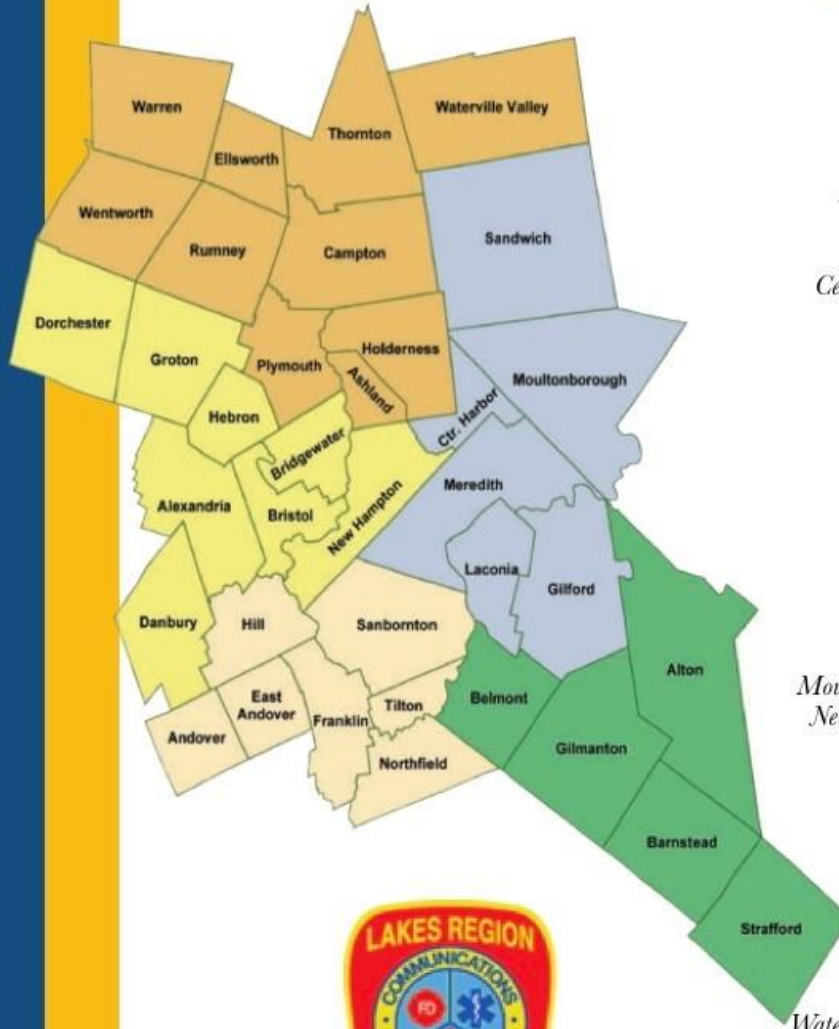


2019 Annual Report

Lakes Region Mutual Fire Aid

SERVING:

- Alexandria*
- Alton*
- Andover*
- Ashland*
- Barnstead*
- Belmont*
- Bridgewater*
- Bristol*
- Campton*
- Center Harbor*
- Danbury*
- Dorchester*
- Ellsworth*
- Franklin*
- Gilford*
- Gilmanton*
- Groton*
- Hebron*
- Hill*
- Holderness*
- Laconia*
- Meredith*
- Moultonborough*
- New Hampton*
- Northfield*
- Plymouth*
- Rumney*
- Sanbornton*
- Sandwich*
- Strafford*
- Thornton*
- Tilton*
- Warren*
- Waterville Valley*
- Wentworth*





The 2019 Annual Report of the Lakes Region Mutual Fire Aid Association is dedicated to the men and woman of the Unites States Fire Service who lost their lives in the line of duty in 2019.

This report is available electronically, or in printed copies by contacting:

Lakes Region Mutual Fire Aid Association
62 Communications Drive
Laconia, NH 03246
(603) 528-9111

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Board of Directors

The Board of Directors is made up of the Fire Chief from each member community or their designee, with each entitled to one vote. The Board of Directors are the Governing Body of the Association

Chief George Clayman	Alexandria	Chief Dee Ford	Hill
Chief James Beaudoin	Alton	Chief Eleanor Mardin	Holderness
Chief Rene Lefebvre	Andover	Chief Mike Newhall	Belmont
Chief Steve Heath	Ashland	Chief Ken Jones	Meredith
Chief Shawn Mulcahy	Barnstead	Chief Dave Bengtson	Moultonborough
Chief Kirk Beattie	Laconia	Chief Mike Drake	New Hampton
Chief Don Atwood	Bridgewater	Sel. Wayne Crowley	Northfield
Chief Ben LaRoche	Bristol	Chief Thomas Morrison	Plymouth
Chief Dan Defosses	Campton/Thornton/Ellsworth	Chief Leon Manville	Center Harbor
Chief David Coursey	Rumney	Chief Paul Dexter	Sanbornton
Chief Jeremy Martin	Danbury	Chief Ted Call	Sandwich
Rachel Legg	Dorchester	Chief Scott Whitehouse	Strafford
Chief Michael Foss	Franklin	Chief Michael Sitar	Tilton
Chief Steve Carrier	Gilford	Chief Arthur Heath	Warren
Chief Joe Hempel	Gilmanton	Chief Chris Hodges	Waterville Valley
Chief Roger Thompson	Groton	Chief Jeff Ames	Wentworth
Chief John Fischer	Hebron		

Executive Board

The Executive Committee performs duties as directed by the Board of Directors. The Executive Committee is made up of five members of the Board of Directors, with one member serving as the President of the Lakes Region Mutual Fire Aid Association.

Chief Michael Sitar, Chairman, 2023

Chief Paul Dexter, 2023, Secretary/Treasurer
Chief Mike Drake, 2021

Chief David Bengtson, 2020
Chief Rene Lefebvre, 2022

Community Assessments

Where do they come from?

Each year the Board of Directors adopts an annual operating budget for the upcoming year. The budget is funded through member community assessments. The community assessments are arrived at using a method that considers fixed costs (10% of total budget), property valuations (40%) and the population (50%) of each community.

Fixed Costs — 10% of Assessment

Ten percent of the total budget is divided by the number of member communities. Each community pays the same amount toward the fixed costs.

Example:

Budget total = \$1,297,785.52

10% = \$129,778.55 / 35 member communities = \$3,707.96

Each community will pay \$3,707.96 as part of their annual assessment

Valuation Factor — 40% of Assessment

40% of the assessment value is based on a community's total property value. A formula has been arrived at that takes these differing figures into account and ensures an equitable assessment to each town based on the fact that each one is different.

The NH Department of Revenue Administration publishes tables listing the property values of each community in the state on a yearly basis. These

values are used in calculating a member community's assessment. A valuation factor is arrived at by dividing 40% of the total budget by the total valuation of all member communities.

Example:

40% of total budget = \$498,914.21 Total evaluation of member communities = \$21,346,202,873

$\$498,914.21 \div \$21,346,202,873 = .00002337250385688400$

(Valuation Factor) Community X Property Valuation = \$1,755,612,953 x

$.00002124360768978980 = \$41,033.07$ Therefore, Community X's Valuation Factor

assessment = \$41,033.07

Population Factor — 50% of Assessment

50% of the assessment value is based on a community's population. The NH Office of State Planning publishes population estimates each year and these estimates are used to calculate a member community's assessment.

The **population factor** is arrived at by dividing 50% of the total budget by the total population of all member communities.

Example:

50% of total budget = \$623,642.76 Total population of member communities = 115,823

$\$623,642.76 \div 115,823 = 5.384446623069490$ (Population Factor) Community X's Population =

$5,256 \times 5.384446623069490 = \$28,300.65$ Therefore, Community X's Population Factor

Assessment = \$28,300.65

$\$3,563.67 + \$41,033.07 + \$28,300.65 = \$72,897.39$



Lakes Region Mutual Fire Aid District Ambulance Strike Team assembling to respond to Keene, NH on April 25,2019

Message from The Chief

The Lakes Region Mutual Fire Aid Association Executive Committee, board of Directors, and staff are pleased to present the 2019 annual report. The Lakes Region Mutual Fire Aid Association is a District Fire Mutual Aid System organized under state law (RSA 154:30 a-h). We serve thirty-five-member communities, and fire districts across five counties in the State of New Hampshire. In addition



to providing 24/7 professional Fire, EMS, and All Hazards Emergency Dispatch Services, LRMFA collaboratively provides to our members a Training and Education Division, Central NH Hazardous Material Team oversight (in conjunction with CAMAFC), Task Force Overhead Teams, Mutual Aid Coordination, and on scene support.

2018 continued to challenge our recruiting efforts. Towards the end of the year, we took a position, that we wanted to take the time to hire the “right” people, not the “right now” people. This has paid back in dividends. Moving into 2020 we believe we have the right staff, in the right spots and look forward to an uneventful 2020 regarding vacancies and staffing.

Chief Goldman, and Deputy Chief Steele spent the previous 18-24 months working with vendors to research options, pricing, and funding a replacement radio system. Countless hours had been spent on this project to make sure that LRMFA is setup for success and purchases the radio system that will best suit the needs of the entire district for many years to come.

At the May 8, 2019 Board of Directors meeting, the board voted to authorize LRMFA to enter a seven-year loan to purchase a radio system replacement utilizing a solution engineered by Tait, installed and maintained by Allcomm Communications.

The cost of the Tait system will be \$859,024 which is \$316,000 less than the system cost proposed by Motorola. LRMFA has borrowed \$900,000 to fund this project in the form of a loan through Franklin Savings Bank.

Each member community currently contributes \$1,442 per year as a contribution towards the \$50,500 that has been placed into the Communications System Reserve Account. Our Communications System Reserve Account has not been funded adequately, since we began funding it several years ago. Beginning in 2020, this amount will increase to \$2,857 to begin funding the Communications System Reserve Account adequately. In years 2022, 2023, 2024, and 2025 there will be an additional assessment of \$1,250 per year, per community for a total radio system contribution of \$5,000, while the remainder of the system costs will come from the Communications System Reserve account.

The proposed Tait system will serve the entire district well for the next 10-15 years, by providing a cost effective, robust, and reliable infrastructure solution.

Our chosen radio vendor, AllComm Technologies, based in Revere Massachusetts rose to the task given to them. They spent much of the last two quarters of 2019 replacing, and adding antennas, feedline, and associated site work. They ordered, staged, and moved almost all of the needed equipment to each of our eleven radio sites after building our system in their laboratory. Going into 2020, we have some small punch list items we need to perform before we are able to turn the system on. We expect it will be operational in the first half of 2020.

During 2019 the Communications Center staff continued their monthly training, off site training opportunities, and continued to refine the Quality Assurance/Quality Improvement program. Chief Goldman believes strongly in standards and standards-based dispatching. We have no way to judge our performance, improve or determine if issues are system issues, training issues or process issues. LRMFA employs a QA/QI program that meets or exceeds all APCO/NENA standards relating to QA/QI programs. Our QA/QI coordinator reviews a minimum of 2% of all calls monthly at random, as well as additional calls that meet certain thresholds such as multiple alarm building fires, EMS Gunshot or Stabbing calls, fatal/serious bodily injury fires, and other calls that meet the pertinent criteria. In 2019 100% of all calls were handled on average in 1:21 It is our goal as an organization to meet or exceed NFPA 1221 as it pertains to Emergency Call Handling. NFPA 1221

establishes call-handling times in that, “90 percent of emergency alarm processing shall be completed within 64 seconds, and 95 percent of alarm processing shall be completed within 106 seconds.” Extensions are granted for reports involving Emergency Medical Dispatch (EMD) protocols, foreign languages, the deaf, hazardous materials, technical rescue, criminal activity that might compromise responder safety, text messages and “calls that require determining the location of the alarm due to insufficient information.” We are working to further define within the program these extendable call types and are confident we will be within NFPA 1221 as the program progresses and is further refined. Our staff met the QA/QI standard for the Call Taking function at 98% and the Dispatching function at 97%. These are phenomenal numbers, and an improvement in the call taking function over 2018.

The professional development of our staff is very important to maintain the high-quality services that we offer. In 2019 our staff continued their involvement in the NH Emergency Dispatchers Association (NHEDA), and the Association of Public Safety Communications Officials (APCO). Chief Goldman currently serves as the President of NHEDA, with his term ending in April of 2020. Chief Goldman was sworn in as the President of the APCO-Atlantic Chapter, with a term ending in November of 2020.

Chief Goldman also serves as a member of the Statewide Interoperability Executive Committee and chairs the Frequency Working Group. Deputy Chief Steele serves the NH Telecommunicator Emergency Response Team, on the Operations Committee, and other members of the staff serve in various capacities on other committees and organizations. At the September NH Fire Service, and EMS Committee of Merit, both Lt. Kevin Nugent, and Dispatcher Matt Nelson were awarded the Telecommunications Medal for their actions during a motor vehicle accident that occurred in Gilford in 2018. During 2019 LRMFA was able to take advantage of some additional training programs through the Statewide Interoperability Committee. Through the SIEC three of our staff were able to attend the FEMA Communications Unit Leader (COML) and Communications Unit Technician (COMT) training programs. Both programs are intensive programs which include class time, as well as skill stations. The programs train attendees to leverage available technology and skills to develop a communications system on the fly in the field, as well as lead the communications unit during large scale

deployments. Now that each staff member has participated in the program, they have three years to complete position task books relative to both positions. We look forward to watching them develop their skills and eventually become “qualified” COML’s and COMT’s.

We do continue to struggle with the deployment of our XCAD CAD system. This project began in 2015 when we were advised our current CAD program (ccCAD) was going to be at its end of life. We use a redundant CAD system with the Capital Area Mutual Aid Fire Compact for continuity and as such needed to be on the same system. Chief Hayes negotiated a cost for the upgrade to XCAD with little impact to the organization. Most of the impact was realized in upgraded hardware costs, which have been purchased. Lt. Dave Parker, and Deputy Chief Steele have worked extensively with the vendor to get the system installed. It was originally going to be installed in the summer of 2018, then it was delayed until November of 2018. Due to several additional delays on the company’s part, the install was pushed to late January. In early January of 2019 the vendor called to report that the system was extremely unstable and as such, they were going to push the install out six months. After further discussion it was again pushed out until the fourth quarter of 2019. At this time, in a joint venture with the CAFMAC we engaged our attorney. Although we were seeing positive signs of the project moving forward, it became evident towards the end of 2019 that it would not move forward. The vendor published an “End of Life” memorandum for XCAD stating that they would not longer support the software as of 12/31/2020. It was at this time, that both LRMFA, and CAFMAC made the decision to officially end our relationship with the vendor. Both districts are jointly working with our attorney to exit the relationship in an economical way. We are now researching other CAD vendors, and will be offering more information and a solution during the May 2020 Board of Directors Meeting.

At the end of 2018, the Executive Committee authorized the purchase of a 2019 Ford Police Interceptor SUV to replace the Deputy’s car. The intent was to order the new car and be able to sell Car 2 at ten years or less of age to capitalize on the sale price of the old car being that it would be less than ten years old. Unfortunately, Ford accepted the original order and then did not build the car. This was not a unique problem in NH at the end of 2018 as Ford knew they were shutting the plant down to re-tool it for the 2020 model

year. Officially the purchase was made in the spring of 2019, and we took possession of the vehicle in December of 2019. The vehicle was brought to the vehicle upfitter, with delivery from them expected in the spring of 2020.

We ended 2019 financially with unexpended funds. Due to changes in full time employees, and other factors including revenue from the Rural Hitch, additional bank interest and the existing Piermont dispatch contract, we ended the year with \$117,905.30 in unexpended funds. These funds are in an undesignated reserve fund until the Executive Committee takes action on where to move them.

As a system, Lakes Region Mutual Fire Aid dispatched a total of 26,958 calls in 2018 as opposed to 26,735 in 2019. This is a negligible decrease of .83% compared to 2018. All of the staff is looking forward to 2020, we have good people working on our team, we are looking forward to the radio project coming online and, we are moving towards obtaining APCO Project-33 Certification, and we will continue to provide a superior product to our member communities as we always have.

Respectfully,



Jonathan M. Goldman, RPL, COML
Chief Coordinator

Lakes Region Mutual Fire Aid Staff

The below staff represents the Full and Part time men and woman who work tireless each day to meet or exceed the needs and expectations of the organization.

Administration

Chief Coordinator Jonathan M. Goldman, RPL, COML

Deputy Chief Coordinator Paul D. Steele Jr.

Shift A

Lieutenant Erin Hannafin
Dispatcher Derrek Trempe

Shift B

Lieutenant David Parker
Dispatcher Dave Avery

Shift C

Lieutenant Ricky Fowler
Dispatcher Kellie Regan

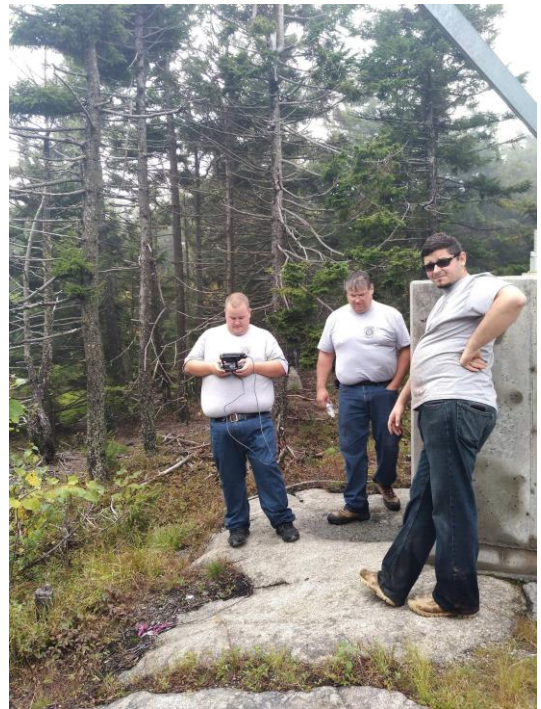
Shift D

Lieutenant Kevin Nugent
Dispatcher Brian Searles

Per-Diem Dispatchers

Dave Spinosa, Christopher Rice, Bob Magoon,
Christopher Harris, and Nicholas Bridle

2019 Staff Photos



2019 Budget and Financial Statements

As required by law, the Lakes Region Mutual Fire Aid Association conducts an annual financial audit of all our finances. Our bookkeeping company “Budget Tax LLC.” Of Gilford NH performs our weekly bookkeeping functions including payroll, taxes, and weekly finances. They work alongside the Chief Coordinator and the engaged audit firm to assist in preparation of the annual audit each year. The Mercier Group, of Grantham, New Hampshire has been engaged to conduct our 2019 audit. There were no deficiencies identified in the 2019 Audit. Included in this annual report are the pertinent tables from the Audit Report. The full audit is always available electronically, or in print form by contacting the Chief Coordinator.

Lakes Region Mutual Fire Aid
Communications Center - Operating Budget

Account #	Labor Costs	2018 Budgeted	2019 Proposed	Dollar Change	Percent Change
	Wages - Full-time	\$524,633	\$521,110	(\$3,523)	(0.67%)
	Wages - Part-time	\$37,790	\$37,790	\$0	0.00%
6003	Overtime	\$53,670	\$52,339	(\$1,332)	(2.48%)
6009	Longevity Bonus	\$1,775	\$1,475	(\$300)	(16.90%)
6010	Holiday Wages	\$21,313	\$20,392	(\$921)	(4.32%)
6011-01	Medical Insurance	\$163,348	\$194,558	\$31,210	19.11%
6011-02	Disability Insurance	\$2,230	\$2,646	\$416	18.66%
6011-03	Life Insurance	\$1,500	\$3,644	\$2,144	143%
6012	State Retirement	\$91,711	\$85,118	(\$6,593)	(7.19%)
6014	Social Security	\$31,387	\$35,527	\$4,140	13.26%
6015	Medicare	\$9,268	\$9,303	\$35	0.37%
6016	Unemployment Compensation	\$500	\$500	\$0	0.00%
6017	Workers Compensation Insurance	\$17,750	\$18,590	\$840	4.73%
6018	Uniforms	\$3,720	\$4,000	\$280	7.53%
6019	Training & Education	\$8,000	\$10,000	\$2,000	25.00%
		\$968,574	\$996,990	\$28,415	2.93%
General Operating					
6100	Professional Services				
6100-01	Audit	\$6,200	\$6,200	\$0	0.00%
6100-02	Bookkeeping	\$6,500	\$6,600	\$100	1.54%
6100-03	Legal	\$2,500	\$2,800	\$300	12.00%
6100-04	Graphic Design	\$2,400	\$2,500	\$100	4.17%
6180	Insurance	\$12,200	\$11,000	(\$1,200)	(9.84%)
6201	Bank Finance Charges	\$2,000	\$1,500	(\$500)	(25.00%)
6202	Office/Administrative Expense	\$4,500	\$4,500	\$0	0.00%
6203	Postage	\$925	\$600	(\$325)	(35.26%)
6205	Professional Dues				
6205-01	Prof. Dues Association	\$750	\$750	\$0	0.00%
6205-02	Prof. Dues Staff	\$2,250	\$2,650	\$400	17.78%
6205-03	Haz-Mat Team	\$5,000	\$5,000	\$0	0.00%
6206	Subscriptions	\$1,450	\$1,575	\$125	8.62%
6207	Coordinator's Expense	\$500	\$500	\$0	0.00%
6208	Executive Committee's Expense	\$700	\$700	\$0	0.00%
6240	Miscellaneous				
6301	Automotive Expense				
6301-01	Automobile Expense - Other	\$225	\$225	\$0	0.00%
6301-02	Communications Trailer Expenses	\$2,000	\$2,000	\$0	0.00%
6301-03	Fuel Purchases	\$4,000	\$5,000	\$1,000	25.00%
6301-04	Mileage Reimbursements	\$1,000	\$1,000	\$0	0.00%
6301-05	Automobile Repair & Maintenance	\$5,000	\$5,000	\$0	0.00%
6401	Communications System	\$30,000	\$35,000	\$5,000	16.67%
6503	Office Equipment	\$500	\$750	\$250	50.00%
6608	Property Rental				
6608-01	Office Space Lease	\$1,657	\$1,691	\$34	2.05%
6608-02	Gilman Hill Tower Lease	\$3,400	\$4,000	\$600	17.65%
6608-03	Future Tower Lease	\$3,500	\$3,500	\$0	0.00%
6608-04	State Transmitter Fees	\$3,000	\$3,000	\$0	0.00%
6610	Radio Circuits	\$23,500	\$23,500	\$0	0.00%
6612	Telephone Expense				
6612-01	Cell Phone Expenses	\$5,500	\$5,500	\$0	0.00%
6612-02	Land Line Expenses	\$14,000	\$14,000	\$0	0.00%
6700	IT Expense/Services				
6700-01	Computer Supplies	\$500	\$500	\$0	0.00%
6700-02	Computer Software/Programming/Support	\$21,500	\$19,500	(\$2,000)	(9.30%)
6700-03	Computer Hardware	\$12,000	\$10,000	(\$2,000)	(16.67%)
6700-04	IT Consulting Support_Web Site Fees	\$7,500	\$6,500	(\$1,000)	(13.33%)
6700-05	CAD System Maintenance	\$47,000	\$40,500	(\$6,500)	(13.83%)
		\$233,957	\$228,041	(\$5,916)	(2.53%)
Facility Expense					
6615-01	Heating Oil	\$6,655	\$6,655	\$0	0.00%
6615-02	Maintenance	\$9,000	\$9,000	\$0	0.00%
6615-03	Electricity	\$9,000	\$9,000	\$0	0.00%
6615-04	Water	\$600	\$600	\$0	0.00%
		\$25,255	\$25,255	\$0	0.00%
Revenue					
LRMFA Revenue		(\$3,000)	(\$3,000)	\$0	0.00%
		(\$3,000)	(\$3,000)	\$0	0.00%
Budget Sub-Total		\$1,224,786	\$1,247,286	\$22,499	1.84%
Capital Improvement Program		\$50,500	\$50,500	\$0	0.00%
Budget Total		\$1,275,286	\$1,297,786	\$22,499	1.76%

3/24/2020

Labor Costs	FY - 2015	FY - 2016	FY - 2017	FY - 2018	FY - 2019
6001-10 - Wages - Administration	\$505,310	\$522,686	\$524,748	\$524,633	\$521,110
6001-30 - Wages - Part-time Dispatch	\$54,704	\$50,509	\$41,473	\$37,790	\$37,790
6003-00 - Recall/Sick/Vacation Coverage	\$40,752	\$41,186	\$41,561	\$53,670	\$52,339
6009-00 - Longevity Bonus	\$1,325	\$1,525	\$1,700	\$1,775	\$1,475
6010-00 - Holiday Wages	\$20,430	\$20,670	\$21,090	\$21,313	\$20,392
6011-01 - Medical Insurance	\$148,665	\$160,166	\$174,190	\$163,348	\$194,558
6011-02 - Disability Insurance	\$1,768	\$1,519	\$1,769	\$2,230	\$2,646
6011-03 - Life Insurance	\$0	\$0	\$1	\$1,500	\$3,644
6012-00 - Retirement - State	\$83,565	\$87,903	\$94,458	\$91,711	\$85,118
6014-00 - Social Security	\$31,765	\$31,939	\$28,201	\$31,367	\$35,527
6015-00 - Medicare	\$9,238	\$9,450	\$9,294	\$9,268	\$9,303
6017-00 - Workers Compensation Insurance	\$16,989	\$16,899	\$16,899	\$17,750	\$18,590
6018-00 - Uniforms	\$4,200	\$3,720	\$3,720	\$3,720	\$4,000
6019-01 - Training	\$5,100	\$5,100	\$5,100	\$8,000	\$10,000
6016 - Unemployment Compensation	\$500	\$500	\$500	\$500	\$500

\$924,311 \$953,772 \$964,706 \$968,574 \$996,990

General Operating Costs	FY - 2015	FY - 2016	FY - 2017	FY - 2018	FY - 2019
6100-00 - Professional Services					
6100-01 - Audit Service	\$4,200	\$4,200	\$6,200	\$6,200	\$6,200
6100-02 - Booking Service	\$6,600	\$6,600	\$6,600	\$6,600	\$6,600
6100-03 - Legal Service	\$3,400	\$2,800	\$2,800	\$2,800	\$2,800
6100-04 - Graphic Design Services	\$5,500	\$6,000	\$6,000	\$2,400	\$2,500
6180-00 - Insurance	\$9,938	\$10,805	\$11,098	\$12,200	\$11,000
6201-00 - Bank Finance Charges	\$4,530	\$2,000	\$2,000	\$2,000	\$1,500
6202-00 - Office/Administrative Expense	\$6,000	\$5,500	\$4,500	\$4,500	\$4,500
6203-00 - Postage	\$1,025	\$1,025	\$825	\$825	\$600
6205-00 - Professional Dues					
6205-01 - Professional Dues Association	\$750	\$750	\$750	\$750	\$750
6205-02 - Professional Dues Staff	\$1,500	\$1,250	\$1,250	\$2,250	\$2,650
6205-03 HAZMAT Team	\$0	\$0	\$1	\$5,000	\$5,000
6206-00 - Subscriptions	\$1,200	\$1,200	\$1,450	\$1,450	\$1,575
6207-00 - Coordinator's Expense	\$700	\$500	\$500	\$500	\$500
6208-00 - Executive Committee Expense	\$1,000	\$700	\$700	\$700	\$700
6301-00 - Automotive Expenses					
6301-01 - Automotive Expense Other	\$575	\$225	\$225	\$225	\$225

TOWN NAME:	2019 Valuation		2019 Population		2019 Operating Cost Components						Previous Year		Increase/ Decrease	1.76%
	Dollar	Percent	Number	Percent	Fixed Factor	Valuation Factor	Population Factor	CIP Factor	Total Cost	Total Cost				
Alton:	\$1,755,612,953	8.22%	5,256	4.54%	\$3,563.67	\$41,033.07	\$28,300.65	\$1,442.86	\$74,340.25	\$72,504.24	\$1,740	2.41%		
Barnstead:	\$535,712,681	2.51%	4,617	3.99%	\$3,563.67	\$12,520.95	\$24,859.99	\$1,442.86	\$42,387.47	\$40,804.54	\$1,403	3.65%		
Belmont:	\$675,202,388	3.16%	7,300	6.30%	\$3,563.67	\$15,781.17	\$39,306.46	\$1,442.86	\$60,094.16	\$59,154.07	\$940	1.59%		
Center Harbor:	\$437,575,927	2.05%	1,078	0.93%	\$3,563.67	\$10,227.25	\$5,804.43	\$1,442.86	\$21,038.21	\$20,800.22	\$238	1.14%		
Gilford:	\$1,850,935,091	8.67%	7,153	6.18%	\$3,563.67	\$43,260.99	\$38,514.95	\$1,442.86	\$86,782.46	\$85,432.41	\$1,350	1.58%		
Lincolnton:	\$482,490,134	2.28%	3,731	3.22%	\$3,563.67	\$11,277.00	\$20,089.37	\$1,442.86	\$36,372.90	\$35,653.67	\$710	2.02%		
Laconia:	\$2,209,428,939	10.35%	16,444	14.20%	\$3,563.67	\$51,639.89	\$88,541.84	\$1,442.86	\$145,188.26	\$142,001.24	\$3,127	2.20%		
Meriden:	\$2,040,970,867	9.56%	6,341	5.47%	\$3,563.67	\$47,702.60	\$34,142.78	\$1,442.86	\$86,851.91	\$85,810.76	\$1,041	1.21%		
New Hampton:	\$330,025,184	1.55%	2,233	1.93%	\$3,563.67	\$7,713.51	\$12,023.47	\$1,442.86	\$24,743.51	\$23,680.50	\$1,057	4.46%		
Sanbornville:	\$449,207,523	2.10%	2,979	2.57%	\$3,563.67	\$10,499.10	\$16,040.27	\$1,442.86	\$31,545.90	\$31,773.12	(\$227)	(0.72%)		
Tilton:	\$548,672,109	2.57%	3,633	3.14%	\$3,563.67	\$12,823.84	\$19,561.69	\$1,442.86	\$37,382.07	\$30,787.73	\$6,004	1.64%		
Moultonborough:	\$3,186,434,121	14.93%	4,085	3.53%	\$3,563.67	\$74,474.94	\$21,595.46	\$1,442.86	\$101,476.94	\$97,931.67	\$3,545	3.62%		
Sandwich:	\$450,363,393	2.11%	1,333	1.15%	\$3,563.67	\$10,526.12	\$7,177.47	\$1,442.86	\$22,710.12	\$21,701.81	\$918	4.21%		
Alexandria:	\$198,401,167	0.93%	1,639	1.42%	\$3,563.67	\$4,637.13	\$8,825.11	\$1,442.86	\$18,468.77	\$18,270.77	\$198	1.08%		
Ashland:	\$252,252,917	1.18%	2,082	1.80%	\$3,563.67	\$5,885.78	\$11,210.42	\$1,442.86	\$22,112.73	\$21,897.76	\$215	0.98%		
Bradgewater:	\$367,714,760	1.72%	1,091	0.94%	\$3,563.67	\$8,595.82	\$5,874.43	\$1,442.86	\$19,476.78	\$19,233.13	\$244	1.27%		
Bristol:	\$507,813,745	2.38%	3,070	2.65%	\$3,563.67	\$11,868.88	\$16,530.25	\$1,442.86	\$33,405.66	\$32,531.07	\$874	2.69%		
Campden:	\$407,852,719	1.91%	3,352	2.89%	\$3,563.67	\$9,532.54	\$18,048.67	\$1,442.86	\$32,587.73	\$32,300.88	\$278	0.67%		
Dorchester:	\$20,815,572	0.10%	110	0.09%	\$3,563.67	\$486.51	\$592.29	\$1,442.86	\$6,085.33	\$6,027.30	\$58	0.96%		
Ellsworth:	\$14,877,382	0.07%	85	0.07%	\$3,563.67	\$347.72	\$457.68	\$1,442.86	\$5,811.93	\$5,743.00	\$68	1.18%		
Groton:	\$126,551,416	0.59%	592	0.51%	\$3,563.67	\$2,957.82	\$3,187.59	\$1,442.86	\$11,151.95	\$11,445.04	(\$284)	(2.57%)		
Hebron:	\$287,545,473	1.35%	617	0.53%	\$3,563.67	\$6,720.66	\$3,322.20	\$1,442.86	\$15,049.39	\$14,557.46	\$492	3.38%		
Holderness:	\$754,580,045	3.53%	2,106	1.82%	\$3,563.67	\$17,636.43	\$11,339.64	\$1,442.86	\$33,982.60	\$34,004.76	(\$212)	(0.33%)		
Plymouth:	\$464,464,686	2.18%	6,784	5.84%	\$3,563.67	\$10,855.70	\$36,420.40	\$1,442.86	\$52,282.63	\$52,180.50	\$93	0.18%		
Rumney:	\$168,291,263	0.79%	1,480	1.29%	\$3,563.67	\$3,933.39	\$8,022.83	\$1,442.86	\$16,962.74	\$16,982.84	(\$20)	(0.12%)		
Thornton:	\$369,053,552	1.73%	2,532	2.19%	\$3,563.67	\$8,625.71	\$13,633.42	\$1,442.86	\$27,265.65	\$27,282.47	\$13	0.05%		
Warren:	\$70,172,623	0.33%	916	0.79%	\$3,563.67	\$1,640.11	\$4,932.15	\$1,442.86	\$11,578.79	\$11,374.62	\$204	1.79%		
Waterbury Valley:	\$329,682,735	1.54%	246	0.21%	\$3,563.67	\$7,705.74	\$1,324.57	\$1,442.86	\$14,036.85	\$14,763.56	(\$727)	(4.92%)		
Westworth:	\$93,235,003	0.44%	910	0.79%	\$3,563.67	\$2,119.14	\$4,899.85	\$1,442.86	\$12,085.51	\$12,012.30	\$73	0.61%		
Andover:	\$275,754,143	1.29%	2,380	2.04%	\$3,563.67	\$6,445.06	\$12,707.29	\$1,442.86	\$24,158.89	\$23,106.08	\$903	4.29%		
Danbury:	\$116,775,527	0.55%	1,173	1.01%	\$3,563.67	\$2,729.34	\$6,315.96	\$1,442.86	\$14,051.82	\$13,722.70	\$320	2.40%		
Franklin:	\$604,858,766	2.83%	8,553	7.36%	\$3,563.67	\$14,137.06	\$46,053.17	\$1,442.86	\$65,196.77	\$64,100.85	\$1,000	1.70%		
Hill:	\$91,134,471	0.43%	1,092	0.94%	\$3,563.67	\$2,130.04	\$5,879.82	\$1,442.86	\$13,016.39	\$12,728.79	\$288	2.26%		
Northfield:	\$343,841,999	1.61%	4,814	4.16%	\$3,563.67	\$8,036.45	\$25,320.73	\$1,442.86	\$38,963.70	\$37,883.50	\$1,080	2.85%		
Stratford:	\$527,831,600	2.47%	4,046	3.49%	\$3,563.67	\$12,336.75	\$21,785.47	\$1,442.86	\$39,128.75	\$38,557.06	\$571	1.48%		
Total Evaluation	\$21,346,202,873	100.00%	115823	100.00%	\$124,728.55	\$498,914.21	\$623,642.76	\$50,500.00	\$1,297,785.52	\$1,275,280.26	\$22,400	1.76%		

3/24/2020

LAKES REGION MUTUAL FIRE AID ASSOCIATION

FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES
With Independent Auditor's Report Thereon

DECEMBER 31, 2019

The Mercier Group

a professional corporation

INDEPENDENT AUDITOR'S REPORT

To the Members of the Selectboard and Management
Lakes Region Mutual Fire Aid Association

Report on the Financial Statements. We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lakes Region Mutual Fire Aid Association as of and for the year ended December 31, 2019 and the related notes to the financial statements, which collectively comprise the Association's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements. Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility. Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluation of the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions. In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Lakes Region Mutual Fire Aid Association, as of December 31, 2019, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Required Supplementary Information. Management has not presented a *Management's Discussion and Analysis* of the financial statements. Although it is not required to be part of the basic financial statements, accounting principles generally accepted in the United States of America requires that it be presented to supplement the basic financial statements. The information presented in the section marked *Required Supplementary Information* is presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by 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.

Paul G. Mercier, Jr. cpa for

The Mercier Group, a professional corporation

Grantham, New Hampshire

March 23, 2020

Basic Financial Statements

Exhibit A1
LAKES REGION MUTUAL FIRE AID ASSOCIATION
Statement of Net Position
December 31, 2019

All numbers are expressed in USA Dollars

	Governmental Activities
ASSETS	
Cash and cash equivalents	857,265
Accounts receivable	4,019
Capital assets:	
Leasehold improvements	627,928
Communications equipment	1,700,287
Training equipment	3,000
Administrative equipment & furnishings	36,569
Vehicles	112,783
Construction/acquisitions in progress	769,749
Accumulated depreciation	(1,577,116)
	2,534,484
DEFERRED OUTFLOWS OF RESOURCES	
Pension related (NHRS)	60,309
	60,309
LIABILITIES	
Accounts payable and other current liabilities	13,253
Long-term obligations due beyond one year:	
Due within one year	
Note payable	116,679
Due Beyond one year:	
Note payable	783,321
Association share of NHRS net pension liability	828,995
Association share of NHRS OPEB liability	41,232
	1,783,480
DEFERRED INFLOWS OF RESOURCES	
Pension related (NHRS)	118,097
OPEB related (NHRS)	3,051
	121,148
NET POSITION	
Net investment in capital assets	773,200
Restricted for:	
Education & training	23,638
Fit testing	350
Club activities	18,972
Unrestricted(deficit)	(125,995)
	690,165

The notes to the financial statements are an integral part of these statements.

Exhibit A2
LAKES REGION MUTUAL FIRE AID ASSOCIATION
Statement of Activities
For the Fiscal Year Ended December 31, 2019

All numbers are expressed in USA Dollars.

Functions/Programs	Expenses	Revenues		Net (Expense) Revenue and
		Operating	Grants and	Changes in Net Position
		Contributions	Primary Government	
			Governmental	
			Activities	
Primary government:				
<i>Governmental activities:</i>				
Public safety	1,110,912	10,287		(1,100,625)
Depreciation-unallocated	151,815			(151,815)
	<u>1,262,727</u>	<u>10,287</u>		<u>(1,252,440)</u>
General revenues:				
Member Assessments:				
Levied for general purposes				1,302,567
Interest on deposits				12,443
Miscellaneous				3,728
				<u>1,318,738</u>
Change in net position				66,298
Net position - beginning, as restated				623,867
Net position - ending				<u>690,165</u>

The notes to the financial statements are an integral part of these statements.

Exhibit B1
LAKES REGION MUTUAL FIRE AID ASSOCIATION
Balance Sheet
Governmental Funds
 December 31, 2019

All numbers are expressed in USA Dollars

	<u>General</u>	<u>Capital &</u>	<u>Nonmajor Governmental Funds</u>			<u>Total</u>
	<u>Dispatch &</u>	<u>Noncapital</u>	<u>Training &</u>	<u>Fit</u>	<u>Club</u>	<u>Governmental</u>
	<u>Operations</u>	<u>Reserves</u>	<u>Education</u>	<u>Testing</u>	<u>Activities</u>	<u>Funds</u>
ASSETS						
Cash and cash equivalents	127,139	687,166	23,638	350	18,972	857,265
Accounts receivable	4,019					4,019
	<u>131,158</u>	<u>687,166</u>	<u>23,638</u>	<u>350</u>	<u>18,972</u>	<u>861,284</u>
LIABILITIES						
Accrued Liabilities	13,253					13,253
	<u>13,253</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,253</u>
FUND BALANCES						
<i>Restricted for</i>						
Education & training			23,638			23,638
Fit testing				350		350
Club activities					18,972	18,972
<i>Assigned to</i>						
Insurance deductibles		2,000				2,000
Vehicle replacements		767				767
Unfunded personnel costs		20,505				20,505
Communication system improvements		475,285				475,285
Facility capital improvements		46,315				46,315
Radio Project		142,294				142,294
Unassigned	117,905					117,905
	<u>117,905</u>	<u>687,166</u>	<u>23,638</u>	<u>350</u>	<u>18,972</u>	<u>848,031</u>
	<u>131,158</u>	<u>687,166</u>	<u>23,638</u>	<u>350</u>	<u>18,972</u>	<u>861,284</u>

The notes to the financial statements are an integral part of these statements.

Exhibit B2
LAKES REGION MUTUAL FIRE AID ASSOCIATION
Reconciliation of Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2019

All numbers are expressed in USA Dollars

Total Fund Balance - Governmental Funds (Exhibit B1) 848,031

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Leasehold improvements	627,928	
Communications equipment	1,700,287	
Training equipment	3,000	
Administrative equipment & furnishings	36,569	
Vehicles	112,783	
Construction/acquisitions in progress	769,749	
Accumulated depreciation	<u>(1,577,116)</u>	
		1,673,200

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Notes payable		(900,000)	
Association's share of New Hampshire Retirement System:			
Net pension liability	(828,995)		
Deferred outflows of resources - Pension	60,309		
Deferred inflows of resources - Pension	(118,097)		
OPEB liability	(41,232)		
Deferred inflows of resources - OPEB	<u>(3,051)</u>		
		<u>(931,066)</u>	
			<u>(1,831,066)</u>
Net Position of Governmental Activities (Exhibit A1)			<u><u>690,165</u></u>

The notes to the financial statements are an integral part of these statements.

Exhibit B3
LAKES REGION MUTUAL FIRE AID ASSOCIATION
Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended December 31, 2019

All numbers are expressed in USA Dollars

	<u>General</u>	<u>Capital &</u>	<u>Nonmajor Governmental Funds</u>			<u>Total</u>
	<u>Dispatch &</u>	<u>Noncapital</u>	<u>Training &</u>	<u>Fit</u>	<u>Club</u>	<u>Governmental</u>
	<u>Operations</u>	<u>Reserves</u>	<u>Education</u>	<u>Testing</u>	<u>Activities</u>	<u>Funds</u>
REVENUES						
Member assessments	1,302,567					1,302,567
State support	-	10,287				10,287
Miscellaneous:						
Interest on deposits	12,443					12,443
Miscellaneous	3,543				185	3,728
	<u>1,318,553</u>	<u>10,287</u>	<u>-</u>	<u>-</u>	<u>185</u>	<u>1,329,025</u>
EXPENDITURES						
Current:						
Public safety						
Personnel costs, <i>incl. training</i>	949,350		127			949,477
Professional services	22,868		200	810		23,878
Insurance	9,664					9,664
Administrative expenses	17,359				500	17,859
Automotive expense	11,721		28	50		11,799
Communications systems maintenance	51,127					51,127
Office equipment (nondepreciable)	765					765
Property rental & special use permit	6,314					6,314
Radio circuits	14,564					14,564
Telephone	15,919					15,919
Facility expenses	20,048					20,048
IT Expenses/services	19,332					19,332
CAD system maintenance	11,117					11,117
Capital outlay	-	822,425				822,425
	<u>1,150,148</u>	<u>822,425</u>	<u>355</u>	<u>860</u>	<u>500</u>	<u>1,974,288</u>
Excess of revenues over(under) expenditures	<u>168,405</u>	<u>(812,138)</u>	<u>(355)</u>	<u>(860)</u>	<u>(315)</u>	<u>(645,263)</u>
OTHER FINANCING SOURCES (USES)						
Interfund transfers in(out)	-	50,500				50,500
Transfers out	(50,500)					(50,500)
Proceeds of long-term debt	-	900,000				900,000
	<u>(50,500)</u>	<u>950,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>900,000</u>
Net change in fund balances	117,905	138,362	(355)	(860)	(315)	254,737
Fund balances - beginning	-	548,804	23,993	1,210	19,287	593,294
Fund balances - ending	<u>117,905</u>	<u>687,166</u>	<u>23,638</u>	<u>350</u>	<u>18,972</u>	<u>848,031</u>

The notes to the financial statements are an integral part of these statements.

Exhibit B4
LAKES REGION MUTUAL FIRE AID ASSOCIATION
*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 December 31, 2019

All numbers are expressed in USA Dollars

Net change in fund balances - total governmental funds (Exhibit B3)	254,737
 Amounts reported for governmental activities in the statement of activities (Exhibit A2) are different because:	
<i>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.</i>	
Reduce expenditures for capital outlays increasing capital assets	822,425
Increase expenditures for depreciation charges	(151,815)
 <i>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.</i>	
Reduction in Other Financing Sources for long-term debt issued	(900,000)
 <i>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.</i>	
Association's share of New Hampshire Retirement System:	
(increase)decrease in net pension liability	113,202
Increase(decrease) in deferred outflows of resources - Pension	(49,121)
(Increase)decrease in deferred inflows of resources - Pension	(44,164)
(increase)decrease in net OPEB liability	29,422
Increase(decrease) in deferred outflows of resources - OPEB	(5,561)
(Increase)decrease in deferred inflows of resources - OPEB	(2,827)
	40,951
Change in net position of governmental activities (Exhibit A2)	66,298

The notes to the financial statements are an integral part of these statements.

LAKES REGION MUTUAL FIRE AID ASSOCIATION

Notes to Financial Statements

December 31, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Lakes Region Mutual Fire Aid Association is a special-purpose municipal corporation as authorized by RSA 154:30-a, which provides emergency dispatch and mutual fire aid services for 35 member communities in the Laconia, New Hampshire area. Formed by voluntary association of municipalities, it is governed by a Board of Directors consisting of the Fire Chiefs or other designee from member communities who appoint a chief coordinator to oversee operations.

The financial statements of the Association have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Association are described below.

FINANCIAL REPORTING ENTITY

The accompanying financial statements present the Association and its component units. A component unit is defined by GASB as a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with a primary government is such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Blended component units, although legally separate entities, are, in substance, part of the Association's operations. Based on the foregoing criteria, no other organizations are included in the Association's financial reporting entity and the Association is not a component unit of any other primary government.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements (i.e., the *Statement of Net Position* and the *Statement of Activities*) report information on all of the activities of the Association. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* normally are supported by member assessments, intergovernmental revenues and fees for services.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenue* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Member assessments and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

LAKES REGION MUTUAL FIRE AID ASSOCIATION

Notes to Financial Statements

December 31, 2019

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The **government-wide financial statements** are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when they occur and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Member assessments are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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.

For this purpose, the Association considers revenues to be available if they are collected within 60 days of the end of the current fiscal 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.

Member assessments, grants, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. If any, only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental funds:

- The *General Fund (Dispatch & Operations)* is the government's main operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Capital & Noncapital Reserves Fund* is a capital projects fund which accounts for monies set aside by vote of the Board of Directors for specific purposes.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all member assessments.

When both restricted and unrestricted resources are available for use, it is the Association's policy to use restricted resources first, then unrestricted resources as they are needed.

LAKES REGION MUTUAL FIRE AID ASSOCIATION

Notes to Financial Statements

December 31, 2019

BUDGETARY ACCOUNTING

General Budget Policies. General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various requirements of an Association agreement which govern the Association's operations. Budgets, adopted on a cash flow basis for managerial purposes, have been restated to reflect generally accepted accounting principles in the schedules included with the financial statements. The Association Agreement requires balanced budgets, but provide for the use of beginning unassigned fund balance to achieve that end. In 2019, there was no unassigned fund balance available for this purpose.

ASSETS, LIABILITIES AND FUND EQUITY

Deposits and Investments. For financial reporting purposes, cash and equivalents include amounts in demand deposits and money market funds, as well as certificates of deposit and short-term investments with original maturities of 90 days or less. The Association, as a political subdivision of the State of New Hampshire, is generally authorized by State Statute to invest excess funds in obligations of the United States government, in savings bank deposits of banks incorporated under the laws of the State of New Hampshire, in certificates of deposits of banks incorporated under the laws of the State of New Hampshire or in participation units of the public deposit investment pool established pursuant to RSA 383:22. Excess funds may be deposited in out-of-State banks if such banks pledge and deliver to the state treasurer or a Federal Reserve Bank as collateral security for such deposits in value at least equal to the amount of the deposit minus such FDIC insurance as may be available in each case. Any person who directly or indirectly receives any such funds or monies for deposit or for investment in securities of any kind shall, prior to acceptance of such funds, make available at the time of such deposit or investment an option to have such funds secured by collateral having a value at least equal to the amount such funds exceed available FDIC insurance amounts. Such collateral shall be segregated for the exclusive benefit of the Association. Only securities defined by the bank Commissioner as provided by rules adopted pursuant to RSA 386:57 shall be eligible to be pledged as collateral.

Receivables and Revenues. Revenues for the most part are recorded in the period in which they are measurable and available as explained above. These include *Member assessments*, *Interest on deposits* and *Service Charges* (training & education fees, member dues, assessments and *FIT testing fees*). Other income such as *Insurance dividends* and other such items are recorded as revenue in the period in which they are received.

Interfund Receivables and Payables. During the course of normal operations, the Town has activity between funds, including expenditures and transfers of resources to provide services and fund capital outlay. All outstanding balances between funds are reported as "due to/from other funds".

Capital Assets. The Association capitalizes assets over \$2,000 per unit based upon dollar cost and equity interest thresholds, including significant fixed assets, if any, acquired in whole or in part by grants that retain ongoing post-grant period restrictions as to further administrative and/or disposal requirements. Capital assets are depreciated in the proprietary funds using the straight-line method over the following estimated useful lives:

LAKES REGION MUTUAL FIRE AID ASSOCIATION

Notes to Financial Statements

December 31, 2019

	Years
Buildings and Leasehold Improvements	30
Equipment	5-10
Vehicles	3

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Deferred Outflows of Resources. Deferred outflows of resources represent the consumption of resources that are applicable to future accounting periods. In subsequent periods, when expense recognition criteria are met, deferred outflow is removed from the combined balance sheet and expense is recognized.

Long-Term Obligations. In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities. Any loan origination fees, are deferred and amortized over the life of the loan using the effective interest method.

In the fund financial statements, governmental fund types recognize loan origination fees in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences. Employees are entitled to certain compensated absences and accumulations thereof based on their job status, length of service and other factors. Generally, other than vacation leave, compensated absences do not vest or accumulate beyond normal budgetary allowances and therefore are recorded as expenses when they are paid.

Deferred Inflows of Resources. Deferred inflows of resources arise when potential non-exchange revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the deferred inflow is removed from the combined balance sheet and revenue is recognized.

Fund Equity. In the governmental fund Balance Sheet, fund balances are reported using a hierarchy based primarily on the extent to which the Association is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Governmental fund balance is classified as nonspendable, restricted, committed, assigned or unassigned depending on the level of constraints. *Nonspendable fund balance* includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. *Restricted fund balance* is the amount that is restricted to specific purposes by external requirements such as those of creditors, grantors, contributors or laws and regulations or imposed by law through constitutional provisions or legally enforceable enabling legislation. *Committed fund balance* is the amount that can only be used for specific purposes pursuant to constraints imposed by formal action of the Association's highest level of decision-making authority (the

LAKES REGION MUTUAL FIRE AID ASSOCIATION

Notes to Financial Statements

December 31, 2019

Board of Directors). *Assigned fund balance* is the amount that is constrained by the Association's intent to be used for specific purposes, but is not restricted or committed. *Unassigned fund balance* is the residual classification for the general fund. Whenever multiple classifications of resources are available for use, it is the Association's policy to use spendable, restricted, committed and assigned resources in that order first, then unassigned resources as they are needed.

Accounting Estimates. Accounting estimates are an integral part of the financial statements. They are based on our knowledge and experience about past and current events and assumptions about future events. Actual results may differ from our estimates.

ASSETS

CASH AND EQUIVALENTS

Deposits. All bank deposits as of December 31, 2019 and during the year then ended were fully insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized with securities held by the bank in the Association's name.

Concentrations of credit risk. Financial arrangements that potentially expose the Association to credit risk consist primarily of bank deposits. To minimize risk, the Association follows a policy of depositing monies in high quality financial institutions, by maintaining deposits within the Federal Depository Insurance Corporation limits whenever possible or to require banking institutions to collateralize deposits. The Association has not experienced any losses on its cash deposits during the fiscal year and management believes that it is not exposed to significant credit risk on those amounts.

ACCOUNTS RECEIVABLE

Accounts receivables as of December 31, 2019 are as follows:

Training & education fees	\$ 725
Cost share for consolidated communications/radio network	2,000
Vendor deposits & prepayments	<u>2,169</u>
	4,894
Less: Allowance for uncollectibles	<u>(875)</u>
	<u>\$ 4,019</u>

RISK MANAGEMENT

The Association is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets, errors or omissions, injuries to employees, and natural disasters. During the fiscal year, the Association was a member of the following public-entity risk pools, currently operating as a common risk management and insurance programs for member towns and school administrative units.

The New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation

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December 31, 2019

and Property/Liability are pooled risk management programs under RSA 5-B and RSA 281-A. A coverage summary of worker's compensation and property/liability programs provided from 1/1/19 – 1/1/20 by *Primex*³, which retained \$1,000,000 of each Workers' Compensation loss, \$500,000 of each Liability loss and \$200,000 of each Property Loss is available on file at the Town Office. The Board has decided to retain the aggregate exposure and has allocated resources based on actuarial analysis for that purpose.

Total contributions and any credits or balances due as of December 31, 2019 are as follows:

Contributions billed for the coverage period:

Property/Liability	\$ 9,664
Workers' Compensation	\$ 8,585

The Workers' Compensation Section of the Self-Insurance Membership Agreement permits *Primex*³ to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. At this time, Town management understands that the Trust foresees no likelihood of an additional assessment for this or any prior year. Claims have not exceeded insurance coverage in any of the past three years.

CAPITAL ASSETS

A summary of changes in capital assets for the fiscal year ended December 31, 2019 is as follows:

	Balance January 1	Additions & Reclassifications	Deductions & Reclassifications	Balance December 31
Leasehold Improvements	\$ 627,928	\$ -	\$ -	\$ 627,928
Communications equipment	1,738,692	31,995	70,400	1,700,287
Training equipment	3,000	-	-	3,000
Administrative equipment	36,569	-	-	36,569
Vehicles	80,059	32,724	-	112,783
Construction in Progress	12,043	757,706	-	769,749
	2,498,291	822,425	70,400	3,250,316
Less: Accumulated Depreciation	(1,495,701)	(151,815)	(70,400)	(1,577,116)
	\$ 1,002,590	\$ 670,610	\$ -	\$ 1,673,200

LIABILITIES

OPERATING LEASES

The Organization operates from leased facilities located at 62 Communications Drive in Laconia, New Hampshire. The fifteen-year renewable lease is accounted for as an operating lease. Operating leases do not give rise to property rights and therefore the results of the lease agreements are not reflected in the Organization's financial statements as a liability. Future minimum rental payments required under the lease will be \$1,689 in FY2020 and will increase by 2% each year thereafter through December 15, 2028. Lease payments are funded by provision in the annual operating budget.

LAKES REGION MUTUAL FIRE AID ASSOCIATION

Notes to Financial Statements

December 31, 2019

LONG-TERM DEBT

Changes in Long-Term Debt. The following is a summary of the Mutual Aid's general obligation long-term debt transactions for the fiscal year ended December 31, 2019:

	<u>Balance</u> <u>January 1,</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>December 31,</u>	<u>Due Within</u> <u>One Year</u>
General obligation debt:					
Dispatch Equipment Loan	\$ -	\$ 900,000	\$ -	\$ 900,000	\$ 116,679

General Long-term Debt Payable. Long-term debt payable at December 31, 2019, is comprised of the following individual issues:

<u>Description of Issue</u>	<u>Original</u> <u>Amount</u>	<u>Issue</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Interest</u> <u>Rate (%)</u>	<u>Outstanding</u> <u>December 31</u>
Dispatch Equipment Loan	\$ 900,000	07/19/19	07/19/26	3.180%	\$ 900,000

Annual Requirements to Amortize General Obligation Debt. The annual requirements to amortize all general obligation debt outstanding as of December 31, 2017, including interest payments, are as follows:

<u>Fiscal Year Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u> <u>& Fees</u>	<u>Total</u>
2020	\$ 116,679	\$ 29,017	\$ 145,696
2021	120,440	25,256	145,696
2022	124,324	21,372	145,696
2023	128,332	17,364	145,696
2024	132,470	13,226	145,696
2025	136,741	8,995	145,736
2026	141,014	4,682	145,696
	<u>\$ 900,000</u>	<u>\$ 119,912</u>	<u>\$ 1,019,912</u>

All debt is general obligation debt of the Association, which is backed by its full faith and credit.

NEW HAMPSHIRE RETIREMENT SYSTEM ~ COST-SHARING DEFINED BENEFIT PENSION AND POSTEMPLOYMENT MEDICAL SUBSIDY HEALTHCARE PLANS

Full-time employees participate in the State of New Hampshire Retirement System (NHRS), a public employee retirement system that administers one cost-sharing multiple-employer defined benefit pension plan (Pension Plan) and four separate cost-sharing multiple-employer postemployment medical subsidy healthcare plans. NHRS was established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code.

The **cost-sharing defined benefit pension plan (pension plan)** is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State are eligible

LAKES REGION MUTUAL FIRE AID ASSOCIATION

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December 31, 2019

and required to participate in the Pension Plan. Full-time employees of political subdivisions, including counties, municipalities and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The pension plan is divided into two membership groups. By statute, Group I (employee and teacher) members contribute 7% of their salary to NHRS. Group II (police & fire) members contribute 11.5% and 11.8% respectively. While member rates are set by statute, employer rates are set by the NHRS Board of Trustees every two years after a biennial actuarial valuation is conducted using the *Entry Age Normal* actuarial method. Employer contributions are assessed at five different rates, one each for state employees, political subdivisions employees, teachers, police and fire. NHRS employers are required by the New Hampshire Constitution to pay 100% of the actuarial sound employer contribution rate as certified by the NHRS Board of Trustees to fully fund the pension plan and to pay down the retirement system’s unfunded actuarial accrued liability over a closed amortization period. Currently, employer contribution rates for the period July 1, 2019 through June 30, 2021 are as follows:

	Pension	Medical Subsidy	Total
Group I:			
Employees	10.88%	0.29%	11.17%
Group II:			
Police	24.77%	3.66%	28.43%
Fire	26.43%	3.66%	30.09%

According to the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, the Town recognizes their proportionate share of collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense. As provided in the reports above, collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions to the plan are recognized when legally due, based on statutory requirements. This information along with significant assumptions and inputs for total pension liabilities, the NHRS’s fiduciary net position and current year sources of changes to net pension liabilities are available for the plan as a whole as well as audited cost-sharing schedules by individual members in the System’s Comprehensive Annual Financial Report and other annual reports are available from the NHRS located at Regional Drive ~ Concord, NH 03301-8509 or on its web site at: <https://www.nhrs.org> and <https://www.nhrs.org/employers/employer-resources/gasb/gasb-reports>

Benefit amounts and eligibility requirements for the **cost-sharing multiple-employer postemployment medical subsidy plan (OPEB Plan)** are set by state law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The four membership types re Group II, Police Officers and Firefighters; Group I, Teachers; Group I, Political Subdivision Employees; and group I, State Employees. The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being cared for by the retiree. If the health insurance premium amount is less than the medical subsidy amount, then only the health insurance premium

LAKES REGION MUTUAL FIRE AID ASSOCIATION

Notes to Financial Statements

December 31, 2019

amount will be paid. If the health insurance premium amount exceeds the medical subsidy amount, then the retiree or other qualified person is responsible for paying any portion that the employer does not pay.

Group I benefits are based on creditable service, age and retirement date. Group II benefits are based on hire date, age and creditable service. The OPEB plan is closed to new entrants. Maximum medical subsidy rates paid during fiscal year 2018 (the most recently available valuation date) were as follows:

- For qualified retirees not eligible for Medicare, the amounts were \$375.56 for a single-person plan and \$751.12 for a two-person plan.
- For those qualified retirees eligible for Medicare, the amounts were \$236.84 for a single-person plan and \$473.68 for a two-person plan.

According to the requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, the Town recognizes their proportionate share of collective OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense. As provided in the reports above, collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions to the plan are recognized when legally due, based on statutory requirements. This information along with significant assumptions and inputs for total OPEB liabilities, the NHRS's fiduciary net position and current year sources of changes to net pension liabilities are available for the plan as a whole as well as audited cost-sharing schedules by individual members in the System's Comprehensive Annual Financial Report and other annual reports are available from the NHRS located at Regional Drive ~ Concord, NH 03301-8509 or on its web site at: <https://www.nhrs.org> and <https://www.nhrs.org/employers/employer-resources/gasb/gasb-reports>

NET POSITION

Negative Net Position – negative net position in the government-wide *Statement of Net Position* results from the application of generally accepted accounting principles to pension obligations – GASB 68 and other post-employment benefit (OPEB) obligations – GASB 75. In those statements, which are presented on the accrual basis, future obligations representing the Association's estimated proportionate share of unfunded net pension & OPEB liabilities, deferred inflows and outflows of the New Hampshire Retirement System are included. Of the overall deficit, \$931,066 is the net amount related to those obligations. As of December 31, 2019, the Association has recognized all current statutory obligations to the plan. They are contributed as a percentage of subject wages paid (see pension plan note above) and recognized in the Fund Financial Statements as they become due. This estimated future obligation (the amount that Lakes Region Mutual Fire Aid Association would become responsible for should the New Hampshire Retirement System become unable to meet its obligations to retirees), would be funded through future appropriations should additional plan contributions ever be required. This deficit in the Government-Wide Financial Statements has no effect on the fund balances reported in the Fund Financial Statements.

LAKES REGION MUTUAL FIRE AID ASSOCIATION

Notes to Financial Statements

December 31, 2019

FUND BALANCE

Restricted for Specific Purposes - Amounts restricted for specific purposes by members for as of December 31, 2019 are as follows:

Education and training	\$ 23,638
FIT testing	350
Club activities	<u>18,972</u>
	<u>\$ 42,960</u>

Assigned for Special Purposes - Amounts assigned by the Board of Directors for special purposes represents that portion of the unreserved fund balances which management intends to use in subsequent years as follows:

Communications Center Operations:	
Insurance deductibles	\$ 2,000
Vehicle replacement	767
Unfunded personnel costs	20,505
Communications system reserve	475,285
Facility capital account	46,315
Radio project	<u>142,294</u>
	<u>\$ 687,166</u>

SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State & Federal governments. 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 Association expects such amounts, if any, to be immaterial.

Required Supplementary Information

SCHEDULE C1
LAKES REGION MUTUAL FIRE AID ASSOCIATION
Dispatch Center Operations
Schedule of Revenues, Expenses and Changes in Fund Balance (Budget vs Actual)
For the Fiscal Year Ended December 31, 2019

All amounts are expressed in USA Dollars.

	Operating Budget	Actual	Variance Favorable (Unfavorable)	Prior year Actual
REVENUES				
Member assessments	1,297,786	1,302,567	4,781	1,275,286
Other Income:				
Interest income	-	12,443	12,443	1,801
Miscellaneous	3,000	3,543	543	8,425
	<u>1,300,786</u>	<u>1,318,553</u>	<u>17,767</u>	<u>1,285,512</u>
EXPENDITURES				
Current Operations:				
Labor	996,990	949,350	47,640	880,907
Professional services	18,100	22,868	(4,768)	15,082
Insurance	11,000	9,664	1,336	9,664
Administrative expenses	17,775	17,359	416	15,272
Automotive expense	13,225	11,721	1,504	10,736
Communications systems maintenance	35,000	51,127	(16,127)	44,092
Office equipment (nondepreciable)	750	765	(15)	465
Property rental & special use permit	12,191	6,314	5,877	8,003
Radio circuits	23,500	14,564	8,936	13,347
Telephone	19,500	15,919	3,581	15,855
Facility expenses	25,255	20,048	5,207	41,963
IT Expenses/services	36,500	19,332	17,168	20,916
CAD system maintenance	40,500	11,117	29,383	43,797
Grant matching funds			-	
	<u>1,250,286</u>	<u>1,150,148</u>	<u>100,138</u>	<u>1,120,099</u>
Debt Service:				
	<u>1,250,286</u>	<u>1,150,148</u>	<u>100,138</u>	<u>1,120,099</u>
Excess of revenues over(under) expenditures	50,500	168,405	117,905	165,413
OTHER FINANCING SOURCES (USES)				
Interfund transfers in(out):				
Capital & Noncapital Reserves	(50,500)	(50,500)	-	(165,413)
	<u>(50,500)</u>	<u>(50,500)</u>	<u>-</u>	<u>(165,413)</u>
Net change in fund balances	-	117,905	117,905	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>-</u>	<u>117,905</u>	<u>117,905</u>	<u>-</u>

LAKES REGION MUTUAL FIRE AID ASSOCIATION
Note to Required Supplementary Information – Budgetary Reporting
December 31, 2019

The budgetary comparison schedule – Budget to Actual (Non-GAAP Budgetary Basis) presents comparisons of the original and final legally adopted budget with actual data on a budgetary basis.

General Budget Policies – General Budget Policies. General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various requirements of an Association agreement which govern the Association's operations. Appropriations are made on an annual basis for the General and all significant Special Revenue Funds. Project-length financial plans are adopted for all Capital Project Funds. Budgets are adopted on a basis generally consistent with the modified accrual basis of accounting. The Association Agreement requires balanced budgets, but provide for the use of beginning unassigned fund balance to achieve that end. In 2019, there was no unassigned fund balance available for this purpose.

Exhibit C2
LAKES REGION MUTUAL FIRE AID ASSOCIATION
Comparative Schedule of Pension Obligations
For the Fiscal Year Ended December 31, 2019

All amounts are expressed in USA Dollars

Estimated future pension obligations - New Hampshire Retirement System (NHRS). Selected comparative information from NHRS's audited financial statements and cost-sharing schedules that is specific to the Association is as follows:

	As of and for the years ended December 31,						
	2013	2014	2015	2016	2017	2018	2019
Proportionate share	0.02426229%	0.02113280%	0.01839947%	0.01842386%	0.01891395%	0.01956713%	0.01722890%
Employer contribution	\$ 60,329	\$ 68,560	\$ 61,728	\$ 65,972	\$ 69,290	\$ 82,702	\$ 74,977
Net Pension Liability	\$ 1,044,197	\$ 793,238	\$ 728,900	\$ 979,706	\$ 930,187	\$ 942,197	\$ 828,995
Deferred outflows of resources:							
Differences between expected and actual experience	<i>base year</i>	-	-	2,723	2,109	7,520	4,584
Net difference between projected and actual investment earnings on pension plan investments	<i>base year</i>	-	-	61,295	-	-	-
Changes of assumptions	<i>base year</i>	-	-	120,571	93,403	65,205	29,744
Changes in proportion and differences between employer contributions and share of contributions	<i>base year</i>	-	-	813	17,786	36,705	25,981
<i>Total deferred outflows of resources</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 185,402</u>	<u>\$ 113,298</u>	<u>\$ 109,430</u>	<u>\$ 60,309</u>
Deferred inflows of resources:							
Differences between expected and actual experience	<i>base year</i>	-	15,995	12,371	11,839	7,629	17,826
Net difference between projected and actual investment earnings on pension plan investments	<i>base year</i>	101,495	19,481	-	11,846	21,803	6,772
Changes in proportion and differences between employer contributions and share of contributions	<i>base year</i>	110,668	180,920	135,447	89,974	44,501	93,499
<i>Total deferred inflows of resources</i>	<u>\$ -</u>	<u>\$ 212,163</u>	<u>\$ 216,396</u>	<u>\$ 147,818</u>	<u>\$ 113,659</u>	<u>\$ 73,933</u>	<u>\$ 118,097</u>
Pension expense:							
Proportionate share of plan pension expense	<i>base year</i>	53,783	47,096	108,072	98,681	93,604	102,755
Net amortization of deferred amounts from changes in proportion	<i>base year</i>	(24,019)	(45,473)	(45,274)	(40,965)	(34,750)	(47,695)
<i>Total employer pension expense</i>	<u>\$ -</u>	<u>\$ 29,764</u>	<u>\$ 1,623</u>	<u>\$ 62,798</u>	<u>\$ 57,716</u>	<u>\$ 58,854</u>	<u>\$ 55,060</u>

Note to the Comparative Schedule of Pension Obligations - This information should be read in conjunction with the audited actuarial reports presented by the NHRS. This information along with significant assumptions and inputs for total pension liabilities, the NHRS's fiduciary net position and current year sources of changes to net pension liabilities are available for the plan as a whole as well as audited cost-sharing schedules by individual members in the System's Comprehensive Annual Financial Report and other annual reports are available from the NHRS located at Regional Drive -- Concord, NH 03301-8509 or on its web site at <https://www.nhrs.org/funding-and-investments/reports-valuations/annual-report-archive> and <https://www.nhrs.org/employers/gasb/gasb-67-68-reports>. As noted there in, the preparation of those reports requires management to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature and uncertainty of those estimates, actual results could differ, and the differences could be material. As of December 31, 2019, the Association has recognized all statutorily required contributions to the plan. Unless additional assessments are imposed by the NHRS Board due to insolvency or some other circumstances, all future obligations to the plan will become due as a percentage of qualifying wages as they are paid by the Association. At this time, management understands that the NHRS foresees no likelihood of additional assessment beyond normal contribution rates, which are established every two years by a statutorily-governed rate-setting process. All future obligations of the Association to the NHRS will be paid by current appropriations as they become due.

Exhibit C3
LAKES REGION MUTUAL FIRE AID ASSOCIATION
Comparative Schedule of Other Post Employment Benefits
For the Fiscal Year Ended December 31, 2019

All amounts are expressed in USA Dollars

Estimated future OPEB obligations - New Hampshire Retirement System (NHRS). Selected comparative information from NHRS's audited financial statements and cost-sharing schedules that is specific to the Association is as follows:

	As of and for the years ended December 31, (Valuation as of June 30)			
	2016	2017	2018	2019
Proportionate share	0.01008500%	0.01014340%	0.01543193%	0.00940487%
Employer contribution	\$ 5,860	\$ 6,012	\$ 6,826	\$ 4,292
Net OPEB Liability	\$ 48,822	\$ 46,379	\$ 70,654	\$ 41,232
Deferred outflows of resources:				
Differences between expected and actual experience	<i>base year</i>	-	415	-
Changes in proportion	<i>base year</i>	85	5,146	-
<i>Total deferred outflows of resources</i>	<u>\$ -</u>	<u>\$ 85</u>	<u>\$ 5,561</u>	<u>\$ -</u>
Deferred inflows of resources:				
Differences between expected and actual experience	<i>base year</i>	-	-	72
Net difference between projected and actual investment earnings on OPEB plan investments	<i>base year</i>	146	224	46
Changes in proportion	<i>base year</i>	-	-	2,933
<i>Total deferred inflows of resources</i>	<u>\$ -</u>	<u>\$ 146</u>	<u>\$ 224</u>	<u>\$ 3,051</u>
OPEB expense:				
Proportionate share of plan OPEB expense	<i>base year</i>	3,433	6,508	2,698
proportion	<i>base year</i>	197	19,195	(19,440)
<i>Total employer OPEB expense</i>	<u>\$ -</u>	<u>\$ 3,630</u>	<u>\$ 25,703</u>	<u>\$ (16,742)</u>

This information should be read in conjunction with the audited actuarial reports presented by the NHRS. This information along with significant assumptions and inputs for total OPEB liabilities, the NHRS's fiduciary net position and current year sources of changes to net OPEB liabilities are available for the plan as a whole as well as audited cost-sharing schedules by individual members in the System's Comprehensive Annual Financial Report and other annual reports are available from the NHRS located at Regional Drive ~ Concord, NH 03301-8509 or on its web site at:

<https://www.nhrs.org/employers/employer-resources/gasb/gasb-reports>

As noted there in, the preparation of those reports requires management to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature and uncertainty of those estimates, actual results could differ, and the differences could be material. As of December 31, 2019, the Association has recognized all statutorily required contributions to the plan. Unless additional assessments are imposed by the NHRS Board due to insolvency or some other circumstances, all future obligations to the plan will become due as a percentage of qualifying wages as they are paid by the Association. At this time, management understands that that the NHRS foresees no likelihood of additional assessment beyond normal contribution rates, which are established every two years by a statutorily-governed rate-setting process. All future obligations of the Association to the NHRS will be paid by current appropriations as they become due.



Mt. Kearsarge Radio Site, Warner, NH

Dispatched Calls By Community				
		2018	2019	Change
ALEXANDRIA				
	EMS	120	170	
	FIRE	72	58	
	MVA	9	9	
	SERVICE CALL	15	13	
	TOTAL	216	250	15.74%
ALTON				
	EMS	530	545	
	FIRE	178	204	
	MVA	72	72	
	SERVICE CALL	84	106	
	TOTAL	864	927	7.29%
ANDOVER				
	EMS	11	10	
	FIRE	68	70	
	MVA	20	14	
	SERVICE CALL	9	5	
	TOTAL	108	99	-8.33%
ANDOVER EMS				
	EMS	156	145	
	FIRE	42	41	
	MVA	19	13	
	SERVICE CALL	7	7	
	TOTAL	224	206	-8.04%
ASHLAND				
	EMS	278	271	
	FIRE	115	100	
	MVA	48	65	
	SERVICE CALL	17	27	
	TOTAL	458	463	1.09%
BARNSTEAD				
	EMS	478	430	
	FIRE	186	194	
	MVA	40	38	
	SERVICE CALL	39	51	
	TOTAL	743	713	-4.04%
BELMONT				
	EMS	941	974	
	FIRE	367	343	
	MVA	101	102	
	SERVICE CALL	115	144	
	TOTAL	1524	1563	2.56%
BRIDGEWATER				
	EMS	109	131	
	FIRE	53	41	
	MVA	7	12	

	SERVICE CALL	18	25	
	TOTAL	187	209	11.76%
<i>BRISTOL</i>				
		2018	2019	Change
	EMS	814	912	
	FIRE	278	236	
	MVA	63	65	
	SERVICE CALL	140	108	
	TOTAL	1,295	1,321	2.01%
<i>CAMPTON-THORNTON</i>				
		2018	2019	Change
	EMS	459	434	
	FIRE	223	226	
	MVA	66	50	
	SERVICE CALL	105	112	
	TOTAL	853	822	-3.63%
<i>CENTER HARBOR</i>				
		2018	2019	Change
	EMS	154	168	
	FIRE	129	128	
	MVA	24	17	
	SERVICE CALL	12	22	
	TOTAL	319	335	5.02%
<i>DANBURY</i>				
		2018	2019	Change
	EMS	109	102	
	FIRE	70	49	
	MVA	22	13	
	SERVICE CALL	18	12	
	TOTAL	219	176	-19.63%
<i>FRANKLIN</i>				
		2018	2019	Change
	EMS	1,367	1,319	
	FIRE	306	309	
	MVA	90	74	
	SERVICE CALL	175	124	
	TOTAL	1,938	1,826	-5.78%
<i>GILFORD</i>				
		2018	2019	Change
	EMS	874	985	
	FIRE	503	445	
	MVA	70	88	
	SERVICE CALL	201	216	
	TOTAL	1,648	1,734	5.22%
<i>GILMANTON</i>				
		2018	2019	Change
	EMS	337	322	
	FIRE	181	175	
	MVA	64	52	
	SERVICE CALL	44	37	
	TOTAL	626	586	-6.39%
<i>GROTON</i>				
		2018	2019	Change
	EMS	67	50	
	FIRE	16	8	

	MVA	2	2	
	SERVICE CALL	9	12	
	TOTAL	94	72	-23.40%
<i>CENTRAL NH HAZARDOUS MATERIALS TEAM</i>				
		2018	2019	Change
	EMS	0	0	
	FIRE	0	3	
	MVA	0	2	
	SERVICE CALL	0	0	
	TOTAL	0	5	∞
<i>HEBRON</i>				
		2018	2019	Change
	EMS	129	122	
	FIRE	57	30	
	MVA	11	3	
	SERVICE CALL	19	20	
	TOTAL	216	175	-18.98%
<i>HILL</i>				
		2018	2019	Change
	EMS	63	49	
	FIRE	30	22	
	MVA	6	7	
	SERVICE CALL	4	3	
	TOTAL	103	81	-21.36%
<i>HOLDERNESS</i>				
		2018	2019	Change
	EMS	200	169	
	FIRE	183	154	
	MVA	25	34	
	SERVICE CALL	17	29	
	TOTAL	425	386	-9.18%
<i>LACONIA</i>				
		2018	2019	Change
	EMS	3,564	3,534	
	FIRE	916	783	
	MVA	179	175	
	SERVICE CALL	363	276	
	TOTAL	5,022	4,768	-5.06%
<i>LAKES REGION EMS</i>				
		2018	2019	Change
	EMS	1	2	
	FIRE	0	0	
	MVA	1	0	
	SERVICE CALL	0	0	
	TOTAL	2	2	0.00%
<i>LRMFA</i>				
		2018	2019	Change
	EMS	1	10	
	FIRE	27	16	
	MVA	8	5	
	SERVICE CALL	0	0	
	TOTAL	36	31	-13.89%
<i>MEREDITH</i>				
		2018	2019	Change
	EMS	38	31	

	FIRE	303	291	
	MVA	97	80	
	SERVICE CALL	42	46	
	TOTAL	480	448	-6.67%
<i>MEREDITH EMS</i>				
		2018	2019	Change
	EMS	1683	1807	
	FIRE	168	142	
	MVA	153	144	
	SERVICE CALL	70	67	
	TOTAL	2,074	2,160	4.15%
<i>MOULTONBOROUGH</i>				
		2018	2019	Change
	EMS	416	537	
	FIRE	257	247	
	MVA	46	48	
	SERVICE CALL	50	77	
	TOTAL	769	909	18.21%
<i>NEW HAMPTON</i>				
		2018	2019	Change
	EMS	303	304	
	FIRE	154	130	
	MVA	78	88	
	SERVICE CALL	66	50	
	TOTAL	601	572	-4.83%
<i>PLYMOUTH</i>				
		2018	2019	Change
	EMS	1132	1149	
	FIRE	405	341	
	MVA	106	117	
	SERVICE CALL	114	143	
	TOTAL	1,757	1,750	-0.40%
<i>RUMNEY</i>				
		2018	2019	Change
	EMS	141	152	
	FIRE	83	71	
	MVA	19	13	
	SERVICE CALL	15	25	
	TOTAL	258	261	1.16%
<i>SANBORNTON</i>				
		2018	2019	Change
	EMS	198	248	
	FIRE	141	120	
	MVA	75	69	
	SERVICE CALL	42	32	
	TOTAL	456	469	2.85%
<i>SANDWICH</i>				
		2018	2019	Change
	EMS	106	119	
	FIRE	98	79	
	MVA	17	19	
	SERVICE CALL	18	16	
	TOTAL	239	233	-2.51%
<i>STRAFFORD</i>				
		2018	2019	Change

	EMS	230	239	
	FIRE	137	123	
	MVA	25	25	
	SERVICE CALL	39	48	
	TOTAL	431	435	0.93%
<i>TILTON-NORTHFIELD</i>		<i>2018</i>	<i>2019</i>	<i>Change</i>
	EMS	1,291	1,295	
	FIRE	403	403	
	MVA	140	133	
	SERVICE CALL	136	165	
	TOTAL	1,970	1,996	1.32%
<i>WARREN</i>		<i>2018</i>	<i>2019</i>	<i>Change</i>
	EMS	6	10	
	FIRE	38	41	
	MVA	12	10	
	SERVICE CALL	5	4	
	TOTAL	61	65	6.56%
<i>WARREN-WENTWORTH EMS</i>		<i>2018</i>	<i>2019</i>	<i>Change</i>
	EMS	289	286	
	FIRE	27	26	
	MVA	28	25	
	SERVICE CALL	19	9	
	TOTAL	363	346	-4.68%
<i>WATERVILLE VALLEY</i>		<i>2018</i>	<i>2019</i>	<i>Change</i>
	EMS	190	166	
	FIRE	75	81	
	MVA	8	3	
	SERVICE CALL	15	11	
	TOTAL	288	261	-9.38%
<i>WENTWORTH</i>		<i>2018</i>	<i>2019</i>	<i>Change</i>
	EMS	6	8	
	FIRE	54	48	
	MVA	25	23	
	SERVICE CALL	6	1	
	TOTAL	91	80	-12.09%
LRMFA SYSTEM - TOTAL DISPATCHED CALLS		2018	2019	Change
		26,958	26,735	-0.83%

Central New Hampshire HAZMAT Team Oversight Committee

The Lakes Region Mutual Fire Aid Association, in a joint venture with the Capital Area Fire Mutual Aid Compact oversees the Central New Hampshire Hazardous Materials Team, through a joint oversight committee. By cofounding the team, both districts have access to a Hazardous Materials Team if needed, REPC Planning, and HAZMAT consulting without either district having to absorb funding, training, and oversight of individual teams.

After many years of the team being funded via grants, there was a need for additional funding. Both the LRMFA Board of Directors, and the CAMAFC Board of Directors committed to funding the team through each associations budget process for an amount in 2019 of \$5,000.

Chief Ken Jones, Meredith
Chief David Bengtson, Moultonborough
Chief Dan Defosses, Campton-Thornton
Chief Jonathan Goldman, LRMFA

CENTRAL NH HAZMAT TEAM



Anthony Manning
Chief



25 Hall Street 1H
P.O. Box 3962, Concord, NH 03302

Telephone: (603) 225-8988
Fax: (603) 228-0983

2019 Yearly Report

About the Central NH Hazardous Materials Team

The Central NH Hazmat Team was first created in 1995 by the Capital Area Mutual Aid Fire Compact as the Capital Area Hazmat Team. It served the towns in the Capital Region for 9 years. In 2006 the Lakes Region Mutual Fire Aid Association entered into a joint venture agreement to bring hazardous materials response capability to both mutual aid organizations. The name Central NH Hazmat Team was adopted and still holds true today. The team covers 53 towns in the center of NH. From the State Capital, Concord, to the tourist rich areas of the Lakes Region, the team serves a very diverse population and has varying hazards in the region.

Equipment:

We have acquired the 2005 Ford Truck from the North Country Response team. This truck is at the Manor Fire Station. This allows us to set up a research/command area. The 2005 Ford box truck at the Manor Station was relocated to Campton/Thornton Fire Station.

Incidents:

We responded to 10 incidents in 2019. The State has acquired software to track and document incidents but it has not been rolled out. We continue to make an added effort this year to document all of the "consults". I do not believe "10" incidents capture all of the consults in 2019.

Members:

We currently have 33 members.

Grants:

Grants continue to be our main funding source in 2019. We continued to process HMEP, HSEEP and HSHG grants in 2019.

Summary:

In closing; we are a diverse membership that is maintaining its minimum requirements as best we can. We continue to push the state for a proper funding source for training and meetings. Luckily we have a dedicated group to carry the hazmat mission forward.

Respectfully,

Anthony Manning

Anthony Manning, Chief
Central NH HazMat Team

Servicing

CAPITAL AREA FIRE COMPACT



LAKES REGION MUTUAL FIRE AID

**Central New Hampshire Hazmat Team
Profit & Loss Budget vs. Actual
January through December 2019**

	<u>Jan - Dec 19</u>	<u>Budget</u>	<u>actual-budget</u>
Income			
4010 · ASSESSMENTS REVENUE	10,000.00	10,000.00	0.00
4030 · GRANTS REVENUE	72,658.60	73,700.00	-1,041.40
4040 · INVESTMENT INCOME	24.90		24.90
4071 · HAZMAT SERVICE	11,800.18	3,000.00	8,800.18
Total Income	<u>94,483.68</u>	<u>86,700.00</u>	
Gross Profit	94,483.68	86,700.00	
Expense			
5071 · Hazmat Service 5071	0.00	3,000.00	-3,000.00
5370 · UNIFORM AND SUPPLIES	0.00	400.00	-400.00
5385 · MEDICAL SCREENING	30.00	12,000.00	-11,970.00
5390 · ADMINISTRATIVE SERVICE	4,250.00	11,055.00	-6,805.00
5395 · TECHNICIAN SERVICE	33,488.21	22,110.00	11,378.21
5710 · MOTOR FUEL	0.00	200.00	-200.00
5721 · MAINTENANCE - VEHICLES	713.37	300.00	413.37
5722 · MAINTENANCE - EQUIPMENT	5,182.52	6,396.00	-1,213.48
5723 · EQUIPMENT PURCHASES	22,392.40	28,743.00	-6,350.60
5740 · OPERATING SUPPLIES	6,467.80	2,142.00	4,325.80
5811 · OFFICE SUPPLIES	97.05	200.00	-102.95
5813 · COMPUTER EXPENSES	4,800.00	1,105.50	3,694.50
5850 · TRAVEL & MEETINGS	4,739.52	2,948.00	1,791.52
5870 · PROFESSIONAL FEES	2,500.00	2,000.00	500.00
5890 · MISCELLANEOUS	305.00	300.00	5.00
Total Expense	<u>84,965.87</u>	<u>92,899.50</u>	
Net Income	<u>9,517.81</u>	<u>-6,199.50</u>	

4:20 PM
03/24/20
Accrual Basis

Central New Hampshire Hazmat Team
Summary Balance Sheet
As of December 31, 2019

Dec 31, 2019

ASSETS

Current Assets

Checking/Savings 37,911.03

Total Current Assets 37,911.03

TOTAL ASSETS 37,911.03

LIABILITIES & EQUITY 0.00



LRMFA Training Division Quarterly Training Program at LRCC

Training and Education Division

The Lakes Region Mutual Fire Aid Training Division has had a successful 2019 campaign. After a few years of inactivity, the Division has offered many successful programs that have sparked interest in training throughout the Lakes Region. In 2019, the Division held professional development programs, New Hampshire Fire Marshal inspection programs, assisted with live-fire training, and conducted Fit Testing for numerous departments. The success of these programs is due to the input and participation from all Lakes Region Mutual Fire Aid Departments.

The Training Division is excited for a busy 2020, coordinating firefighter I and II, Driver/Operator, Swiftwater, and rope rescue programs for Lakes Region Mutual Fire Aid members.

The new website is currently under construction and should have information on all the programs that the Division offers when complete. Your input is still vital to the success of the Training Division. Quarterly meetings are always held at Lakes Region Mutual Fire Aid to discuss requests and new content development.

David Hall
Deputy Chief
Franklin Fire Department
Training Division Co-Chairman

Tim Joubert
Deputy Chief
Tilton-Northfield Fire & EMS
Training Division Co-Chairman

FIT Testing

Department	# of Members Tested	Fee
Belmont	10	No charge
Bristol	14	\$75.00
Barnstead	2	No charge
Franklin	21	\$150.00
Gilford	21	\$150.00
Gilmanton	11	\$75.00
Laconia	31	\$150.00
Meredith	31	\$150.00
Sanbornton	1	No charge
Tilton-Northfield	17	\$75.00
Warren	8	No Charge

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Lakes Region Mutual Fire Aid Association
2019 Annual Report.