriations) and can be briefly summarized as follows:

- \$125,000, Drug Free Communities Support Program Grant, allocated to Franklin Mayor's Drug Task Force
- \$30,000 Contingent Grant Line, allocated to general government
- \$1,220 for carbon monoxide blood hemoglobin reader, allocated to fire

Of this increase, \$155,000 was funded from grant sources and \$1,220 from City trust funds. No supplemental appropriation was budgeted from available fund balance in fiscal year 2011.

City of Franklin, New Hampshire DRAFT - For Discussion Purposes Only
 Management's Discussion and Analysis
 Fiscal Year Ended June 30, 2011

Capital Asset and Debt Administration

Capital Assets. The City of Franklin's investment in capital assets for its governmental and business type activities as of June 30, 2011, amounts to \$30,750,492 (net of accumulated depreciation). This investment in capital assets includes monuments, land, land improvements, buildings, infrastructure and utility systems, improvements, machinery and equipment, park facilities, roads, highways, bridges, and construction in progress.

Major capital asset events during the current fiscal year included the following:

- Land
- River Crossing Pipeline
- Hill Road Water Main
- Playground (partially grant funded)
- Daniel Webster Drive & Flaghole Road reclamation
- Acme Water Treatment Plant (in progress, partially grant funded)
- Cheney Street Retaining Wall
- Memorial Street Water Main Replacement
- Pleasant Street Paving
- Water Department Garage (in progress)
- Boat Ramp – Lagace Beach (grant funded)
- Downtown Transportation Project (in progress, grant funded)
- Partial Roof – City Hall
- Truck Lift Columns
- Tire Changer
- Haynes Brook Culvert (in progress)
- Elevator upgrades (school district)
- Miscellaneous equipment (school district)

City of Franklin, New Hampshire Capital Assets Net of Depreciation (in Thousands)

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|-----------------------------------|-------------------------|---------------|--------------------------|--------------|--------------------------|---------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| Land | 906 | 906 | 49 | 34 | 955 | 940 |
| Monuments | 61 | 61 | - | - | 61 | 61 |
| Construction in Progress | 206 | 180 | 3,236 | 436 | 3,442 | 616 |
| Land Improvements | 181 | 186 | - | - | 181 | 186 |
| Buildings and Improvements | 12,797 | 13,741 | 85 | 90 | 12,882 | 13,831 |
| Machinery, Vehicles and Equipment | 2,939 | 2,927 | 335 | 369 | 3,274 | 3,296 |
| Infrastructure | 1,425 | 1,387 | 8,530 | 8,710 | 9,955 | 10,097 |
| Total | 18,515 | 19,388 | 12,235 | 9,639 | 30,750 | 29,027 |

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Long-term debt. At the end of the current fiscal year, the City of Franklin had total bonded debt outstanding of \$5,601,579 and 3,678,672 in notes. Of this amount, 100% comprises debt backed by the full faith and credit of the government; however, \$260,000 bonds & \$3,678,672 notes are attributable to the Water and Sewer proprietary funds, and \$350,000 is attributable to the District Courthouse. Of the \$3,678,672 proprietary note debt, the State of New Hampshire has agreed to offset \$133,135 in the form of a revolving loan. The City of Franklin is financially liable for the debt due and owing for the District Courthouse Building, but has been reimbursed annually by the State of New Hampshire. The City of Franklin is also financially liable for general obligation debt outstanding for its component unit, Franklin School District, which amounts to approximately \$4,381,579. Further information regarding the School District's indebtedness may be found in their annual audit report.

City of Franklin, New Hampshire Long Term Debt (in Thousands)

| | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|---------------------------------------|-------------------------|--------------|--------------------------|--------------|--------------------------|--------------|
| | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| General Obligation Bond | 5,342 | 5,899 | 260 | 365 | 5,602 | 6,264 |
| Accrued Landfill Postclosure | 216 | 224 | - | - | 216 | 224 |
| Compensated Absences | 393 | 229 | 20 | 16 | 413 | 245 |
| Capital Leases | 833 | 1,027 | - | - | 833 | 1,027 |
| Other Notes | - | - | 3,678 | 967 | 3,678 | 967 |
| Other Post Employment Benefits | 595 | 402 | - | - | 595 | 402 |
| Total | 7,379 | 7,781 | 3,958 | 1,348 | 11,337 | 9,129 |

The City of Franklin's net total debt increased by \$1,208,322 (13 percent) during the current fiscal year. This increase is the net effect of current year debt service amounts paid (\$1,263,354) and increase in compensated absences (\$412,998), increase in other post employment benefits (\$327,077) and new state drinking water revolving fund loan for water treatment facility (\$2,742,684).

New Hampshire Municipal Finance Act, Chapter 33 of the State Statutes limit the amount of general obligation debt a local governmental entity may issue to 9.75 percent of its total equalized assessed valuation as computed by the Department of Revenue Administration. State statute allows certain debts (betterment of water and sewer systems, energy production projects, small scale power facilities, etc) to be excluded from the debt capacity computation. The current debt limitation for the City of Franklin is \$55 million, which is significantly in excess of the City of Franklin's outstanding general obligation debt.

Additional information on the City of Franklin's long-term debt can be found in the notes to financial statements, later in this document.

Economic Factors and Next Year's Budgets and Rates

Taxation Cap

Pursuant to Franklin City Charter, the city manager is responsible for preparing an annual budget and submitting the budget to the Franklin City Council one month prior to the start of the new fiscal year. The annual budget is to be presented to the city council for action no later than the 27th day of the first month of the fiscal year (July). If the city council does not take action within 30 days, the budget shall automatically become effective.

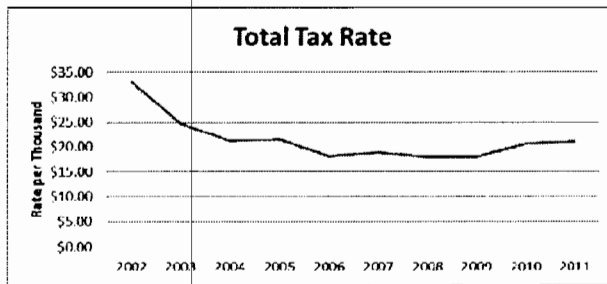
In November, 1989 the voters of the City of Franklin amended the budget procedures outlined under the city's charter §C-32 limiting the amount of taxes that can be raised to support annual operations. The formula limits the amount to be raised by the prior calendar year's Consumer Price Index (national average). The charter amendment provides cap exceptions with a 2/3 vote of the city council. Exceptions from the tax cap include school or city debt service or any capital expenditures deemed necessary by the council.

In October 2002, the Charter was amended again and the tax cap was modified to include a calculation to include newly assessed property value from the prior year (April 1). The calculation includes all new value from April 1 of the prior tax year multiplied by the prior calendar year's tax rate.

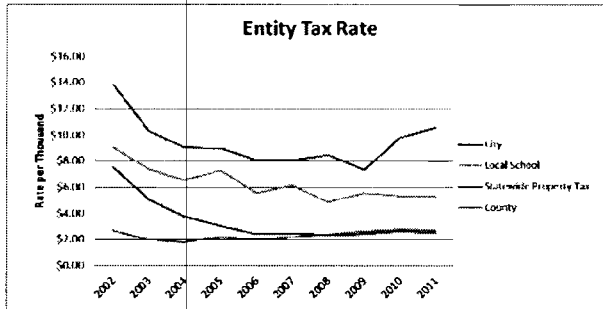
The amended tax cap formula is as follows:

| | |
|----------|--|
| | Total Amount of Property Taxes Assessed in the Prior Year As Calculated by Department of Revenue Administration (DRA) |
| X | National Consumer Price Index Average |
| + | Pick-Ups for new construction (as of April 1) |
| X | Prior Year's Tax Rate approved by DRA |
| = | Additional Revenues Allowed to be Raised with Property Taxes |

The city's tax rate is set by the New Hampshire Department of Revenue Administration. The total tax rate is comprised of a statewide education property tax assessment, Merrimack County tax assessment and the local municipal and school rates. The Franklin City Council has authority over the school and municipal rate, but not the statewide property tax rate or the county tax rate.



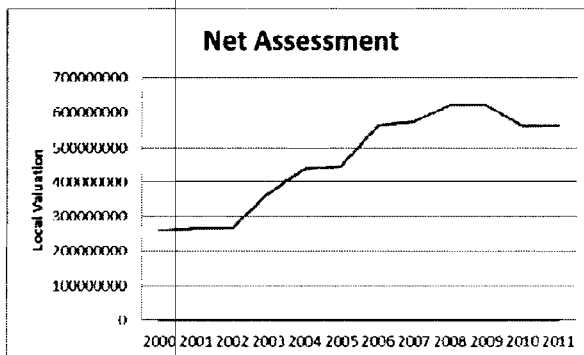
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The total city tax commitment as opposed to the city's gross budget reflects how much taxes were raised as a result of changes in the gross budget and property assessment.

| Fiscal Year | Total Taxes | Percentage Change |
|-------------|--------------|-------------------|
| 2002 | \$8,838,708 | 2.1% |
| 2003 | \$9,144,701 | 3.5% |
| 2004 | \$9,483,601 | 3.7% |
| 2005 | \$10,090,189 | 6.4% |
| 2007 | \$10,724,152 | 6.3% |
| 2008 | \$11,038,643 | 2.9% |
| 2009 | \$11,018,539 | 0.0% |
| 2010 | \$11,391,420 | 3.4% |
| 2011 | \$11,735,093 | 3.0% |

The City's net valuation, or the taxable assessment on both land and buildings used to establish the tax rate, was \$563,925,990 in fiscal year 2011. The City has essentially maintained its valuation over the previous year where there was decreases for all property as a result of the housing market correction experienced by the entire Country.



Economics

The City of Franklin is at the confluence of the Pemigewasset and Winnepesaukee Rivers, forming the headwater for the Merrimack River. In its prime, Franklin was a thriving mill city with numerous factories. After the last of the large mills closed in the 1970's, the community is striving to reinvent itself.

As New Hampshire growth trends from south to north, Franklin has become more attractive to retirees and commuters seeking affordable homes within convenient driving distances to southern tier employers. Interest in Franklin's historic housing stock, proximity to Interstate 93, and other Lake Region recreation destinations has renewed interest in the community and drawn attention to revitalizing its main street corridor. The community promotes a stabilized tax rate, access to various recreation amenities, and its historic downtown.

The City welcomes Big Cat Coffee who purchased the old Freudenberg-NOK building. In addition, the City has seen interest in another industrial park building (old Polyclad). These changes are a welcome addition to the once stagnant but now growing industrial park. In addition, there has been renewed commercial interest in other City owned properties.

Franklin City Mayor, Ken Merrifield, was instrumental in securing a 5 year \$625,000 federal drug free communities program grant and developing the Franklin Mayor's Drug Task Force to address underage drinking and illegal drug problems that plague many U.S. communities to make Franklin a safer community. Franklin City Council approved the acceptance of \$784,000 in federal earmark grants to improve the downtown area. Bids are currently out on this project with construction expected to start in early July 2012.

As expected, residential growth has remained flat after the sharp decrease last year as a result of the nationwide downturn in the housing markets. However, slight growth did occur as both retirees and commuting professionals seek property tax stability, a commutable location to southern tier employers, affordable housing stock, and recreational access. The City experienced foreclosures similar to the nationwide trend.

As expected, the City has experienced an increase in need for welfare. The City continuously works to assist people in getting into the correct programs in order to minimize City exposure. This area will continue to be monitored closely in fiscal year 2012.

Water and Sewer Rates

The City has continued efforts to improve the quality and delivery of water. In FY09, the City had received 49% grant funding (\$3,555,000) through USDA Rural Development utilizing American Recovery & Reinvestment Act of 2009 funding for the construction of a water treatment facility that will significantly reduce the iron and manganese in the city's drinking water causing various aesthetic and mechanical issues. The city secured funding (\$3,345,000) through the state drinking water revolving fund for the remainder of the project. By the end of fiscal year 2011, the City is well underway is the construction portion of this project.

Ongoing water meter replacement program continues in order to replace old, faulty and stop meters often preventing the city from obtaining valid water usage information. Some aging water equipment was replaced in the current fiscal year.

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Management's Discussion and Analysis
Fiscal Year Ended June 30, 2011

The City septage is treated by the Winnepesaukee River Basin Program (WRBP); a state owned and operated facility. Users of the municipal sewer system pay a shared assessment for the operation and maintenance of WRBP treatment and collection system. The WRBP is approximately 76% of the City's current sewer budget. Although some capital improvement expenditures have been passed on to the City by the WRBP, several large capital improvements are expected in the coming years that will impact the rate payer. The City participates in the advisory board for the WRBP which works with NHDES to review budget operations and capital projects of the program. Due to the age of WRPB facilities, the advisory board has been more active in issues facing the WRBP.

All of the above factors were considered in preparing the City of Franklin's budget for the 2012 fiscal year.

Water rates remained constant for fiscal 2012 budget year as increases were made to support capital projects during the previous budget years as discussed in FY08 financial statements. Sewer rates were increased for the 2012 budget year by 10.28% (or \$.54 per 100 gallons) for all customers. These rate increases were necessary to finance increased operating expenses and debt service on the Winnepesaukee River Basin Program.

Requests for Information

This financial report is designed to provide a general overview of the City of Franklin's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Judie Milner, Finance Director, City of Franklin, Finance Office, 316 Central Street Franklin, NH 03235.

City of Franklin, New Hampshire
Statement of Net Assets
June 30, 2011

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|----------------------|
| ASSETS | | | |
| Assets | | | |
| Cash and equivalents | \$ 7,269,679 | \$ - | \$ 7,269,679 |
| Investments | 2,615,264 | - | 2,615,264 |
| Receivables, net of allowances for uncollectables | | | |
| Taxes | 1,621,553 | - | 1,621,553 |
| Accounts | 287,300 | 538,088 | 825,389 |
| Intergovernmental receivable, current | 1,584,561 | 204,704 | 1,789,265 |
| Internal Balances | (1,261,576) | 1,261,576 | - |
| Prepaid items | 26,541 | - | 26,541 |
| Inventory | 46,052 | 51,331 | 97,383 |
| Tax deeded property, subject to resale | 397,344 | - | 397,344 |
| Other Assets | 5,784 | - | 5,784 |
| Capital assets not being depreciated | | | |
| Monuments | 61,000 | - | 61,000 |
| Land | 905,806 | 49,399 | 955,205 |
| Construction in progress | 206,228 | 3,236,077 | 3,442,305 |
| Capital assets, net of accumulated depreciation | | | |
| Land improvements | 181,191 | - | 181,191 |
| Buildings and improvements | 12,797,270 | 84,484 | 12,881,754 |
| Machinery, equipment, and vehicles | 2,938,553 | 335,101 | 3,273,654 |
| Infrastructure | 1,425,403 | 8,529,981 | 9,955,384 |
| Total assets | <u>31,107,954</u> | <u>14,290,740</u> | <u>45,398,694</u> |
| LIABILITIES | | | |
| Classified Liabilities | | | |
| Accounts Payable | 1,239,876 | 46,179 | 1,286,056 |
| Accrued payroll and benefits | 164,332 | 6,504 | 170,836 |
| Contracts payable | 97,918 | - | 97,918 |
| Retainage payable | - | - | - |
| Accrued interest payable | 19,647 | 30,924 | 50,571 |
| Intergovernmental payable | 870 | - | 870 |
| Unearned revenues | 5,924,465 | 133,446 | 6,057,911 |
| Noncurrent liabilities: | | | |
| Due within one year: | | | |
| Bonds | 557,105 | 105,000 | 662,105 |
| Notes | - | 3,044,881 | 3,044,881 |
| Leases | 176,687 | - | 176,687 |
| Landfill postclosure care costs | 10,244 | - | 10,244 |
| Compensated absences | 208,965 | 19,705 | 228,670 |
| Other post employment benefits | 594,519 | - | 594,519 |
| Due in more than one year: | | | |
| Bonds, long term | 4,784,476 | 155,000 | 4,939,476 |
| Compensated absences | 184,328 | - | 184,328 |
| Notes, long term | - | 633,791 | 633,791 |
| Leases | 656,724 | - | 656,724 |
| Landfill postclosure care, long term | 205,492 | - | 205,492 |
| Total Liabilities | <u>14,825,648</u> | <u>4,175,431</u> | <u>19,001,079</u> |
| NET ASSETS | | | |
| Net Assets | | | |
| Invested in capital assets, net of related debt | 12,737,803 | 8,296,369 | 21,034,172 |
| Restricted net assets | 2,263,442 | 262,510 | 2,525,952 |
| Unrestricted | 1,281,061 | 1,556,430 | 2,837,491 |
| Total net assets | <u>\$ 16,282,306</u> | <u>\$ 10,115,309</u> | <u>\$ 26,397,615</u> |

The accompanying notes to the basic financial statements are an integral part of this statement.

DRAFT - For Discussion Purposes Only
Statement B

City of Franklin, New Hampshire
Statement of Activities
For the Fiscal Year Ended June 30, 2011

| | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | |
|--|----------------------|------------------------------------|----------------------------------|---|--------------------------|----------------|
| | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | Total |
| Primary government: | | | | | | |
| Primary government | | | | | | |
| Governmental activities: | | | | | | |
| General Government | \$ 1,555,020 | \$ 8,411 | \$ - | \$ (1,546,609) | | \$ (1,546,609) |
| Public Safety | 4,354,263 | 373,989 | 123,396 | (3,856,878) | | (3,856,878) |
| Highways and streets | 1,590,069 | 3,371 | 205,308 | (1,381,390) | | (1,381,390) |
| Sanitation | 792,672 | 209,265 | - | (583,407) | | (583,407) |
| Health | 117,030 | - | 71,589 | (45,441) | | (45,441) |
| Welfare | 178,657 | 2,204 | - | (176,453) | | (176,453) |
| Culture and recreation | 658,335 | 106,497 | 17,550 | (534,288) | | (534,288) |
| Conservation | 320 | - | - | (320) | | (320) |
| Economic Development | 46,050 | - | - | (46,050) | | (46,050) |
| School | 15,335,463 | 950,265 | 9,767,600 | (4,617,598) | | (4,617,598) |
| Interest on long term debt | 53,511 | - | - | (53,511) | | (53,511) |
| Capital Outlay | - | - | - | - | | - |
| Total governmental activities: | 24,681,390 | 1,654,002 | 10,185,443 | (12,841,945) | | (12,841,945) |
| Business-type activities: | | | | | | |
| Water operations | 975,121 | 1,273,757 | 4,000 | | \$ 302,636 | 302,636 |
| Sewer operations | 971,011 | 1,239,853 | 6,014 | | 274,855 | 274,855 |
| Total business-type activities | 1,946,132 | 2,513,609 | 10,014 | | 577,491 | 577,491 |
| Total primary government | 26,627,522 | 4,167,611 | 10,195,457 | (12,841,945) | 577,491 | (12,264,454) |
| General Revenues: | | | | | | |
| Property Taxes | | | | 10,118,764 | | 10,118,764 |
| Other Taxes | | | | 318,858 | | 318,858 |
| Licenses and Permits | | | | 972,158 | | 972,158 |
| Grants Not Restricted to Specific Programs | | | | 546,986 | | 546,986 |
| Interest Earnings | | | | 70,068 | | 70,068 |
| Change in Fair Market Value | | | | 271,608 | | 271,608 |
| Miscellaneous | | | | 220,708 | | 220,708 |
| Transfers - Internal Activity | | | | - | | - |
| Total General Revenues | | | | 12,519,149 | | 12,519,149 |
| Change in Net Assets | | | | (322,796) | 577,491 | 254,695 |
| Net Assets - Beginning, as restated | | | | 16,605,102 | 9,537,818 | 26,142,920 |
| Net Assets - Ending | | | | \$ 16,282,306 | \$ 10,115,309 | \$ 26,397,615 |

The accompanying notes to the basic financial statements are an integral part of this statement.

City of Franklin, New Hampshire
Balance Sheet
Governmental Funds
June 30, 2011

| | General | Capital Projects | Other Governmental Funds | Total Governmental Funds |
|---|----------------------|---------------------|--------------------------------|--------------------------------|
| ASSETS | | | | |
| Cash and equivalents | \$ 6,930,548 | \$ 100 | \$ 339,031 | 7,269,679 |
| Investments | 742,557 | - | 1,872,707 | 2,615,264 |
| Receivables, net of allowances for uncollectables | | | | |
| Taxes | 1,621,553 | - | - | 1,621,553 |
| Accounts | 270,672 | - | 945 | 271,617 |
| Intergovernmental receivable | 166,874 | 897,093 | 163,750 | 1,227,717 |
| Interfund receivable | 743,923 | - | 87,093 | 831,017 |
| Prepaid items | 26,541 | - | - | 26,541 |
| Inventory | 237 | - | 13,759 | 13,996 |
| Other Assets | \$ 5,784 | \$ - | \$ - | 5,784 |
| Total assets | <u>\$ 10,508,689</u> | <u>\$ 897,193</u> | <u>\$ 2,477,285</u> | <u>13,883,168</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Classified Liabilities | | | | |
| Accounts payable | \$ 538,827 | \$ 172,815 | \$ 528,235 | 1,239,876 |
| Accrued payroll and benefits | 113,407 | - | 5,336 | 118,743 |
| Contracts payable | - | - | - | - |
| Retainage payable | - | 97,918 | - | 97,918 |
| Intergovernmental payable | 870 | - | - | 870 |
| Interfund payable | 1,357,052 | 626,461 | 117,463 | 2,100,976 |
| Deferred revenues | 5,916,547 | - | 7,918 | 5,924,465 |
| Total liabilities | <u>7,926,703</u> | <u>897,193</u> | <u>658,951</u> | <u>9,482,848</u> |
| Fund balances: | | | | |
| Nonspendable: | 26,778 | - | 1,107,344 | 1,134,122 |
| Restricted: | - | - | 503,952 | 503,952 |
| Committed: | 445,108 | - | 61,792 | 506,900 |
| Assigned: | 218,077 | - | 145,245 | 363,322 |
| Unassigned | 1,892,023 | - | - | 1,892,023 |
| Total fund balances | <u>2,581,986</u> | <u>-</u> | <u>1,818,334</u> | <u>4,400,320</u> |
| Total liabilities and fund balances | <u>\$ 10,508,689</u> | <u>\$ 897,193</u> | <u>\$ 2,477,285</u> | <u>\$ 13,883,168</u> |

The accompanying notes to the basic financial statements are an integral part of this statement.

City of Franklin, New Hampshire
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Assets
June 30, 2011

| | |
|---|----------------------|
| Total Fund Balances - Governmental Funds | \$ 4,400,320 |
| Amounts reported for governmental activities in the Statement of Net Assets are different because: | |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation. | 18,515,452 |
| Certain long term assets are not available to pay for current fund liabilities and, therefore, are deferred in the funds: | |
| Tax Deeded Property | 397,344 |
| Receivables from individuals | 6,785 |
| Receivables from other governments | 356,844 |
| Internal service funds are used by management to account for fuel, gasoline and diesel, used by City vehicles. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Assets. | |
| | 49,338 |
| Certain long term liabilities are not due and payable from current financial resources and, therefore, are not reported in the funds: | |
| Accrued interest payable | (65,236) |
| Due to other governments | - |
| Capital lease obligations payable | (833,411) |
| General obligation bonds payable | (5,341,581) |
| Landfil postclosure Costs | (215,736) |
| Accrued compensated absences | (393,293) |
| Other post employment benefits | (594,519) |
| Deferred revenue | - |
| | (7,443,777) |
| Total Net Assets - Governmental Activities | \$ 16,282,306 |

The accompanying notes to the basic financial statements are an integral part of this statement.

City of Franklin, New Hampshire
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2011

| | General | Capital Projects | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|---------------------|--------------------------------|--------------------------------|
| Revenues: | | | | |
| Taxes | \$ 10,437,621 | \$ - | \$ - | \$ 10,437,621 |
| Licenses and Permits | 972,158 | - | - | 972,158 |
| Intergovernmental | 10,179,449 | 19,122 | 505 | 10,199,076 |
| Charges for Services | 1,462,680 | - | 725,875 | 2,188,555 |
| Miscellaneous | 246,767 | - | 6,057 | 252,824 |
| Interest | 31,792 | - | 38,276 | 70,068 |
| Change in fair market value | - | - | 271,608 | 271,608 |
| Total Revenues | 23,330,468 | 19,122 | 1,042,321 | \$ 24,391,910 |
| Expenditures: | | | | |
| General Government | 1,337,395 | - | 8,718 | 1,346,113 |
| Public Safety | 4,148,826 | - | 6,214 | 4,155,039 |
| Highways and Streets | 1,497,640 | - | - | 1,497,640 |
| Sanitation | 920,963 | - | - | 920,963 |
| Health | 117,030 | - | - | 117,030 |
| Welfare | 178,568 | - | - | 178,568 |
| Culture and Recreation | 239,911 | - | 372,760 | 612,671 |
| Conservation | - | - | 320 | 320 |
| Economic Development | 46,050 | - | - | 46,050 |
| School | 13,755,327 | - | 671,386 | 14,426,713 |
| Debt Service | 883,046 | - | - | 883,046 |
| Capital Outlay | - | 19,239 | - | 19,239 |
| Total Expenditures | 23,124,755 | 19,239 | 1,059,397 | 24,203,391 |
| Excess of Revenues Over Expenditures | 205,713 | (117) | (17,077) | 188,519 |
| Other Financing Sources (Uses): | | | | |
| Transfers In | 3,005 | 2,742,684 | 376,216 | 3,121,905 |
| Transfers Out | (322,293) | (2,742,684) | (56,927) | (3,121,905) |
| Total Other Financing Sources(Uses) | (319,288) | - | 319,288 | 0 |
| Net Change in Fund Balances | (113,576) | (117) | 302,212 | 188,519 |
| Fund Balances, Beginning as restated | 2,695,562 | 117 | 1,516,122 | 4,211,801 |
| Fund Balances, Ending | \$ 2,581,986 | \$ - | \$ 1,818,334 | \$ 4,400,320 |

The accompanying notes to the basic financial statements are an integral part of this statement.

City of Franklin, New Hampshire
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2011

| | | |
|---|-----------|------------------|
| Total Net Change in Fund Balances - Governmental Funds | \$ | 188,519 |
| <p>Amounts reported for governmental activities in the Statement of Activities are different because:</p> | | |
| <p>Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:</p> | | |
| Capital asset purchases capitalized | | 336,637 |
| Loss on disposal of capital assets | | - |
| Depreciation expense | | (1,208,601) |
| | | (871,964) |
| <p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:</p> | | |
| Tax Deeded Properties | | (510) |
| Deferred revenue | | - |
| Accounts receivable | | (1,200) |
| | | (1,710) |
| <p>Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long term liabilities in the Statement of Net Assets. Repayment of debt principle is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the Statement of Net Assets:</p> | | |
| Capital lease proceeds received | | - |
| Capital lease obligation principle payments | | 193,356 |
| General obligation bond principle payments | | 506,158 |
| | | 699,514 |
| <p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:</p> | | |
| Transfer to enterprise funds | | - |
| Accrued interest payable | | 12,017 |
| Landfill postclosure | | 8,249 |
| Accrued compensated absences | | 19,728 |
| Severance bonus provision | | (184,328) |
| Other post employment benefits | | (192,072) |
| | | (336,405) |
| <p>Internal Services Funds are used by management to account for the cost of fuel charged to individual departments. The net revenue (expense) of the internal service funds is reported with governmental activities.</p> | | |
| | | (749) |
| Change in Net Assets of Governmental Activities | \$ | (322,796) |

The accompanying notes to the basic financial statements are an integral part of this statement.

City of Franklin, New Hampshire
Statement of Net Assets
Proprietary Funds
June 30, 2011

| | <u>Enterprise Funds</u> | | Total Enterprise Funds | Governmental Activity - Fuel Depot Internal Service Fund |
|--|-------------------------|---------------------|---------------------------------------|---|
| | Water | Sewer | | |
| ASSETS | | | | |
| Current Assets: | | | | |
| Accounts Receivable, Net of Allowance for Uncollectible | \$ 256,730 | \$ 281,359 | \$ 538,088 | \$ 8,898 |
| Intergovernmental Receivable | - | 204,704 | 204,704 | - |
| Interfund Receivable | 1,002,387 | 259,188 | 1,261,576 | 8,383 |
| Inventory | 49,631 | 1,700 | 51,331 | 32,056 |
| Total Current Assets | 1,308,748 | 746,951 | 2,055,699 | 49,338 |
| Noncurrent Assets: | | | | |
| Capital Assets: | | | | |
| Land | 49,399 | - | 49,399 | - |
| Construction in Progress | 3,236,077 | - | 3,236,077 | - |
| Buildings | 111,209 | - | 111,209 | 70,737 |
| Accumulated Depreciation, Buildings | (26,725) | - | (26,725) | (70,737) |
| Machinery and Equipment | 416,891 | 171,477 | 588,367 | - |
| Accumulated Depreciation, M&E | (208,185) | (45,081) | (253,267) | - |
| Infrastructure | 9,376,564 | 2,764,057 | 12,140,621 | - |
| Accumulated Depreciation, Infra | (3,170,513) | (440,128) | (3,610,641) | - |
| Total Capital Assets, Net | 9,784,717 | 2,450,324 | 12,235,041 | - |
| Total Assets | 11,093,465 | 3,197,275 | 14,290,740 | 49,338 |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts Payable | 44,822 | 1,357 | 46,179 | - |
| Accrued Payroll and Benefits | 4,474 | 2,031 | 6,504 | - |
| Accrued Interest Payable | 14,908 | 16,015 | 30,924 | - |
| Interfund Payable | - | - | - | - |
| Unearned Revenue | 192 | 133,254 | 133,446 | - |
| General Obligation Debt Payable, Current: | | | | |
| Notes and Bonds | 3,104,001 | 45,880 | 3,149,881 | - |
| Compensated Absences | 14,186 | 5,519 | 19,705 | - |
| Total Current Liabilities | 3,182,584 | 204,056 | 3,386,640 | - |
| Noncurrent Liabilities: | | | | |
| General Obligation Bonds Payable | 127,500 | 27,500 | 155,000 | - |
| General Obligation Notes Payable | - | 633,791 | 633,791 | - |
| Total Noncurrent Liabilities | 127,500 | 661,291 | 788,791 | - |
| Total Liabilities | 3,310,084 | 865,347 | 4,175,431 | - |
| NET ASSETS: | | | | |
| Invested in Capital Assets, Net of Related Debt | 6,553,215.45 | 1,743,154 | 8,296,369 | - |
| Restricted | 223,056 | 39,454 | 262,510 | - |
| Unrestricted | 1,007,109 | 549,321 | 1,556,430 | 49,338 |
| Total Net Assets | \$ 7,783,380 | \$ 2,331,929 | \$ 10,115,309 | \$ 49,338 |

The accompanying notes to the basic financial statements are an integral part of this statement.

City of Franklin, New Hampshire
Statement of Revenues, Expenditures, and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

| | <u>Enterprise Funds</u> | | Total Enterprise Funds | Governmental Activity - Fuel Depot Internal Service Fund |
|--|-------------------------|-----------------------|---------------------------------------|---|
| | Water Fund | Sewer Fund | | |
| Operating revenues: | | | | |
| User Charges | \$ 1,263,081 | \$ 1,239,652 | \$ 2,502,732 | \$ 256,988 |
| Miscellaneous | 14,676 | - | 14,676 | - |
| Grants | - | 6,215 | 6,215 | - |
| Sale of Municipal Property | - | - | - | - |
| Total operating revenues | 1,277,757 | 1,245,867 | 2,523,623 | 256,988 |
| Operating expenses: | | | | |
| Salaries, wages and benefits | 408,786 | 119,067 | 527,853 | - |
| Purchased services, professional and technical | 7,427 | 6,059 | 13,486 | 101 |
| Purchased services, property and miscellaneous | 347,452 | 792,611 | 1,140,063 | 257,636 |
| Depreciation | 190,332 | 32,821 | 223,153 | - |
| Total operating expenses | 953,997 | 950,558 | 1,904,556 | 257,737 |
| Operating income (loss) | 323,760 | 295,308 | 619,068 | (749) |
| Nonoperating revenues (expenses): | | | | |
| Interest | (21,124) | (20,453) | (41,577) | - |
| Capital contributions | - | - | - | - |
| Total nonoperating revenues (expenses) | (21,124) | (20,453) | (41,577) | - |
| Income (loss) before transfers | 302,636 | 274,855 | 577,491 | (749) |
| Transfers: | | | | |
| In | 2,742,684 | - | 2,742,684 | - |
| Out | (2,742,684) | - | (2,742,684) | - |
| Total transfers | - | - | - | - |
| Net change in net assets | 302,636 | 274,855 | 577,491 | (749) |
| Net assets, beginning | 7,480,744 | 2,057,073 | 9,537,818 | 50,087 |
| Net assets, ending | \$ 7,783,380 | \$ 2,331,929 | \$ 10,115,309 | \$ 49,338 |

The accompanying notes to the basic financial statements are an integral part of this statement.

DRAFT - For Discussion Purposes Only Statement I

City of Franklin, New Hampshire
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2011

| | Enterprise Funds | | | Governmental |
|---|-------------------|------------------|---------------------------|---|
| | Water Fund | Sewer Fund | Total Enterprise Funds | Activity - Fuel Depot Internal Service Fund |
| Cash Flows from Operating Activities | | | | |
| Receipts from Users | \$ 1,263,081 | \$ 1,239,652 | \$ 2,502,732 | \$ 256,988 |
| Payments to Providers | (953,997) | (950,558) | (1,904,556) | (257,737) |
| Other Receipts (Payments) | (318,502) | (255,615) | (574,116) | 749 |
| Net Cash Provided by (Used in) Operating Activities | (9,418) | 33,479 | 24,061 | - |
| Cash Flows from Noncapital Financing Activities | | | | |
| Transfers from Other Funds | 2,742,684 | - | 2,742,684 | - |
| Transfers to Other Funds | (2,742,684) | - | (2,742,684) | - |
| Net Cash Provided by (Used in) Noncapital Financing Activities | - | - | - | - |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Capital Assets | (2,627,867) | 32,821 | (2,595,046) | - |
| Long Term Debt | 2,658,409 | (45,846) | 2,612,563 | - |
| Interest | (21,124) | (20,453) | (41,577) | - |
| Capital Contributions | - | - | - | - |
| Net Cash Provided by (Used in) Capital and Related Financing Activities | 9,418 | (33,479) | (24,061) | - |
| Net Increase (Decrease) in Cash and Cash Equivalents | (0) | (0) | (0) | - |
| Balances - Beginning of Year | - | - | - | - |
| Balances - End of Year | \$ (0) | \$ (0) | \$ (0) | \$ - |
| Reconciliation of operating income (loss) to net cash provided by operating activities: | | | | |
| Operating Income (Loss) | \$ 323,760 | \$ 295,308 | \$ 619,068 | \$ (749) |
| Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities: | | | | |
| Change in Assets and Liabilities: | | | | |
| Inventory | 3,595 | 119 | 3,713 | (5,918) |
| Receivables, net | 39,669 | (16,747) | 22,923 | 2,312 |
| Deferred Revenue | (743) | (6,639) | (7,381) | - |
| Due from Other Funds | (399,990) | (237,541) | (637,531) | 21,970 |
| Accounts Payable | 20,656 | (3,948) | 16,708 | (17,615) |
| Accrued Payroll | 1,567 | 1,054 | 2,621 | - |
| Due to Other Funds | - | - | - | - |
| Due from Other Governments | - | 60 | 60 | - |
| Accrued Compensated Absences | 2,068 | 1,812 | 3,880 | - |
| Net Cash Provided By (Used in) Operating Activities | \$ (9,418) | \$ 33,479 | \$ 24,061 | \$ - |

The accompanying notes to the basic financial statements are an integral part of this statement.

City of Franklin, New Hampshire
 Statement of Net Assets
 Fiduciary Funds
 June 30, 2011

| | Agency Funds | | | Private Purpose Trust Funds | | |
|------------------------------------|--------------------|--------------------|----------------|-----------------------------|--------------------|----------------|
| | Engineering Escrow | Student Activities | Total | Charity | School Scholarship | Total |
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 61,742 | \$ 140,302 | \$ 202,044 | \$ - | \$ - | \$ - |
| Investments | - | - | - | 186,671 | 654,352 | 841,023 |
| Total Assets | 61,742 | 140,302 | 202,044 | 186,671 | 654,352 | 841,023 |
| LIABILITIES | | | | | | |
| Accounts Payable | 82 | - | 82 | - | - | - |
| Due to Developers | 61,660 | - | 61,660 | - | - | - |
| Due to Student Groups | - | 140,302 | 140,302 | - | - | - |
| Total Liabilities | 61,742 | 140,302 | 202,044 | - | - | - |
| NET ASSETS | | | | | | |
| Held in Trust for Special Purposes | \$ - | \$ - | \$ - | \$ 186,671 | \$ 654,352 | \$ 841,023 |

The accompanying notes to the basic financial statements are an integral part of this statement.

Statement K

City of Franklin, New Hampshire
 Statement of Changes in Net Assets
 Fiduciary Funds
 For the Fiscal Year Ended June 30, 2011

| | Private Purpose Trust Funds | | |
|--|-----------------------------|-----------------------|------------|
| | Charity | School Scholarship | Total |
| ADDITIONS | | | |
| Investment earnings: | | | |
| Interest and dividends | \$ 3,840 | \$ 17,522 | \$ 21,362 |
| Net increase in fair market value of investments | 51,408 | 180,203 | 231,611 |
| New Funds | - | 4,800 | 4,800 |
| DEDUCTIONS | | | |
| Scholarship and charity distributions | 994 | 16,750 | 17,744 |
| Change in net assets | 54,253 | 185,776 | 240,029 |
| Net assets, beginning | 132,418 | 468,576 | 600,994 |
| Net assets, ending | \$ 186,671 | \$ 654,352 | \$ 841,023 |

The accompanying notes to the basic financial statements are an integral part of this statement.



CITY OF FRANKLIN, NEW HAMPSHIRE
Fire Department
"The Three Rivers City"

59 West Bow Street • 03235

Tel : (603) 934-2205
FAX: (603) 934-7408

Kevin LaChapelle, Fire Chief

Robert F. Goodearl II, Deputy Chief

Franklin Fire Department Mission Statement

“To preserve life and property while ensuring our members safety and providing the highest level of service to our customers.”

Mayor Ken Merrifield

Ward I Councilors

Councilor Ted Starkweather

Councilor George Dzujna

Councilor Tony Giunta

Ward II Councilors

Councilor Robert Desrochers, Sr.

Councilor Doug Boyd

Councilor Glen Feener

Ward III Councilors

Councilor Charles Cournoyer

Councilor Scott Clarenbach

Councilor Paul Trudel

KEY ADMINISTRATIVE PERSONNEL

NH Department of Health and Human Services
Division of Public Health Services

Agency Name: City of Franklin

Name of Bureau/Section: DHHS / Emergency Services Unit

| BUDGET PERIOD: | | SFY 14 | Date of GC approval - 6/30/14 | |
|---|--|--|--|---|
| Name & Title Key Administrative Personnel | | Annual Salary Of Key Administrative Personnel | Percentage of Salary Paid By Contract | Total Salary Amount Paid By Contract |
| Elizabeth Dragon, City Manager | | \$93,803 | 0.00% | \$0.00 |
| Judie Milner, Finance Director | | \$80,309 | 0.00% | \$0.00 |
| | | \$0 | 0.00% | \$0.00 |
| | | \$0 | 0.00% | \$0.00 |
| | | \$0 | 0.00% | \$0.00 |
| | | \$0 | 0.00% | \$0.00 |
| TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request) | | | | \$0.00 |

| BUDGET PERIOD: | | SFY 15 | 7/1/14 - 8/31/14 | |
|---|--|--|--|---|
| Name & Title Key Administrative Personnel | | Annual Salary Of Key Administrative Personnel | Percentage of Salary Paid By Contract | Total Salary Amount Paid By Contract |
| Elizabeth Dragon, City Manager | | \$93,803 | 0.00% | \$0.00 |
| Judie Milner, Finance Director | | \$80,309 | 0.00% | \$0.00 |
| | | \$0 | 0.00% | \$0.00 |
| | | \$0 | 0.00% | \$0.00 |
| | | \$0 | 0.00% | \$0.00 |
| | | \$0 | 0.00% | \$0.00 |
| TOTAL SALARIES (Not to exceed Total/Salary Wages, Line Item 1 of Budget request) | | | | \$0.00 |

Key Administrative Personnel are top-level agency leadership (President, Executive Director, CEO, CFO, etc), and individuals directly involved in operating and managing the program (project director, program manager, etc.). These personnel **MUST** be listed, **even if no salary is paid from the contract**. Provide their name, title, annual salary and percentage of annual salary paid from agreement.

Elizabeth A. Dragon, C.P.M

- City Manager** June 2008-present City of Franklin Franklin, NH
- General management of the administration of the City and all departments thereof, the preparation of reports and information deemed necessary by the City Council, the attendance at all meetings of the City Council, whether formal meetings or “work sessions”, the attendance at all meetings of committees and subcommittees of the council, at the request of the Chair person of such committees. Supervises the administrative affairs of the City and carries out the policies enacted by the council. Charged with preservation of the public peace and health and safety of persons and property. Enforces ordinances of the City, the charter, and laws of the state. Informs the council of the condition and needs of the city and make reports and recommendations.
- Town Manager** Oct 2006-June 2008 Town of Bristol Bristol, NH
- Supervises all administrative functions of Town municipal operations. Organizes, continues, or discontinues, from time to time, such departments as the selectmen may from time to time determine. Appoints, upon merit and fitness alone, and removes, all subordinate officers and employees under her control, and to fix their compensation. Attends such regular or special meetings of the selectmen as they shall require. Keeps the selectmen fully advised as to the needs of the town, within the scope of her duties, and to furnish them a careful detailed estimate in writing of the probable expenditures of the town government for the ensuing year.
- Town Administrator** 2001-Oct 2006 Town of Plymouth Plymouth, NH
- Supervises all administrative functions of Town municipal operations under the direction of the Board of Selectmen. This includes, but is not limited to Town Hall office operations; municipal human resource policies and performance management; financial oversight of municipal budget; cognizance and compliance of the tax assessment process; line management of other Town Departmental operations; guides strategic planning, community planning, economic development activities; ensures enforcement of ordinances, regulations and agreements of the Town; supports other elected Town officials, appointed boards and committees; ensures timely inspections and maintenance of municipal structures, equipment, cemeteries, parks and public infrastructure.
- Finance/Personnel Officer** 1998-May 2001 Town of Plymouth Plymouth, NH
- Prepared and controlled maintenance of all Town accounting, payroll records; accounts receivable and accounts payable. Duties were performed independently. Work was reviewed through internal and external audits. Performed Town Administrator duties in his/her absence or as requested. Supervised and evaluated Financial Assistant.
- Accountant** 1993-1998 L.W. Packard & Co. Inc. Ashland, NH
- Performed a wide variety of general accounting duties.

Elizabeth A. Dragon, C.P.M

Lifelong Learning

- Leadership, Management and the key role of performance measurement
- Essentials of Risk Management for Supervisors
- Preventing workplace harassment & discrimination
- State Govt: Power, Authority, Structure & Legislative Process
- Applied Management Techniques
- Effective Speaking and Presentation Dynamics
- Using numbers to persuade and Inform
- Budget Development & Administration
- Hiring Practices
- Documenting Employee Performance
- Overview of the FLSA
- Workplace Issues in the Electronic Age
- Overview of Public Sector Labor Law
- Sexual Harassment/Hostile Work Environment

Formal Education

| | | |
|---|------|--|
| Certified Public Managers Program Public Management | 2002 | NH Division of Personnel |
| Bachelors Degree Accounting | 1995 | New Hampshire College Evening Division Laconia, NH |
| Associate Degree Accounting | 1992 | New Hampshire Technical Laconia, NH |

Civic Involvement and Associations

- NH Government Finance Officers Assoc. (11 yrs)
- New Hampshire Municipal Manager's Association (9yrs)*currently president*
- New Hampshire Municipal Advocacy Committee-appointed Nov 2005
- ICMA-International City Managers Association-appointed May 2005
- New Hampshire Municipal Managers Association Executive board-appointed Nov 2007
- Lakes Region Planning Commission (TAC & Brownsfield)-appointed 2008
- Capital regional development Corporation (CRDC)- appointed 2009
- Franklin Mayor's Drug and Alcohol abuse task force-Project Director-appointed 2009-
- Choose Franklin Advisory board-appointed 2008
- Franklin Business Industrial Corp executive board (FBIDC)

Software Experience

Microsoft Office, Windows XP operating system, Business Management Systems Inc. (Fund accounting & payroll)

Skills

Highly motivated team player with excellent analytical and communication skills. Adept at public relations, formal presentations, and handling multiple priorities under strict deadlines.

Judith A. Milner

Highlights of Qualifications:

- Strong analytical skills; adept at identifying and solving problems
- Equally effective working independently or enthusiastically contributing to a team effort
- Able to handle the unexpected with confidence, expertise, and grace
- Highly motivated, reliable, confident, and committed to professional standards
- Software proficiency in Microsoft Office; Windows; Unix; Accufund & MUNIS accounting

Recent Employment Achievements:

1/09-present *City of Franklin, New Hampshire* **Finance Director (Finance Office)**

Responsible for recognizing, developing, directing and maintaining financial policy and internal control environment for the City in compliance with applicable promulgation and statute; supervises the daily operations of the finance office; produces financial reporting, including the City's dependent school district, in compliance with generally accepted accounting principles (GAAP) achieving an unqualified audit opinion; implement all GASB (Governmental Accounting Standards Board) statements and pronouncements; ensure external financial reporting and compliance with grant requirements for all City grants; coordinate annual financial, A-133, worker's compensation, compliance and other audits; orchestrate the tax rate setting process including applicable reporting for the City and the City's dependent school district; provide reliable data, reporting, assistance and recommendations to City management team including peer directors, City Manager, City Finance Committee, Joint City/School Finance Committee and City Council; develops annual budget and payroll projections for City; assists and recommends solutions to come under the City's annual tax cap; participates in all steps of annual budget process from committee meetings and Council adoption; ensure the prudent investment of City funds; provides support for the trustees of trust funds and library trustees through recordkeeping and financial reporting; provides assistance with competitive bidding and procurement; actively seeks and implements streamlining and cost saving measures; facilitates long term borrowing; writes financial related resolutions for adoption by City Council; supports Welfare Director in her absence; fulfills role of City Manager in her absence.

3/99-1/09 *Rockingham County, Brentwood NH* **Accounting Manager (Finance Office)**

Responsible for ensuring compliance with generally accepted accounting principles (GAAP) in the practices of all County divisions; successfully orchestrate and oversee implementation of all GASB (Governmental Accounting Standards Board) statements and pronouncements; led transition to fully accrual accounting under GASB Statement 34 which bridged the gap between governmental and corporate financial reporting; coordinate external financial, A-133 and Medicaid audits; audit, document, and ensure compliance with internal control procedures, unqualified audit opinion, and maintaining that opinion for the last six years; develop, draft, and implement financial and office policies and procedures; play an integral part of the sound financial practices which contributed to the County receiving Moody's highest short-term credit rating for last three years and maintaining the long-term credit rating while other similar governmental agencies' ratings deteriorated; train office members in proper accounting practices; develop and present finance/budgeting workshops for all County divisions; system administrator for County accounting software; develops and prepares Crystal Reports for

Judith A. Milner

decision making; report to Board of Commissioners, Executive Committee and County Delegation; supervises staff in absence of Finance Officer.

12/94-3/99 ***Rockingham County, Brentwood NH***
Associate Accounting Analyst (Finance Office)

Prepared budgetary analyses and projections; developed accounting policies and procedures; provided accounting support as integral member of Finance Office; supervised accounting and payroll staff in absence of Finance Officer and Accounting Manager; administered MUNIS accounting software, Unix file server, and Novell network for office and County; effectively communicated with all other County divisions and various outside agencies; analyzed/reconciled various budget, revenue, and balance sheet accounts.

Education/Professional Development:

- ❖ B.S., Accounting (Cum Laude), New Hampshire College (now SNHU)
- ❖ Passed Certified Public Accountant Examination
- ❖ Certificate of Professional Achievement, Telecommunications Systems Technology, Northeastern University
- ❖ Treasurer, New Hampshire Government Finance Officers Association
- ❖ Treasurer, Winnisquam Regional Middle School Parent Teacher Organization
- ❖ Regularly attend continuing education related to accounting

Activities/Interests:

- Gardening, quilting, farming, hiking, camping, swimming, boating

~ References attached ~