ROCKINGHAM PLANNING COMMISSION

156 Water Street, Exeter, NH 03833
Tel. 603-778-0885 ◆ Fax: 603-778-9183
email@rpc-nh.org ◆ www.rpc-nh.org

MEETING NOTICE AND AGENDA
EXECUTIVE COMMITTEE MEETING
Wednesday December 15th, 2010
6:00 PM
RPC Conference Room
156 Water Street, Exeter NH

NOTE: we will plan to have the usual light supper and some holiday extras available at 5:30, so come a little early if you can.

6:00 I. Open Meeting; quorum determination; voting status of Alternates present

6:05 II. Approval of Minutes from October 27th, 2010 **MOTION TO APPROVE** *[Attachment 1]*

6:10 III. Auditor's Report - *Sheryl Stevens-Burke,CPA MST - Melanson Heath & Company, PC*

A. FY 2010 Financial Audit and Federal Single Audit Presentation and Review/Action *[Attachment 2A; 2B]*

- *Questions/Discussion*

- Action: **MOTION TO ACCEPT**

B. FY 2010 RPC Indirect Cost Rate Report
(adjustment for FY 2010 & budget implications)

6:40 IV. Status of Action Items from previous Meeting

6:45 V. Communications

6:50 VI. Financial Report for November 2010 *[Attachment 3]*

7:00 VIII. 457 Retirement Plan Amendments (for compliance with Federal HEART Act of 2008 and WRERA Act of 2009) **MOTION TO ADOPT RESOLUTION** *[Attachment 4]*

7:05 IX. Establishing ICR-Adjustment Holding Account and Updating Checksigner authorizations **MOTION TO APPROVE** *[Attachment 5]*

7:10 X. Membership in Two Transportation Coalition/Advocacy Groups
(Note: these organization doe not assess a fee for membership; joining as members assumes we are in sympathy with their respective missions and policy positions.)
A. New England Rail Coalition (NERC) **MOTION TO RECOMMEND** *[Attachment 6A]*
B. Transportation Solutions New Hampshire (TSNH) **MOTION TO RECOMMEND** *[Attachment 6B]*

7:30 XI. Old & Other Business
A. January Commission/MPO Meeting: location –Brentwood?, agenda
B. Other

XII. Adjourn

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Attachment 1

MINUTES
ROCKINGHAM PLANNING COMMISSION
EXECUTIVE COMMITTEE
October 27, 2010
156 Water Street, Exeter, NH

COMMITTEE MEMBERS PRESENT: P. Griffin (Chairman); W. Bambury (Secretary); B. Brown, B. Goodrich, J. Whitney (Members at Large); B. Kravitz, A. Khan (Alternate)

STAFF PRESENT: C. Sinnott (Executive Director); A. Pettengill (Business Manager)

In Griffin's absence, Brown convened the meeting at 6:10 p.m. Griffin arrived shortly after.

I. Minutes of September 29, 2010

Bambury moved to approve the Minutes of September 29, 2010 as presented; Kravitz seconded. ***SO VOTED***

II. Status of Action Items

Staff recommendation for handling of indirect cost rate funds – to be addressed later in the Agenda; Personnel Committee has not completed annual review of Sinnott.

III. Communications

Coppelman has provided a proxy for voting items on this Agenda; Greenwood was honored by the Kingston Planning Board for 22 years of service to Kingston. Past and present board members, RPC staff, and friends and family were present; UNH has received approval for the second phase of the Broadband contract. RPC staff held a Regional Broadband meeting intended for "end users", however attendance was poor as most people in this region have access to Broadband service; The Capitol Corridor rail corridor will be receiving funding for a planning and engineering study for the rail corridor to Concord.

IV. Financial Report

A. September 2010 Financial: Whitney asked why the payroll processing fee percentage was high and Pettengill explained that an annual fee of $350 for processing was not included in the original budget. Brown asked why very little of the training and workshop line item has been spent. Sinnott stated its partly due to no staff attended the

MPO conference this year. He assured members that the staff is encouraged to attend training conferences.

B. NHDOT/RPC Indirect Cost Rate Adjustment update & recommendation

Sinnott explained that the initial indirect cost rate adjustment was $23,000 and then Pettengill reviewed every invoice for the two year period and found an error that resulted in an additional $4,000. Staff suggests placing the funds aside for future adjustments that may not be in our favor. We would need to set aside the 20% match of whatever amount required. Sinnott has included a guess of $7500 in the Budget amendment to account for any future year shortfall in reconciliation. General consensus was in approval of setting up a savings account to facilitate holding $7500 towards a future year's repayment funds and future deposits for same, as necessary.

V. 2010 Audit Update

Draft Audit to be presented at next Executive Committee meeting.

VI. Personnel Items

A. Establish Transportation Program Manager/Personnel Policy Amendment

Sinnott stated that he would like to promote Dave Walker, Senior Transportation Planner to Transportation Program Manager, however, that position does not exist currently in the Personnel Policies. It would be a new position with a new salary grade also. Walker has been acting as Program Manager capacity already and Sinnott is confident that he deserves the upgrade. Discussion followed on what his salary increase this year would be, given he would be part of a higher salary grade. *Khan moved to recommend to the full Commission to amend the Personnel Policies to include a new position description for Transportation Program Manager; Brown seconded.* ***SO VOTED.***

B. Promotion of Dylan Smith to Sr. Planner

Sinnott noted that Dylan Smith has been promoted to Senior Planner, based on his education and years of actual experience.

VII. Proposed Budget Amendment #1 for FY 2011

Sinnott reviewed funding changes for Amendment #1 including a reduction in the East Kingston Circuit Rider services; actual figures for Targeted Block Grant local projects, additional local contracts for Seabrook Transportation Land Use and Plaistow Hazard Mitigation Plan and Newton transportation project for a roundabout study. He noted that Targeted Block grant funds were reduced from what was originally expected and REPP

funds were deleted from the State budget. The net increase from changes is $54,000. Kravitz noted a change that needs to be made to the column heading. Sinnott also reviewed Table 2 Line Item Budget. He noted that some salary adjustments are accounted for in a 2.5% salary pool increase. Payroll taxes will increase with that change and contracted services will need a 3.5% increase. Indirect cost rate Reserve fund has been added also. Kravitz asked where consultant Walker shows up in this budget and Sinnott explained that she comes under contracted services.

Khan moved to approve Budget Amendment #1 as presented; Bambury seconded. ***SO VOTED.***

VIII. Legislative Policy Committee Report

A. RPC Legislative Policies (adopted 10/31/10): Sinnott noted that the Legislative Committee met prior to this meeting and reviewed the RPC legislative policies. The Committee would like to recommend two minor changes; the first dealing with re-wording the Impact Fee legislation and the second dealing with addressing historic preservation by modifying the policy that already exists to establish broader incentives for historic preservation. An additional change would be to insert "Land Use Planning" in the land use planning items section. Consensus was that these changes should be made.

B. Plans for Legislative Forum: The theme is Large Water Withdrawals and Commissioner Burack was happy he was asked to speak. He suggested that the Study Reports from the Committees be available. Discussion followed regarding the agenda. Griffin to welcome and do introductions; Kravitz to review the RPC Legislative Policies as Acting Chairman of that Committee; Thomas Burack and Judith Spang to review the water withdrawal legislation.

IX. Federal Grant Updates: No updates at this time

X. Old & Other Business

A. January Commission/MPO Meeting: Possibly Brentwood or Kingston; Topics: Access on State Highways Memorandum of Understanding or Laurel Bistany- REDC

B. Other: Pettengill noted that Primex has offered the RPC the ability to extend their current multi-year agreement by one more year for Workers Compensation Insurance. The multi-year agreement currently would end in 2015 and the extension would extend it to 2016 at the same 7.5% discount. *Goodrich moved to authorize the Executive Director to accept the offer of NH Public Risk Management Exchange (Primex) to continue to participate in their multi-year discount agreement to the year 2016; Brown seconded.* ***SO VOTED.***

Kravitz suggested that information on Commissioner's responsibilities to the Metropolitan Planning Organization (MPO) be added to the Bylaws and that a Prospectus be made available online at the RPC website. She offered to draft an addition to the bylaws. Discussion followed on information contained in the MPO Prospectus document and it's availability online.

Khan suggested that it isn't necessary to have Alternate positions on the Executive Committee and that the required number for a quorum be re-evaluated. Whitney and Kravitz agreed to research the quorum requirements.

Meeting adjourned at 7:30 p.m.

Respectfully submitted,

Annette L. Pettengill
Recording Secretary

Action Items:

Research need for Alternates on Exec Committee and
re-evaluate the Committee's quorum requirements;
Add MPO information to RPC Bylaws (Kravitz);
MPO Prospectus available online;
Schedule FY 10 Audit Presentation;
Establish additional bank account for ICR Reconciliation;
Personnel Committee: complete annual review of Exec Director

ATTACHMENT 2 A

ROCKINGHAM PLANNING COMMISSION

Annual Financial Statements

For the Year Ended June 30, 2010

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Rockingham Planning Commission
Exeter, New Hampshire

We have audited the accompanying financial statements of the governmental activities and the major fund of Rockingham Planning Commission, as of and for the year ended June 30, 2010, which comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Rockingham Planning Commission's management. Our responsibility is to express an opinion 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 financial position of the governmental activities and the major fund of Rockingham Planning Commission, as of June 30, 2010, and the changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, appearing on the following pages is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 5, 2010 on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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.

Nashua, New Hampshire
November 5, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Rockingham Planning Commission's (the "Commission"), we offer readers this narrative overview and analysis of the financial activities of the Commission for the fiscal year ended June 30, 2010.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements.

The basic financial statements are comprised of 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 our finances in a manner similar to a private-sector business.

The statement of net assets presents information on all 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 is improving or deteriorating.

The statement of activities presents information showing how the Commission'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., capital assets and related depreciation).

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. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The accounts of the Commission are reported as governmental 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, government 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.

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.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by $ 65,091 (i.e., net assets), a decrease of $ (10,284) in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported an ending fund balance of $ 80,866, a decrease of $ (2,373) in comparison with the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years.

	2010	2009
Current assets	$ 236,854	$ 256,539
Noncurrent assets	13,470	18,115
Total assets	250,324	274,654
Current liabilities	185,233	199,279
Total liabilities	185,233	199,279
Net assets:		
Invested in capital assets	13,470	18,115
Restricted	51,621	57,260
Total net assets	$ 65,091	$ 75,375

CHANGES IN NET ASSETS

	2010	2009
Revenues:		
Program revenues:		
Operating grants and contributions	$ 1,316,306	$ 1,123,571
General revenues:		
Miscellaneous	-	4,733
Total revenues	1,316,306	1,128,304
Expenses:		
Administrative equipment, rental, maintenance and support	-	2,128
Bank service charge	47	31
Depreciation	7,179	8,132
Dues and subscriptions	7,052	5,749
Employee benefits	126,429	130,139
Insurance	6,575	4,477
Legal and professional	12,036	12,560
Miscellaneous	3,808	4,340
Office supplies	11,148	22,224
Payroll taxes	44,560	40,110
Postage	4,454	4,714
Printing and reproduction	5,146	124
Program equipment, rental, maintenance and support	9,804	14,142
Rent	41,628	41,639
Salaries and wages	593,263	542,901
Technical and professional services	418,091	280,429
Telephone	4,831	4,224
Training	11,155	2,894
Travel	13,081	10,149
Utilities	6,303	8,436
Total expenses	1,326,590	1,139,542
Change in net assets	(10,284)	(11,238)
Net assets - beginning of year	75,375	86,613
Net assets - end of year	$ 65,091	$ 75,375

As noted earlier, net assets may serve over time as a useful indicator of financial position. At the close of the most recent fiscal year, total net assets were $ 65,091, a decrease of $ (10,284) from the prior year.

D. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. Total investment in capital assets amounted to $ 13,470 (net of accumulated depreciation), a decrease of $ (4,645) from the prior year. This investment in capital assets includes furniture and equipment and a vehicle.

Additional information on capital assets can be found in the footnotes to the financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Rockingham Planning Commission's finances for all those with an interest in the Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Rockingham Planning Commission

156 Water Street

Exeter, NH 03833

ROCKINGHAM PLANNING COMMISSION

GOVERNMENTAL ACTIVITIES

STATEMENT OF NET ASSETS

JUNE 30, 2010

ASSETS	
Current:	
Cash and short-term investments	$ 25,556
Accounts receivable	206,107
Prepaid expenses	5,191
Noncurrent:	
Capital assets, net of accumulated depreciation	13,470
TOTAL ASSETS	250,324
LIABILITIES	
Current:	
Accounts payable	14,947
Accrued expenses	3,288
Compensated absences	29,245
Deferred revenue	137,753
TOTAL LIABILITIES	185,233
NET ASSETS	
Invested in capital assets, net of related debt	13,470
Restricted	51,621
TOTAL NET ASSETS	$ 65,091

See notes to the financial statements.

ROCKINGHAM PLANNING COMMISSION

GOVERNMENTAL ACTIVITIES

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2010

	Expenses	Program Revenues Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Assets Governmental Activities
Governmental Activities:			
Planning services	$ 1,326,590	$ 1,316,306	$ (10,284)
Total Governmental Activities	$ 1,326,590	$ 1,316,306	(10,284)
	Change in Net Assets		(10,284)
	Net Assets:		
	Beginning of year		75,375
	End of year		$ 65,091

See notes to the financial statements.

ROCKINGHAM PLANNING COMMISSION

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2010

	General Fund
ASSETS	
Cash and short-term investments	$ 25,556
Accounts receivable	206,107
Prepaid expenses	5,191
TOTAL ASSETS	$ 236,854
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	$ 14,947
Accrued expenses	3,288
Deferred revenue	137,753
TOTAL LIABILITIES	155,988
Fund Balance:	
Reserved for prepaids	5,191
Unreserved fund balance	75,675
TOTAL FUND BALANCE	80,866
TOTAL LIABILITIES AND FUND BALANCE	$ 236,854

See notes to the financial statements.

ROCKINGHAM PLANNING COMMISSION

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET ASSETS OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

JUNE 30, 2010

TOTAL GOVERNMENTAL FUND BALANCES	$ 80,866
• Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	13,470
• Long-term liabilities, including accrued vacation time, are not due and payable in the current period and, therefore, are not reported in governmental funds.	(29,245)
NET ASSETS OF GOVERNMENTAL ACTIVITIES	$ 65,091

See notes to the financial statements.

ROCKINGHAM PLANNING COMMISSION

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2010

	General Fund
Revenues:	
Government contracts	$ 1,178,386
Local dues	137,920
Total Revenues	1,316,306
Expenditures:	
Current:	
Bank service charges	47
Dues and subscriptions	7,052
Employee benefits	126,429
Insurance	6,575
Legal and professional	12,036
Miscellaneous	3,808
Office supplies	11,148
Payroll taxes	44,560
Postage	4,454
Printing and reproduction	5,146
Program equipment, rental, maintenance and support	12,339
Rent	41,628
Salaries and wages	589,996
Technical and professional services	418,091
Telephone	4,831
Training	11,155
Travel	13,081
Utilities	6,303
Total Expenditures	1,318,679
Excess (deficiency) of revenues over expenditures	(2,373)
Fund Equity, Beginning of Year	83,239
Fund Equity, End of Year	$ 80,866

See notes to the financial statements.

ROCKINGHAM PLANNING COMMISSION

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2010

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ (2,373)
• Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Depreciation	(7,179)
Purchase of fixed assets	2,534
• Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	(3,266)
CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	$ (10,284)

See notes to the financial statements.

1. Summary of Significant Accounting Policies

The accounting policies of the Rockingham Planning Commission (the "Commission") conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The Rockingham Planning Commission is a special-purpose public agency, established pursuant to New Hampshire RSA 36:45-53, governed by a member elected Board of Commissioners. Its purpose is (1) to provide regional planning services in order to prepare and maintain a coordinated plan for development of the region (taking into account present and future needs) with a view toward encouraging the most appropriate use of land, and (2) to provide technical planning assistance to local governments.

On May 30, 2000, the State of New Hampshire enacted Chapter Law 200:1 (codified in RSA 36) entitled "Regional Planning Commissions" with an effective date of July 29, 2000. The law specifically re-enacts the status of Regional Planning Commissions as "political subdivisions" of the State of New Hampshire. The law also: amends the purpose therein (RSA 36:45); amends the formation and representative of its members (RSA 36:46); and specifically defined its finances (RSA 36:49).

In fiscal year 2010, it was determined that no entities met the required GASB-39 criteria of component units.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Fund Financial Statements
Separate financial statements are provided for governmental funds.

C. *Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

Government-Wide Financial Statements
The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting.* Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Amounts reported as *program revenues* include operating grants and contributions.

Fund Financial Statements
Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

D. *Cash and Short-Term Investments*

Deposits with financial institutions consist of deposits in checking accounts. Investments with original maturities of three months or less are considered to be short-term investments.

E. *Capital Assets*

Capital assets include furniture and equipment. Capital assets are defined by the Commission as assets with an initial individual cost of more than $ 500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property and equipment is depreciated using the straight-line method over the estimated useful lives of the respective assets over a period of three to seven years.

F. Compensated Absences

It is the Commission's policy to permit employees to accumulate earned but unused vacation benefits. All vested vacation pay is accrued when incurred in the government-wide financial statements.

G. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Cash and Short-Term Investments

The carrying amount of the Commission's deposits with financial institutions at June 30, 2010 was $ 25,556. The difference between the carrying amount and the bank balances represent reconciling items such as deposits in transit and outstanding checks, which have not been transmitted by the bank at June 30, 2010. The bank balance is categorized as follows:

Insured by FDIC	$ 87,693
Uninsured and uncollateralized	100
Total Bank Balance	$ 87,793

3. Accounts Receivable

Receivables are comprised of amounts due from federal, state, and local governments for contractual services, as well as local dues from members.

4. Capital Assets

Capital asset activity for the year ended June 30, 2010 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Furniture and equipment and vehicles	$ 154,548	$ 2,534	$ -	$ 157,082
Less accumulated depreciation	(136,433)	(7,179)	-	(143,612)
Total capital assets, being depreciated, net	$ 18,115	$ (4,645)	$ -	$ 13,470

5. Deferred Revenue

Deferred revenue consists of advance receipts for local dues and contracts from member towns and municipalities for the subsequent fiscal year.

6. Line of Credit

At June 30, 2010, the Commission had a revolving line of credit with a bank, due annually on demand, to satisfy working capital requirements. This line of credit is limited to $ 20,000 and is secured by all business assets. The interest rate is one percent over the prime rate ("Prime + 1"). Interest is payable monthly on the outstanding balance. As of June 30, 2010, the Commission had no outstanding balance on the line of credit.

7. Operating Leases

The Commission rents office space under a five year lease agreement ending in August 2013. Annual lease payments totaled $ 41,628 for the year ended June 30, 2010. Under the agreement, lease payments for the first two years will be at a flat rate of $ 41,484, with annual increases of 5% for the three remaining years. Future lease obligations are as follows:

2011	$ 43,327
2012	45,451
2013	45,808
2014	7,635
Total	$ 142,221

8. Restricted Net Assets

The accompanying entity-wide financial statements report restricted net assets when external constraints from grantors or contributors are placed on net assets.

9. Reserves of Fund Equity

"Reserves" of fund equity are established to segregate fund balances which are either not available for expenditure in the future or are legally set aside for a specific future use.

The following types of reserves are reported at June 30, 2010:

Reserved for Prepaids - An account used to segregate that portion of fund balance that is not available because of prepaid expenses at year end.

10. Commitments and Contingencies

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the Commission expects such amounts, if any, to be immaterial.

11. Retirement Plan

Beginning in January 2008, all employees hired prior to July 1, 2003, have the option of participating in a 457b plan. The 457b plan is a non-qualified retirement plan in which contributions are invested in mutual funds subject to market fluctuations. Under this plan, an employee may make salary reduction contributions, not to exceed a statutorily limited percentage. The Commission matches the employee's contribution subject to a maximum of six percent (6%) of the employee's gross compensation. The Commission's matching contribution charged to expense during the year ended June 30, 2010 was $ 23,870.

12. NH Retirement System Pension Plan

Beginning July 1, 2003, the Commission participates in the New Hampshire Retirement System (the "System"), a cost-sharing multiple-employer defined benefit pension plan and trust established in 1967 by RSA 100-A:2 administered by a Board of Trustees. The plan is a contributory plan that provides service, disability, death and vested retirement benefits to members and their beneficiaries. Benefit provisions are established and may be amended by the New Hampshire State Legislature. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to New Hampshire Retirement System, 4 Chenell Drive, Concord, New Hampshire 03301.

The System is funded by contributions from both the employees and the Commission. Per RSA 100:16, plan member contribution rates are established and may be amended by the New Hampshire State Legislature while the employer contribution rates are determined by the System Board of Trustees based on an actuarial valuation. Plan members are required to contribute 5.0% of their covered salary. The Commission's contributions to the System for the years ended June 30, 2010, 2009, and 2008 were $ 26,288, $ 23,112, and $ 25,332, respectively, which were equal its annual required contributions for each of those years.

13. Risk Management

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Commission carries commercial insurance. There were no significant reductions in insurance coverage from the previous year and have been no material settlements in excess of coverage in any of the past three fiscal years.

14. Post-Employment Health Care Insurance Benefits

The Commission was required to implement GASB Statement 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. Statement 45 requires government entities to account for other post-employment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially required contribution as an expense on the statement of revenues, expenses, and changes in net assets when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit. To the extent that an entity does not fund their actuarially required contribution, a post-employment benefit liability is recognized on the Statement of Net Assets over time. However, the Commission does not provide post-employment benefits to retirees; GASB Statement 45 is not applicable.

ATTACHMENT 2 B

ROCKINGHAM PLANNING COMMISSION

Independent Auditors' Reports Pursuant
to Governmental Auditing Standards
and The Single Audit Act Amendments of 1996

For the Year Ended June 30, 2010

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

To the Board of Commissioners
Rockingham Planning Commission
Exeter, New Hampshire

We have audited the financial statements of the governmental activities and the major fund of Rockingham Planning Commission, as of and for the year ended June 30, 2010, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated November 5, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of the section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Nashua, New Hampshire
November 5, 2010

REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Commissioners
Rockingham Planning Commission
Exeter, New Hampshire

Compliance

We have audited the Rockingham Planning Commission's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010. The Commission's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to each of its major federal programs is the responsibility of the Commission's management. Our responsibility is to express an opinion on the Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Commission's compliance with those requirements.

In our opinion, the Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

Management of the Commission is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Commission's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

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

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

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities and the major fund, and the aggregate remaining fund information of the Commission as of and for the year ended June 30, 2010, and have issued our report thereon dated November 5, 2010. Our audit was performed for the purpose of forming our opinions on the financial statements that collectively comprise the Commission's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Nashua, New Hampshire
November 5, 2010

ROCKINGHAM PLANNING COMMISSION

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2010

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal Expenditures
U.S. Department of Commerce - National Oceanic and Atmospheric Administration		
Passed Through State Department of Environmental Services:		
Coastal Zone Management Administration Awards	11.419	$ 52,394
Passed Through Southwest Regional Planning Commission		
State Broadband Data and Development Grant Program	11.558	36,356
Total U.S. Department of Commerce		88,750
U.S. Department of Transportation		
Passed Through State Department of Transportation:		
Highway Planning and Construction	20.205	534,228
Federal Transit Metropolitan Planning Grants	20.505	55,057
Passed Through Southern New Hampshire Planning Commission		
Highway Planning and Construction	20.205	32,880
Passed Through Nashua Regional Planning Commission		
Highway Planning and Construction	20.205	14,390
Total U.S. Department of Transportation		636,555
U.S. Environmental Protection Agency		
Passed Through State Department of Environmental Services:		
Water Quality Management Planning	66.454	30,813
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	234,680
Total U.S. Environmental Protection Agency		265,493
U.S. Department of Homeland Security		
Passed Through State Department of Emergency Management:		
Hazardous Materials Assistance Program	97.021	25,029
Total Federal Expenditures		$ 1,015,827

This schedule was prepared on a modified accrual basis of accounting.

See accompanying report on requirements of OMB Circular A-133.

State identifying numbers were not available for the pass-through grants listed above.

ROCKINGHAM PLANNING COMMISSION

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2010

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	____ yes ✓ no
• Significant deficiencies identified that are not considered to be material weakness(es)?	____ yes ✓ none
Noncompliance material to financial statements noted?	____ yes ✓ no

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	____ yes ✓ no
• Significant deficiencies identified that are not considered to be material weakness(es)?	____ yes ✓ none
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	____ yes ✓ no

Identification of major programs:

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

Dollar threshold used to distinguish between type A and type B programs:	$ 300,000
Auditee qualified as low-risk auditee?	____ yes ✓ no

SECTION II - FINANCIAL STATEMENT FINDINGS

Finding #	Finding/Noncompliance
None.	

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Finding #	Program	Finding/Noncompliance	Questioned Cost
None.			

SECTION IV - SCHEDULE OF PRIOR YEAR FINDINGS

Finding #	Program	Finding/Noncompliance	Questioned Cost
09-2	20.205 Highway Planning and Construction	Consider Implementing Internal Control Improvements (Significant Deficiency) Current Year Status: Resolved.	$ -

11:27 a.m.
12/9/10
Accrual Basis

Rockingham Planning Commission
Financial Statement
Budget vs. Actual
November 2010

	October-10	November-10	July-Nov-10	Annual Budget	Balance	% Budget
Ordinary Income/Expense						
Income						
RESOURCES						
Federal Contracts	$ 17,415	$ 13,524	$ 31,995	$ 200,000	$ 168,005	16.0%
Local Dues	$ -		$ 137,753	$ 137,753	$ -	
Local Dues-Other				$ -	$ -	
Local Planning Contracts	$ 7,405	$ 5,117	$ 55,386	$ 235,455	$ 180,069	23.5%
Other Income	$ -	$ 27,668	$ 27,668	$ 27,668	$ -	
State Contracts	$ 63,952	$ 70,664	$ 258,730	$ 950,255	$ 691,525	27.2%
Total RESOURCES	$ 88,772	$ 116,974	$ 511,533	$ 1,551,131	$ 1,039,598	33.0%
Total Income	$ 88,772	$ 116,974	$ 511,533	$ 1,551,131	$ 1,039,598	33.0%
Expense						
Newspaper/Media	$ 895	$ 147	$ 1,042	$ 3,500	$ 2,458	29.8%
Contracted Printing	$ -		$ -	$ 2,500	$ 2,500	0.0%
Contracted Services	$ 36,062	$ 41,930	$ 160,317	$ 549,408	$ 389,091	29.2%
**Dues & Subscriptions						
**Equipment						
**Equipment & Software Maint						
**Office Supplies						
**Postage						
Total Salaries	$ 49,658	$ 48,334	$ 244,606	$ 611,410	$ 366,804	40.0%
*Training & Workshops						
Travel	$ 469	$ 1,798	$ 3,396	$ 12,000	$ 8,604	28.3%
Reconciliation Discrepancies	$0.00	$ -	$0.00	$ -	$ -	
Payroll Processing Fees	$ 29	$ 28	$ 406	$ 600	$ 194	67.6%
Janitorial	$ 300	$ 375	$ 1,350	$ 3,600	$ 2,250	37.5%
Accounting	$ -	$ -	$ 650	$ 1,250	$ 600	52.0%
Audit	$ -	$ 1,935	$ 7,435	$ 9,250	$ 1,815	80.4%
Bank & Service Charges	$ -	$ -	$ -	$ 200	$ 200	0.0%
**Dues & Subscriptions	$ 747	$ 190	$ 2,583	$ 7,500	$ 4,917	34.4%
Employee Co Contrib of Benefits						
C Deferred Comp 457	$ 2,789	$ 2,025	$ 11,435	$ 26,325	$ 14,890	43.4%
C Dental Insurance	$ 780	$ 780	$ 3,899	$ 10,135	$ 6,236	38.5%
C Health Ins.	$ 6,503	$ 5,378	$ 29,410	$ 87,700	$ 58,290	33.5%
C Life Insurance	$ 64	$ 64	$ 322	$ 1,085	$ 763	29.7%
C LTD Insurance	$ 78	$ 78	$ 388	$ 1,295	$ 907	30.0%
C NH Retirement 414E	$ 2,090	$ 2,090	$ 10,400	$ 27,169	$ 16,770	38.3%
C STD Insurance	$ 66	$ 66	$ 332	$ 1,120	$ 788	29.6%
**Equipment	$ 2,524	$ -	$ 3,115	$ 10,050	$ 6,935	31.0%
**Equipment & Software Maint.	$ 262	$ 333	$ 2,390	$ 8,000	$ 5,610	29.9%

11:27 a.m.
12/9/10
Accrual Basis

Rockingham Planning Commission
Financial Statement
Budget vs. Actual
November 2010

	October-10	November-10	July-Nov-10	Annual Budget	Balance	% Budget
General Insurance	$ (2,097)	$ -	$ (1,968)	$ 4,700	$ 6,668	-41.9%
Misc	$ (2,232)	$ (332)	$ (124)	$ 6,750	$ 6,874	-1.8%
**Office Supplies	$ 1,859	$ 1,335	$ 5,979	$ 8,200	$ 2,221	72.9%
Payroll Expenses (C Portion)						
P/R Taxes						
P/R Taxes - Other	$ 3,459	$ 3,357	$ 17,328	$ 46,773	$ 29,445	37.0%
SUTA	$ -		$ -	$ 100	$ 100	0.0%
**Postage	$ 475	$ 518	$ 1,930	$ 5,000	$ 3,070	38.6%
Rent	$ 3,639	$ 3,639	$ 17,855	$ 43,152	$ 25,297	41.4%
Telephone	$ 294	$ 399	$ 1,682	$ 4,500	$ 2,818	37.4%
**Training & Workshops	$ 90	$ 100	$ 636	$ 7,500	$ 6,864	8.5%
Utilities	$ 769	$ 462	$ 2,846	$ 7,250	$ 4,404	39.3%
Total Expense	$ 109,572	$ 115,029	$ 529,640	$ 1,508,022	$ 978,382	35.1%
Net Ordinary Income	$ (20,800)	$ 1,945	$ (18,107)	$ 43,109	$ 61,216	
Other Income/Expense				$ -		
Other Expense				$ 7,500	$ 7,500	
Unobligated Funds	$ -	$ -	$ -	$ 15,609	$ 15,609	
Fund Balance Accrual	$ -	$ -	$ -	$ 20,000	$ 20,000	
Total Other Expense	$ -	$ -	$ -	$ 43,109	$ 43,109	
EXPENSE	$ -	$ -	$ -	$ 1,551,131		
Net	$ (20,800)	$ 1,945	$ (18,107)	$ 86,218		

NOTE: November is 42% through the fiscal year

October and November's Personnel Costs Total: $127,659

CPI
Qualified Plan Consultants, Inc.
Since 1972

Corporate Office
1809 24th Street
P.O. Box 1167
Great Bend, KS 67530-1167
620-793-8473 phone
620-793-7463 fax
www.cpiqpc.com®

October 25, 2010

Rockingham Planning Commission

Attention: Annette Pettengill
156 Water Street
Exeter, NH 03833

Ref. No.: 3629

Re: Rockingham Planning Commission 457 Plan

Dear Ms. Pettengill:

Due to recent law changes under the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART Act) and suspension of 2009 Required Minimum Distributions (RMDs) as set forth in the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), we are required to make certain changes to the above referenced Plan. Attached is an amendment to the above referenced Plan designed to comply with these recent laws.

The attached amendment represents the administration of your plan; therefore, it does not need anything more than your signature and date no later than December 31, 2010. Please return the signed amendment and certificate to CPI as soon as possible and place a copy of each with your plan documents.

Our fee for the amendment is $175.00. The invoice for the amendment has been emailed to the responsible party.

If you have any questions, please contact me at our corporate office, Government/Tax-Exempt Plan Administrative Services, (620) 793-8473, extension 417.

Sincerely,

Russell Linderer
Plan Administrator
Government/Tax-Exempt Plan Administrative Services
russell.linderer@cpiqpc.com

RL/ct

Enclosures

cc: Dawn Latham

CERTIFICATE

I, Clifford M. Sinnott, Executive Director of Rockingham Planning Commission, do hereby certify that the following resolutions were, upon motion duly made seconded and unanimously carried, adopted:

RESOLUTION

BE IT RESOLVED, that Rockingham Planning Commission 457 Plan, is hereby amended to reflect the changes of the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART ACT) and suspension of 2009 Required Minimum Distributions (RMDs) as set forth in the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), the amendments to the Trust which are attached hereto and made a part of the minutes of this meeting.

RESOLVED FURTHER, that the Executive Director is hereby authorized and instructed to execute said amendment to the Trust Agreement for and on behalf of the entity, and to certify these resolutions to ~~Theodore Tocci~~, Peter Griffin, Glenn Coppleman, Timothy Moore, Clifford M. Sinnott and Annette Pettengill as Trustees under said Trust Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, _____,

x _____
Executive Director

SUMMARY PLAN DESCRIPTION
MATERIAL MODIFICATIONS

I
INTRODUCTION

This is a Summary of Material Modifications regarding the Rockingham Planning Commission 457 Plan ("Plan"). This is merely a summary of the most important changes to the Plan and information contained in the Summary Plan Description ("SPD") previously provided to you. It supplements and amends that SPD so you should retain a copy of this document with your copy of the SPD. If you have any questions, contact the Administrator. If there is any discrepancy between the terms of the Plan, as modified, and this Summary of Material Modifications, the provisions of the Plan will control.

II
SUMMARY OF CHANGES

Military Service. If you are a veteran and are reemployed under the Uniformed Services Employment and Reemployment Rights Act of 1994, your qualified military service may be considered service with the Employer. There may also be benefits for employees who die or become disabled while on active duty. Employees who receive wage continuation payments while in the military may benefit from law changes effective in 2009. If you think you may be affected by these rules, ask the Plan Administrator for further details.

Distributions for deemed severance of employment. If you are on active duty for more than 30 days, then the Plan treats you as having severed employment for distribution purposes. This means that you may request a distribution from the Plan. If you request a distribution on account of this deemed severance of employment, then you are not permitted to make any contributions to the Plan for 6 (six) months after the date of the distribution.

AMENDMENT FOR
HEART AND WRERA

Rockingham Planning Commission 457 Plan

ARTICLE I
PREAMBLE

1.1 **Effective date of Amendment**. The Employer adopts this Amendment to the Plan to reflect recent law changes. This Amendment is effective as indicated below for the respective provisions.

1.2 **Superseding of inconsistent provisions**. This Amendment supersedes the provisions of the Plan to the extent those provisions are inconsistent with the provisions of this Amendment.

1.3 **Employer's election.** The Employer adopts all the default provisions of this Amendment except as otherwise elected in Article II.

1.4 **Construction.** Except as otherwise provided in this Amendment, any reference to "Section" in this Amendment refers only to sections within this Amendment, and is not a reference to the Plan. The Article and Section numbering in this Amendment is solely for purposes of this Amendment, and does not relate to any Plan article, section or other numbering designations.

1.5 **Effect of restatement of Plan.** If the Employer restates the Plan, then this Amendment shall remain in effect after such restatement unless the provisions in this Amendment are restated or otherwise become obsolete (*e.g.*, if the Plan is restated onto a plan document which incorporates these HEART and WRERA provisions).

ARTICLE II
EMPLOYER ELECTIONS

The Employer only needs to complete the questions in Sections 2.2 through 2.3 below in order to override the default provisions set forth below.

2.1 **Default Provisions**. Unless the Employer elects otherwise in this Article, the following defaults will apply:

a. **Continued benefit accruals pursuant to the Heroes Earnings Assistance and Relief Tax Act of 2008 (HEART Act) are not provided.**

b. **Differential wage payments are treated as Compensation for all Plan benefit purposes.**

c. **The Plan permits distributions pursuant to the HEART Act on account of "deemed" severance of employment.**

d. **Requirement Minimum Distributions (RMDs) for 2009 were suspended unless a Participant or Beneficiary elected to receive such distributions.**

2.2 **HEART ACT provisions** (Article III).

Continued benefit accruals. Amendment Section 3.2 will not apply unless elected below:

a. [ ] The provisions of Amendment Section 3.2 apply effective as of: (select one)
   1. [ ] the first day of the 2007 Plan Year
   2. [ ] _____ (may not be earlier than the first day of the 2007 Plan Year).

However, the provisions no longer apply effective as of: (select if applicable)

3. [ ] _____.

Differential pay. Differential wage payments (as described in Amendment Section 3.3) will be treated, for Plan Years beginning after December 31, 2008, as compensation for all Plan benefit purposes unless b. is elected below:

b. [ ] In lieu of the above default provision, the employer elects the following (select all that apply; these selections do not affect the operation of Amendment Section 3.3(ii)):

1. [ ] the inclusion is effective for Plan Years beginning after _____ (may not be earlier than December 31, 2008).
2. [ ] the inclusion only applies to Compensation for purposes of Elective Deferrals.

Distributions for deemed severance of employment. The Plan permits distributions pursuant to Amendment Section 3.4 unless otherwise elected below:

c. [ ] The Plan does not permit such distributions.

d. [ ] The Plan permits such distributions effective as of _____ (may not be earlier than January 1, 2007).

2.3 **WRERA (RMD waivers for 2009).** The provisions of Amendment Section 4.1 apply (RMDs are suspended unless a Participant or Beneficiary elects otherwise) unless otherwise elected below:

a. [ ] The provisions of Amendment Section 4.2 apply (RMDs continued unless otherwise elected by a Participant or Beneficiary).

b. [ ] RMDs continued in accordance with the terms of the Plan without regard to this Amendment (i.e., no election available to Participants or Beneficiaries).

c. [ ] Other:_____

For purposes of Amendment Section 4.3, the Plan will also treat the following as eligible rollover distributions in 2009: (If no election is made, then a direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to Code §401(a)(9)(H)):

d. [ ] 2009 RMDs and Extended 2009 RMDs (both as defined in Article IV of this Amendment).

e. [ ] 2009 RMDs (as defined in Article IV of this Amendment) but only if paid with an additional amount that is an eligible rollover distribution without regard to Code §401(a)(9)(H).

ARTICLE III
HEART ACT PROVISIONS

3.1 **Death benefits.** In the case of a death occurring on or after January 1, 2007, if a Participant dies while performing qualified military service (as defined in Code §414(u)), the Participant's Beneficiary is entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed employment and then terminated employment on account of death. Moreover, the Plan will credit the Participant's qualified military service as service for vesting purposes, as though the Participant had resumed employment under USERRA immediately prior to the Participant's death.

3.2 **Benefit accrual.** If the Employer elects in Amendment Section 2.2 to apply this Section 3.2, then effective as of the date specified in Amendment Section 2.2, for benefit accrual purposes, the Plan treats an individual who dies or becomes disabled (as defined under the terms of the Plan) while performing qualified military service with respect to the Employer as if the individual had resumed employment in accordance with the individual's reemployment rights under USERRA, on the day preceding death or disability (as the case may be) and terminated employment on the actual date of death or disability.

a. **Determination of benefits**. The Plan will determine the amount of employee contributions and the amount of elective deferrals of an individual treated as reemployed under this Section 3.2 for

purposes of applying paragraph Code §414(u)(8)(C) on the basis of the individual's average actual employee contributions or elective deferrals for the lesser of: (i) the 12-month period of service with the Employer immediately prior to qualified military service; or (ii) the actual length of continuous service with the Employer.

3.3 **Differential wage payments.** For years beginning after December 31, 2008: (i) an individual receiving a differential wage payment, as defined by Code §3401(h)(2), is treated as an employee of the employer making the payment; (ii) the differential wage payment is treated as compensation for purposes of Code §415(c)(3) and Treas. Reg. §1.415(c)-2 (*e.g.*, for purposes of Code §415, including the definition of post-severance compensation for deferral purposes under Treas. Reg. §1.457-4(d)(1)); and (iii) the Plan is not treated as failing to meet the requirements of any provision described in Code §414(u)(1)(C) (or corresponding plan provisions, including, but not limited to, Plan provisions related to the ADP or ACP test) by reason of any contribution or benefit which is based on the differential wage payment. The Plan Administrator operationally may determine, for purposes of the provisions described in Code §414(u)(1)(C), whether to take into account any deferrals, and if applicable, any matching contributions, attributable to differential wages. Differential wage payments (as described herein) will also be considered compensation for all Plan purposes unless otherwise elected at Amendment Section 2.2.

Section 3.3(iii) above applies only if all employees of the Employer performing service in the uniformed services described in Code §3401(h)(2)(A) are entitled to receive differential wage payments (as defined in Code §3401(h)(2)) on reasonably equivalent terms and, if eligible to participate in a retirement plan maintained by the Employer, to make contributions based on the payments on reasonably equivalent terms (taking into account Code §§410(b)(3), (4), and (5)).

3.4 **Deemed Severance.** Notwithstanding Section 3.3(i), if a Participant performs service in the uniformed services (as defined in Code §414(u)(12)(B)) on active duty for a period of more than 30 days, the Participant will be deemed to have a severance from employment solely for purposes of eligibility for distribution of amounts not subject to Code §412. However, the Plan will not distribute such a Participant's account on account of this deemed severance unless the Participant specifically elects to receive a benefit distribution hereunder. If a Participant elects to receive a distribution on account of this deemed severance, then the individual may not make an elective deferral or employee contribution during the 6-month period beginning on the date of the distribution. If a Participant would be entitled to a distribution on account of a deemed severance, and a distribution on account of another Plan provision (such as a qualified reservist distribution), then the other Plan provision will control and the 6-month suspension will not apply.

ARTICLE IV
WAIVER OF 2009 REQUIRED DISTRIBUTIONS

4.1 **Suspension of RMDs unless otherwise elected by Participant.** This paragraph does not apply if the Employer elected Amendment Section 2.3a, b, or c. Notwithstanding the provisions of the Plan relating to required minimum distributions under Code §401(a)(9), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 but for the enactment of Code §401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

4.2 **Continuation of RMDs unless otherwise elected by Participant.** This paragraph applies if Amendment Section 2.3a is selected. Notwithstanding the provisions of the Plan relating to required minimum distributions under Code §401(a)(9), a Participant or Beneficiary who would have been

required to receive required minimum distributions for 2009 but for the enactment of Code §401(a)(9)(H) ("2009 RMDs"), and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will receive those distributions for 2009 unless the Participant or Beneficiary chooses not to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to stop receiving the distributions described in the preceding sentence.

4.3 **Direct Rollovers.** Notwithstanding the provisions of the Plan relating to required minimum distributions under Code §401(a)(9), and solely for purposes of applying the direct rollover provisions of the Plan, certain additional distributions in 2009, as elected by the Employer in Amendment Section 2.3, will be treated as eligible rollover distributions. If no election is made by the Employer in Amendment Section 2.3, then a direct rollover will be offered only for distributions that would be eligible rollover distributions without regard to Code §401(a)(9)(H).

* * * * * * *

This Amendment has been executed this x_____ day of _____, _____.

Name of Employer: Rockingham Planning Commission

By: x_____
EMPLOYER

ROCKINGHAM PLANNING COMMISSION

Attachment 5

156 Water Street, Exeter, NH 03833
Tel. 603-778-0885 • Fax: 603-778-9183
email@rpc-nh.org • www.rpc-nh.org

MEMO TO: **Executive Committee**

FROM: **Annette Pettengill, Business Manager**

SUBJECT: **Additional Bank of America Account**

DATE: **December 8, 2010**

It was recently decided by the Executive Committee that the RPC open a savings account to act as a holding account for a portion of the funds received by the NH Dept of Transportation after reconciling past years' (FY2008 and FY2009) indirect cost rates. This would assure funds are available as a safety net for a future year's reconciliation requiring payment back to the Dept of Transportation. In order to open another account, Bank of America requires that a resolution be adopted by the Board to authorize the establishment of the account and designate the authorized signers on the account.

Recommendation

The recommended action is to adopt the following resolution:

Resolution: to authorize Rockingham Planning Commission to open an additional deposit account with Bank of America, and to maintain this account along with the current deposit accounts and services, with Warren Bambury, Glenn Coppelman and Cliff Sinnott as authorized agents of these accounts. The effective date of the resolution shall be December 15th, 2010 and shall remain in effect until rescinded or until the account(s) is closed.

New England Rail Coalition

Mission & Statement of Principles

The New England Rail Coalition (NERC) is a broad-based alliance of

- businesses,
- municipalities,
- elected officials,
- planning entities,
- environmental groups, and
- transportation organizations

that recognize the importance of substantially reinvesting in rail – both passenger and freight – to build a balanced and sustainable transportation system that will safeguard and enhance New England's economy, environment, and quality of life.

NERC's Mission

The mission of the New England Rail Coalition is to develop, and establish the political and governmental infrastructure and funding needed to implement, a vision for a vastly improved network of passenger and freight rail services that better connects the New England states with one another and with other regions, and that promotes sustainable economic development, enhances the movement of people and goods, reduces the costs of living and doing business in New England, minimizes greenhouse gases and other pollutants, and improves the quality of life for people throughout the region.

NERC's Statement of Principles

- NERC believes that a balanced and regionally integrated transportation system is the lifeblood of New England's economic future, and is imperative to maintaining the quality of life that has made the region such an attractive place for people to live, learn and work, and for businesses to invest, innovate and grow. A substantially greater investment in passenger and freight rail is essential for New England to restore balance to its predominantly highway-oriented, single-mode system, and to build and maintain a sustainable transportation network.

- NERC believes that improving and expanding the region's network of passenger and freight rail is essential to reducing greenhouse gas emissions, and to New England's efforts to tackle climate change. New England's transportation sector is the region's single largest and fastest growing source of global warming pollution, adding to the urgency of investing in rail.

- NERC believes that passenger rail can and must serve as a powerful engine to promote and support compact, economically and socially vibrant communities. Rail can play a critically important role in linking transportation investment with desired land use goals, and avoiding costly sprawl development – and associated traffic and pollution – so often caused by highways and roads.

- NERC believes that increased investment in passenger and freight rail is essential to reducing congestion and wear-and-tear on our region's highways and bridges, and avoiding the need for costly roadway and bridge expansions. New England's unbalanced transportation system has become an enormous financial burden for states and municipalities as they struggle with inadequate funds to address the high costs of maintaining, fixing and expanding roads. Rail investments can play an important role in reducing these costs.

- NERC believes that passenger rail can and must play a role in enhancing transportation choice, including better access to jobs, and reducing the proportion of household income spent out of necessity on transportation. The region's unbalanced transportation system – by perpetuating dependence on private vehicles and providing inadequate transportation choice – has become an enormous financial burden for many individuals and has contributed to the problem of unaffordable housing. Investments in passenger rail, particularly when linked with transit-oriented development, can help relieve these burdens.

- NERC believes that enhancing freight rail opportunities is necessary to provide businesses with more transportation options and to improve economic competitiveness. The region's heavy reliance on trucks to move freight puts New England businesses at a competitive disadvantage. Shifting more freight to rail is essential to supporting businesses in New England.

- NERC believes that the New England states must come together and – through close, transparent, sustained collaboration – develop and implement a New England blueprint for a vastly improved regional network of passenger and freight rail. To date, the New England states – as a region – have not collaborated enough to establish and advance a truly regional plan or vision. To effectively compete with other regions of the country for growing, yet still limited, federal funds, the New England states must "speak with one voice" in communicating and implementing a regional rail vision.

Achieving Our Mission

NERC believes New England has a number of important rail successes upon which to build, but that significant opportunities exist to develop a rail network that strengthens New England as a region. Such opportunities include:

- Improvements to the speed, frequency and reliability of existing passenger and freight services.

- Relief of chokepoints that interfere with freight rail operations, and which undermine the efficiency of both freight and passenger movement.
- The expansion of critical rail infrastructure, including but not limited to the following projects (listed from north to south):

    - Extension of **The Downeaster** north of Portland, Maine, and achieving high speed service from Portland, through New Hampshire, to Boston.
    - Establishment of high-speed rail on the **Boston-to-Montreal Corridor**, linking Massachusetts, New Hampshire and Vermont with one another, and with Canada.
    - Upgrade of track and facilities on Vermont's **Western Corridor** to accommodate freight and expand passenger rail to Burlington, VT.
    - Establishment of the **Knowledge Corridor**, with the rehabilitation of track infrastructure from Springfield, MA to White River Junction, VT, to improve the Amtrak's Vermonter service, enable future commuter rail, and access three major western MA population centers (Holyoke, Northampton and Greenfield).
    - Establishment of the **New Hampshire Capitol Corridor**, linking three major New Hampshire cities (Concord, Manchester and Nashua) with Boston, and providing access to Manchester-Boston Regional Airport.
    - The **North-South Rail Link** connecting North and South Stations in Boston, eliminating the last 1-mile gap on the Eastern Seaboard's Northeast Corridor, and providing a vital link that enhances the value of other projects located to the north and south of Boston.
    - Enhancement of service on the **"Inland Route,"** connecting Boston and New York through Worcester, Springfield, Hartford and New Haven.
    - Establishment of **Blackstone Valley Commuter Rail**, with service between Woonsocket and Providence, RI, to T.F. Green Airport in Warwick, and with potential service to Worcester, MA.
    - Establishment of **New Haven-Hartford-Springfield** commuter rail service, serving population centers in CT and MA.
    - Improvements to the **Northeast Corridor**, particularly in CT, to reduce trip times on Amtrak's high speed Acela service.

Join Us!

If your public, private or non-profit organization agrees with NERC's Mission and Statement of Principles, and you want to lend your voice to building a sustainable, balanced transportation system that grows the region's economy in a way that enhances the unique sense of place and quality of life that makes New England special, **we hope you'll join us**.

There is no cost to join NERC. As a member, you will be invited to participate in all NERC meetings (approximately every two to three months) and will be given the opportunity to shape and sign on to specific policy positions.

To add your organization to the coalition, please complete the form below and either send it to John Flaherty at jflaherty@growsmartri.org or fax it to John Flaherty's attention at (401) 228-6594.

Yes, we support the New England Rail Coalition's Mission and Statement of Principles and would like to join coalition. Please add our organization to the list of NERC members, and notify us of NERC meetings and policy positions we can join.

Name of Organization:

_____

Name, Title and Email Address, and Phone Number of Contact Person:

_____

Mailing Address:

_____

_____

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Transportation Solutions New Hampshire

Transportation Solutions New Hampshire (TSNH) is a broad-based coalition of individuals, businesses, organizations, associations, agencies and municipalities advocating for a balanced and environmentally sustainable transportation system – one that includes rail, bus, pedestrian and bicycle modes – that enhances affordable mobility for all New Hampshire citizens and that supports sustainable economic development.

TSNH's Mission

The mission of Transportation Solutions New Hampshire is to advocate and ensure implementation of transportation policies, planning, investments and decisions that will:

- ***Provide affordable mobility for all New Hampshire citizens***, through a balanced transportation system,
- ***Build economically vibrant, healthy communities***, through integration of transportation and land-use planning, and
- ***Secure New Hampshire's energy future and make transportation in New Hampshire environmentally sustainable***, through policies and investments that reduce vehicle miles travelled and dependence on oil.

TSNH's Statement of Principles

The following principles inform TSNH's work and positions as it seeks to achieve its mission and grow its constituency:

- A balanced, well-functioning transportation system – with mobility choices for people and the movement of goods – is the lifeblood of New Hampshire's economic future and is imperative to maintaining the quality of life that has made the Granite State such an attractive place for people to live and work, and for businesses to invest and thrive.

- New Hampshire must make substantially greater investments in public transportation services – including rail, bus and pedestrian modes – to balance its predominantly highway-oriented, single-mode system, and to build and maintain a sustainable transportation network.

- Transportation investments must promote and support healthy, compact, economically and socially vibrant communities. It is essential that New Hampshire invest its transportation dollars in ways that advance the state's smart growth goals and policies (RSA Ch. 9-B) to avoid costly, unhealthy sprawl development – and associated dependency on cars, and pollution – so often caused by highways and roads.

- A balanced transportation system is essential to enhancing transportation choice in New Hampshire, thereby improving mobility – including access to jobs and essential services – and reducing the proportion of household income spent out of necessity on transportation. New Hampshire's current, unbalanced transportation system has become an impediment to those who cannot – or choose not to – own a private vehicle. It contributes significantly to the cost of living for many Granite Staters and leaves the state and its residents vulnerable to economic factors beyond our control, such as oil-price increases.

- A balanced transportation system is essential if New Hampshire is to meet the diverse transportation needs of its citizens, including rural and urban populations, the state's growing elderly population, and individuals with disabilities.

- Improving and expanding public transportation, and integrating transportation and land use planning to build walkable communities and reduce dependence on automobiles, is critical to reducing greenhouse gas pollution, and to New Hampshire's efforts to tackle climate change. As recognized by the New Hampshire Climate Plan endorsed by Governor Lynch in 2009, transportation is the state's largest and fastest growing source of greenhouse gas emissions. A business-as-usual approach to transportation will render the goals of the New Hampshire Climate Plan unattainable.

Achieving Our Mission

To achieve its mission, TSNH will engage in advocacy addressing key issues, such as the significant lack of funding for public transportation, and the need to better integrate transportation and land use planning to achieve desired state goals (e.g., sustainable economic development). Capitalizing on the strength of a diverse membership, TSNH's members will work with one another, and with other coalitions or groups, on a multi-year campaign that includes such actions as:

- Cultivating the political support needed at the state and federal levels to enact policies and priorities that will lead to a truly balanced, sustainable transportation system;

- Educating the public and decision-makers on the economic, health and environmental benefits of a balanced, multi-modal transportation system, and the changes needed to develop such a system;

- Seeking better alignment and coordination of state agencies with common interests, similar to the recently established sustainability partnership among the U.S. Department of Transportation, U.S. Department of Housing & Urban Development, and U.S. Environmental Protection Agency;

- Holding decision-makers accountable to policies and plans that call for the planning and development of a more sustainable transportation system, to ensure that current and future policies achieve on-the-ground results.

Join Us!

If you are an individual or public, private or non-profit organization, and you agree with TSNH's Mission and Principles, and you want to lend your voice to building a sustainable, balanced transportation system that helps build an economically competitive, healthy, vibrant, New Hampshire, **we hope you'll join us**.

There is no cost to join TSNH. As a member, you'll be invited to participate in all TSNH meetings (approximately every two to three months) and will be given the opportunity to shape and join in our work.

To add your organization to the coalition, please complete the form below and either send it to Sönke Dornblut at UNH–IOD, 10 West Edge Drive, Durham, NH 03824 or fax it to Sönke's attention at 603-862-0555.

Yes, I / my organization support(s) TSNH's Mission and Principles and would like to join the coalition. Please add me / my organization to the list of TSNH members and notify us of TSNH meetings and policy positions we can join.

Name of Individual / Organization:_____

_____

Name, Title and Email Address, and Phone Number of Contact Person:_____

_____

Mailing Address:_____

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