

**TOWN OF MEREDITH,
NEW HAMPSHIRE**

ANNUAL FINANCIAL REPORT

**AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023**

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INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Selectmen and Town Manager
Town of Meredith
Meredith, New Hampshire

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Meredith as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town of Meredith's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Meredith, as of December 31, 2023, the respective changes in financial position, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Town of Meredith and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 2-C to the financial statements, in the year ending December 31, 2023, the Town adopted new accounting guidance, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The Town of Meredith's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Meredith's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting

***Town of Meredith
Independent Auditor's Report***

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Meredith's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Meredith's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the following be presented to supplement the basic financial statements:

- Management's Discussion and Analysis,
- Schedule of the Town's Proportionate Share of Net Pension Liability,
- Schedule of Town Contributions – Pensions,
- Schedule of the Town's Proportionate Share of Net Other Postemployment Benefits Liability,
- Schedule of Town Contributions – Other Postemployment Benefits,
- Schedule of Changes in the Town's Total Other Postemployment Benefits Liability and Related Ratios, and
- Notes to the Required Supplementary Information

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Meredith's basic financial statements. The combining and individual fund schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

March 21, 2025
Concord, New Hampshire

***Plodzik & Sanderson
Professional Association***

TOWN OF MEREDITH, NH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDING DECEMBER 31, 2023

Presented here is the Management Discussion & Analysis Report for the Town of Meredith, NH, for the year ending December 31, 2023. Responsibility for both the accuracy of the data, completeness and fairness of this presentation (including all disclosures) rests with the Board of Selectmen. To the best of our knowledge and belief, the data contained herein is accurate in all material respects. We report this data in a manner designed to present fairly the Town's financial position and the results of operations of the various Town funds. All disclosures necessary to enable the reader to gain an accurate understanding of the Town's financial activities have been included.

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

Financial Highlights

- The assets and deferred outflows of resources for the Town of Meredith exceeded its liabilities and deferred inflows of resources at the close of 2023 resulting in a net position of \$45,659,632 on the government-wide financial statements (Accrual Basis).
- The Town's revenue for all Governmental Activities was \$19,782,485 while expenses totaled \$18,057,108 resulting in a \$1,725,377 excess of revenues over expenses.
- The net change in Total Government Fund Balances was \$406,829 resulting in fund balances at the end of 2023 for all Government Funds of \$18,315,060.
- The net change in the Fund Balance of the General Fund was \$683,581, resulting in a total Unassigned Fund Balance of \$6,529,493 as of December 31, 2023 (Non-GAAP Budgetary Basis). GAAP Basis Unassigned Fund Balance was \$6,305,694 (see Exhibit C-1).
- The long-term debt liability decreased, with total outstanding bond debt (principal and unamortized bond premiums) of \$10,044,616, which is a \$1,033,198 decrease from the prior year.
- The Town of Meredith's net pension liability of \$8,139,787 under GASB Statement No. 68 is a decrease of \$173,761 from the prior year.

Overview of the Financial Statements

The financial statements presented herein include all of the activities of the Town of Meredith, NH using the integrated approach prescribed by GASB Statement 34. The intention of this discussion and analysis serves as an introduction to the Town's financial statements. The financial statements are comprised of the following three components:

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to the Basic Financial Statements

Government-Wide Financial Statements

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

The Statement of Net Position presents information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the remaining difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent year. All of the current year's revenues and expenses are taken into account regardless of the time of receipt of cash in or pay out.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. One can divide all the funds of the Town into two categories: governmental funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating the Town's near-term financing requirements.

The focus of government funds is narrower than that of the government-wide financial statements; it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between the governmental activities Statement of Net Position and Statement of Activities.

The Town maintains numerous individual government funds. Information is presented separately in a governmental fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for the General and Capital Projects Funds, the Town's major funds. Data from all other governmental funds are combined into a single, aggregate presentation.

The Town adopts an annual appropriation budget for its governmental funds. A budgetary comparison is provided for the General Fund to demonstrate compliance with the approved budget.

Fiduciary funds are used to account for resources held for the benefit of parties other than the Town. Fiduciary funds are not reflected in the government-wide financial statements because the resources for those funds are not available to support the programs of the Town of Meredith. The Town's fiduciary funds consist of custodial funds and private purpose trust funds.

Notes to the Basic Financial Statements

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

Required Supplementary Information

The basic financial statements and accompanying notes are followed by a section of required supplementary information. This section includes the following:

- Schedule of the Town's Proportionate Share of Net Pension Liability,
- Schedule of Town Contributions – Pensions,
- Schedule of the Town's Proportionate Share of Net Other Postemployment Benefits Liability,
- Schedule of Town Contributions – Other Postemployment Benefits,
- Schedule of Changes in the Town's Total Other Postemployment Benefits Liability and Related Ratios, and
- Notes to the Required Supplementary Information

Other Supplementary Information

Other supplementary information includes individual and combining financial statements for non-major governmental and fiduciary funds.

Government-Wide Financial Analysis

Statement of Net Position

Net position of the Town of Meredith as of December 31, 2023 and 2022 is as follows:

	2023	2022	Change	% of Change
Capital Assets, Net	\$ 46,559,666	\$ 46,330,139	\$ 229,527	0.50%
Other Assets	29,959,251	29,070,888	888,363	3.06%
Total Assets	76,518,917	75,401,027	1,117,890	1.48%
Total Deferred Outflows of Resources	1,326,407	1,229,064	97,343	7.92%
Long-term Liabilities	20,511,269	21,415,670	(904,401)	-4.22%
Other Liabilities	10,939,756	10,378,790	560,966	5.40%
Total Liabilities	31,451,025	31,794,460	(343,435)	-1.08%
Total Deferred Inflows of Resources	734,667	901,376	(166,709)	-18.49%
Net Position:				
Net Investment in Capital Assets	36,409,645	35,274,676	1,134,969	3.22%
Restricted	7,362,362	7,671,653	(309,291)	-4.03%
Unrestricted	1,887,625	987,926	899,699	91.07%
Total Net Position	\$ 45,659,632	\$ 43,934,255	\$ 1,725,377	3.93%

Statement of Activities

Changes in net position for the years ending December 31, 2023 and 2022 are as follows:

	2023	2022	Change	% of Change
Revenues				
Program Revenues:				
Charges for Services	\$ 2,953,875	\$ 2,714,183	\$ 239,692	8.83%
Operating Grants and Contributions	430,373	507,422	(77,049)	-15.18%
General Revenues:				
Property and Other Taxes	12,494,769	11,252,368	1,242,401	11.04%
Licenses and Permits	2,287,348	2,151,425	135,923	6.32%
Grants and Contributions	693,737	1,336,335	(642,598)	-48.09%
Miscellaneous	922,383	211,803	710,580	335.49%
Total Revenues	19,782,485	18,173,536	1,608,949	8.85%
Expenses				
General Government	5,888,824	6,159,437	(270,613)	-4.39%
Public Safety	3,017,636	2,727,273	290,363	10.65%
Highway and Streets	3,943,874	2,891,418	1,052,456	36.40%
Sanitation	1,930,608	1,793,692	136,916	7.63%
Water Distribution and Treatment	1,119,441	857,701	261,740	30.52%
Health and Welfare	53,001	46,333	6,668	14.39%
Culture and Recreation	1,809,911	1,773,943	35,968	2.03%
Conservation	53,494	38,436	15,058	39.18%
Interest - Long-term Debt	240,319	293,597	(53,278)	-18.15%
Total Expenditures	18,057,108	16,581,830	1,475,278	8.90%
Change in Net Position	1,725,377	1,591,706	133,671	8.40%
Net Position, Beginning of Year, As Restated	43,934,255	42,342,549	1,591,706	3.76%
Net Position, End of Year	\$ 45,659,632	\$ 43,934,255	\$ 1,725,377	3.93%

Town of Meredith Activities

For the year ending December 31, 2023, there was an increase in the Town's total Net Position of \$1,725,377. This is due to an increase in revenues and an increase in capital assets, a continued effect of the further completion of the DPW building.

The General Fund ended the year with an unassigned fund balance of \$6,305,694 under the GAAP Basis, or 32% of total general fund expenditures. The increase was due to a revenue surplus and an unexpended balance of appropriations.

General Fund Budgetary Highlights

The approved appropriations for the Town for the 2023 budget year was \$18,166,872, with separate warrant articles for Expendable Trust Funds totaling \$600,000. Savings were realized in all functions with the exception of the Public Safety and Welfare. Contributing to the savings were changes in personnel with attributable benefits and a reduction in projects and programs. Actual revenues exceeded estimates, with an increase in licenses and permits, charges for services, and building permits.

Capital Assets

The Town of Meredith considers a capital asset to be an asset costing a minimum of \$10,000 and which has a useful life of greater than one (1) year. The Town depreciates its assets using the straight-line method over the course of their estimated useful life beginning the month and year of acquisition.

The book value of all capital assets for the Town of Meredith is \$46,559,666, an increase of \$229,527 due to continued progress on the DPW Facility and purchases of new equipment and vehicles. The investment in capital assets include land, land improvements, conservation easements, infrastructure additions and improvements, buildings and building improvements, equipment and vehicles.

The investment in capital assets for 2023 amounted to \$1,352,279, with \$1,118,852 in depreciation expense. This amount includes improvements to the Library and the DPW garage.

Additional information on capital assets can be found in Note 1F and Note 7 of the Basic Financial Statements.

Capital Improvement Planning

Annually, the Capital Improvement Program (CIP) Advisory Committee reviews, updates, and recommends a program of capital improvements for the following year. The primary purpose of the CIP is to assist the Board of Selectmen in their consideration of their annual budget (RSA 674:5). In addition, the CIP identifies future capital needs for a period of ten (10) years. The recommended CIP is a non-binding planning tool. As a preface to the specific recommendations that follow, it is important to note:

The Capital Improvement Program incorporates existing debt service as part of the overall capital program. For 2023, existing debt service payments will total \$1,314,579 representing 65% of the recommended municipal Capital Improvement Program. The recommended municipal Capital Improvement Program includes additional capital program spending in the amount of \$500,000. The CIP Advisory Committee recommends a municipal Capital Improvement Program (debt service plus capital projects) of \$1,814,579. This represents an increase of 2% compared to the 2022 municipal CIP-related appropriations.

The municipal debt service schedule indicates that no additional debt will be acquired in 2023 but more will be retired in 2024 through 2027. The Committee understands that as debt is retired, program capacity associated with the retired debt will be available to support future capital needs.

In addition to what has been identified and programmed, there are significant capital projects that are likely to come before the Committee in the future, including:

- Parks and Recreation Facility Improvements
- Town Wide Infrastructure Replacements and Improvements

The Committee has not programmed these potential projects at this time. It is anticipated, however, that as these projects become more defined, requests will be submitted for consideration in future CIP amendment cycles.

Meredith is one of three communities that compromise the Inter-Lakes School District. Meredith taxpayers are responsible for approximately 75% of the District's costs including capital projects. The District has developed a six-year capital improvements program. The District's program includes three projects that, when prorated to reflect Meredith's share of the district's cost, meet the Meredith CIP threshold of \$90,000. Meredith's pro-rated share is reflected in the Meredith Capital Improvements program for informational purposes.

Long-term Liabilities

At the end of 2023, total general obligation debt outstanding (principal and unamortized bond premiums) was \$10,044,616. During 2023, outstanding general obligation debt decreased by \$1,033,198 as a result of payments made on existing obligations and amortization of related bond premiums.

The Town's other long-term debt obligations consist of compensated absences payable, which had an increase of \$150,597. Compensated absences are liabilities for wages, taxes, and retirement amounts owed to Town employees based upon accrued leave at the end of each year.

See Note 1-L and Note 11 of the Basic Financial Statements for additional information on outstanding long-term liabilities.

Economic Factors, Rate and 2023 Budget

The NH Department of Revenue Administration (DRA) sets the annual Tax Rate for the Town of Meredith. Based upon the Appropriations as approved at the annual Town Meeting, held annually in March each year, the amounts are adjusted for actual revenues and expenditures throughout the year. The Town collects property taxes to fund Town operations and the School Administrative Unit (SAU #2). The property taxes also pay the levy placed on the Town by Belknap County and the State of New Hampshire for the Statewide Property Tax for Education. The levy for Belknap County is apportioned to all towns within the County. The Town of Meredith invoices property taxes semi-annually. Tax billing occurs according to the laws of the State of New Hampshire, under the supervision of the DRA. The first invoice is an estimate based on half of the prior year's collection. The second billing utilizes the set tax for the year as established by the NH DRA applied to the current year's assessment.

Following is a comparison of the 2023 and 2022 tax rates:

	<u>2023</u>	<u>2022</u>
Municipal Rate	\$ 3.24	\$ 4.69
Local School Rate	\$ 4.40	\$ 6.77
State School Rate	\$ 1.23	\$ 1.28
County Rate	<u>\$ 1.02</u>	<u>\$ 1.23</u>
Total Rate	\$ 9.89	\$13.97

The tax rate decreased by \$4.08 from 2022 to 2023, or by 29.2 %.

Assessed value 2023 - \$3,850,478,052 2022 - \$2,355,818,734

The assessed value increased by \$1,494,659,318 from 2022 to 2023, or by 63%.

The total Municipal Tax Effort was \$38,057,232 with War Service Credits in the amount of \$301,625.

Requests for Information

The financial report provides our citizens and creditors with a general overview of the Town of Meredith's finances. It demonstrates accountability for the funds the Town receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Meredith, Administrative Services, or the Board of Selectmen at 41 Main Street, Meredith, NH 03253.

BASIC FINANCIAL STATEMENTS

EXHIBIT A
TOWN OF MEREDITH, NEW HAMPSHIRE
Statement of Net Position
December 31, 2023

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 12,867,337
Investments	3,592,068
Taxes receivable (net)	13,093,064
Accounts receivable	348,190
Tax deeded property, subject to resale	58,592
Capital assets:	
Land and construction in progress	20,255,866
Other capital assets, net of depreciation	26,303,800
Total assets	76,518,917
DEFERRED OUTFLOWS OF RESOURCES	
Amounts related to pensions	1,306,614
Amounts related to other postemployment benefits	19,793
Total deferred outflows of resources	1,326,407
LIABILITIES	
Accounts payable	7,178
Accrued interest payable	141,047
Intergovernmental payable	10,772,858
Escrow and performance deposits	18,673
Long-term liabilities:	
Due within one year	1,133,016
Due in more than one year	19,378,253
Total liabilities	31,451,025
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - prepaid property taxes	25,389
Unavailable revenue - grants	599,878
Amounts related to pensions	109,400
Total deferred inflows of resources	734,667
NET POSITION	
Net investment in capital assets	36,409,645
Restricted	7,362,362
Unrestricted	1,887,625
Total net position	\$ 45,659,632

The Notes to the Basic Financial Statements are an integral part of this statement.

EXHIBIT B
TOWN OF MEREDITH, NEW HAMPSHIRE
Statement of Activities
For the Fiscal Year Ended December 31, 2023

	Expenses	Program Revenues		Net (Expense) Revenue and Change In Net Position
		Charges for Services	Operating Grants and Contributions	
General government	\$ 5,888,824	\$ 207,603	\$ 65,099	\$ (5,616,122)
Public safety	3,017,636	211,819	1,325	(2,804,492)
Highways and streets	3,943,874	925	350,003	(3,592,946)
Sanitation	1,930,608	1,547,930	-	(382,678)
Water distribution and treatment	1,119,441	759,136	-	(360,305)
Welfare	53,001	-	-	(53,001)
Culture and recreation	1,809,911	223,380	-	(1,586,531)
Conservation	53,494	3,082	13,946	(36,466)
Interest on long-term debt	240,319	-	-	(240,319)
Total governmental activities	<u>\$ 18,057,108</u>	<u>\$ 2,953,875</u>	<u>\$ 430,373</u>	<u>(14,672,860)</u>

General revenues:

Taxes:	
Property	12,340,599
Other	154,170
Motor vehicle permit fees	2,098,294
Licenses and other fees	189,054
Grants and contributions not restricted to specific programs	693,737
Unrestricted investment earnings	290,702
Miscellaneous	62,877
Unrealized gain on investments	568,804
Total general revenues	<u>16,398,237</u>
Change in net position	1,725,377
Net position, beginning, as restated (see Note 18)	43,934,255
Net position, ending	<u>\$ 45,659,632</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

EXHIBIT C-1
TOWN OF MEREDITH, NEW HAMPSHIRE
Governmental Funds
Balance Sheet
December 31, 2023

	General	Capital Project Fund DPW Project	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 7,256,993	\$ 22,851	\$ 5,587,493	\$ 12,867,337
Investments	2,342,633	-	1,249,435	3,592,068
Taxes receivable	13,123,064	-	-	13,123,064
Accounts receivable	280,363	-	67,827	348,190
Tax dedeed property, subject to resale	58,592	-	-	58,592
Total assets	<u>\$ 23,061,645</u>	<u>\$ 22,851</u>	<u>\$ 6,904,755</u>	<u>\$ 29,989,251</u>
LIABILITIES				
Accounts payable	\$ 7,178	\$ -	\$ -	\$ 7,178
Intergovernmental payable	10,772,858	-	-	10,772,858
Escrow and performance deposits	18,673	-	-	18,673
Total liabilities	<u>10,798,709</u>	<u>-</u>	<u>-</u>	<u>10,798,709</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	250,215	-	-	250,215
Unavailable revenue - prepaid property taxes	25,389	-	-	25,389
Unavailable revenue - grants	599,878	-	-	599,878
Total deferred inflows of resources	<u>875,482</u>	<u>-</u>	<u>-</u>	<u>875,482</u>
FUND BALANCES				
Nonspendable	58,592	-	188,347	246,939
Restricted	793,300	22,851	6,357,864	7,174,015
Committed	2,385,422	-	358,544	2,743,966
Assigned	1,844,446	-	-	1,844,446
Unassigned	6,305,694	-	-	6,305,694
Total fund balances	<u>11,387,454</u>	<u>22,851</u>	<u>6,904,755</u>	<u>18,315,060</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 23,061,645</u>	<u>\$ 22,851</u>	<u>\$ 6,904,755</u>	<u>\$ 29,989,251</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

EXHIBIT C-2
TOWN OF MEREDITH, NEW HAMPSHIRE
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position
December 31, 2023

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total fund balances of governmental funds (Exhibit C-1)	\$ 18,315,060
Capital assets used in governmental activities are not current financial resources, therefore, are not reported in the governmental funds.	
Cost	\$ 62,837,524
Less accumulated depreciation	<u>(16,277,858)</u>
	46,559,666
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings and contributions subsequent to the measurement date for the post-retirement benefits (pension and OPEB) are recognized as deferred outflows of resources and deferred inflows of resources on the Statement of Net Position.	
Deferred outflows of resources related to pensions	\$ 1,306,614
Deferred inflows of resources related to pensions	(109,400)
Deferred outflows of resources related to OPEB	<u>19,793</u>
	1,217,007
Long-term revenue (taxes) is not available to pay current-period expenditures, and therefore, is deferred in the governmental funds.	250,215
Allowance for uncollectible property taxes that is recognized on a full accrual basis, but not on the modified accrual basis.	(30,000)
Interest on long-term debt is not accrued in governmental funds.	
Accrued interest payable	(141,047)
Long-term liabilities that are not due and payable in the current period, therefore, are not reported in the governmental funds.	
Bonds	\$ 8,584,000
Notes	128,256
Unamortized bond premium	1,460,616
Compensated absences	755,556
Accrued landfill postclosure care costs	42,000
Net pension liability	8,139,787
Other postemployment benefits	<u>1,401,054</u>
	<u>(20,511,269)</u>
Net position of governmental activities (Exhibit A)	<u><u>\$ 45,659,632</u></u>

EXHIBIT C-3
TOWN OF MEREDITH, NEW HAMPSHIRE
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2023

	General	Capital Project Fund DPW Project	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 12,493,534	\$ -	\$ 35,900	\$ 12,529,434
Licenses and permits	2,204,860	-	82,488	2,287,348
Intergovernmental receivable	1,101,137	-	22,973	1,124,110
Charges for services	995,552	-	1,958,323	2,953,875
Miscellaneous	268,820	-	84,759	353,579
Unrealized gain on investments	542,513	-	26,291	568,804
Total revenues	<u>17,606,416</u>	<u>-</u>	<u>2,210,734</u>	<u>19,817,150</u>
EXPENDITURES				
Current:				
General government	6,057,007	-	108,193	6,165,200
Public safety	2,482,556	-	143,481	2,626,037
Highways and streets	2,913,068	-	-	2,913,068
Water distribution and treatment	-	-	1,041,999	1,041,999
Sanitation	758,666	-	1,062,212	1,820,878
Welfare	53,001	-	-	53,001
Culture and recreation	1,414,039	-	50,504	1,464,543
Conservation	-	-	26,960	26,960
Debt service:				
Principal	906,500	-	-	906,500
Interest	379,143	-	-	379,143
Capital outlay	2,188,642	-	-	2,188,642
Total expenditures	<u>17,152,622</u>	<u>-</u>	<u>2,433,349</u>	<u>19,585,971</u>
Excess (deficiency) of revenues over (under) expenditures	<u>453,794</u>	<u>-</u>	<u>(222,615)</u>	<u>231,179</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	62,487	-	20,350	82,837
Transfers out	(8,350)	-	(74,487)	(82,837)
Note proceeds	175,650	-	-	175,650
Total other financing sources (uses)	<u>229,787</u>	<u>-</u>	<u>(54,137)</u>	<u>175,650</u>
Net change in fund balances	683,581	-	(276,752)	406,829
Fund balances, beginning, as restated (see Note 18)	10,703,873	22,851	7,181,507	17,908,231
Fund balances, ending	<u>\$ 11,387,454</u>	<u>\$ 22,851</u>	<u>\$ 6,904,755</u>	<u>\$ 18,315,060</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

EXHIBIT C-4
TOWN OF MEREDITH, NEW HAMPSHIRE
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances - Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2023

Net change in fund balances of governmental funds (Exhibit C-3)		\$ 406,829
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Capitalized capital outlay exceeded depreciation/amortization expense in the current year, as follows:		
Capitalized capital outlay	\$ 1,352,279	
Depreciation/amortization expense	<u>(1,118,852)</u>	233,427
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position.		(3,900)
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$ (82,837)	
Transfers out	<u>82,837</u>	-
Revenue in the Statement of Activities that does not provide current financial resources are not reported as revenue in the governmental funds.		
Decrease in deferred tax revenue	\$ (54,730)	
Decrease in allowance for uncollectable taxes	<u>20,065</u>	(34,665)
Bond and other debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond and other debt principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.		
Proceeds of debt	\$ (175,650)	
Repayment of bond principal	906,500	
Repayment of note principal	47,394	
Amortization of bond premium	<u>127,198</u>	905,442
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.		
Decrease in accrued interest expense	\$ 11,626	
Increase in compensated absences	(150,597)	
Decrease in accrued landfill postclosure care costs	6,000	
Net change in net pension liability, and related deferred outflows of resources and deferred inflows of resources	386,406	
Net change in other postemployment benefits liability, and related deferred outflows of resources and deferred inflows of resources	<u>(35,191)</u>	218,244
Changes in net position of governmental activities (Exhibit B)		<u>\$ 1,725,377</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

EXHIBIT D
TOWN OF MEREDITH, NEW HAMPSHIRE
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended December 31, 2023

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 12,355,985	\$ 12,355,985	\$ 12,458,869	\$ 102,884
Licenses and permits	2,112,000	2,112,000	2,204,860	92,860
Intergovernmental	849,639	983,903	1,101,137	117,234
Charges for services	768,100	768,100	995,552	227,452
Miscellaneous	225,000	225,000	254,273	29,273
Total revenues	<u>16,310,724</u>	<u>16,444,988</u>	<u>17,014,691</u>	<u>569,703</u>
EXPENDITURES				
Current:				
General government	6,970,340	6,970,340	6,756,895	213,445
Public safety	2,652,392	2,652,392	2,811,796	(159,404)
Highways and streets	2,843,162	2,843,162	2,692,680	150,482
Sanitation	864,670	864,670	765,469	99,201
Welfare	50,000	50,000	53,001	(3,001)
Culture and recreation	1,505,580	1,505,580	1,405,584	99,996
Debt service:				
Principal	906,500	906,500	906,500	-
Interest	408,080	408,080	379,143	28,937
Capital outlay	-	1,966,148	1,921,817	44,331
Total expenditures	<u>16,200,724</u>	<u>18,166,872</u>	<u>17,692,885</u>	<u>473,987</u>
Excess (deficiency) of revenues over (under) expenditures	<u>110,000</u>	<u>(1,721,884)</u>	<u>(678,194)</u>	<u>1,043,690</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,831,884	1,894,371	62,487
Transfers out	(600,000)	(600,000)	(608,350)	(8,350)
Total other financing sources (uses)	<u>(600,000)</u>	<u>1,231,884</u>	<u>1,286,021</u>	<u>54,137</u>
Net change in fund balances	<u>\$ (490,000)</u>	<u>\$ (490,000)</u>	607,827	<u>\$ 1,097,827</u>
Decrease in nonspendable fund balance			1,662	
Increase in restricted fund balance			(12,233)	
Decrease in committed fund balance			400,000	
Decrease in assigned fund balance (non-encumbrance)			842	
Unassigned fund balance, beginning			5,531,395	
Unassigned fund balance, ending			<u>\$ 6,529,493</u>	

The Notes to the Basic Financial Statements are an integral part of this statement.

EXHIBIT E-1
TOWN OF MEREDITH, NEW HAMPSHIRE
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2023

	Private Purpose Trust Funds	Other Custodial Funds	Total
ASSETS			
Cash and cash equivalents	\$ 4,746	\$ 865,691	\$ 870,437
Investments	10,672	258,158	268,830
Intergovernmental receivable	-	10,625,625	10,625,625
Total assets	<u>15,418</u>	<u>11,749,474</u>	<u>11,764,892</u>
LIABILITIES			
Due to school district	-	10,625,625	10,625,625
Escrow payable	-	130,498	130,498
Total liabilities	<u>-</u>	<u>10,756,123</u>	<u>10,756,123</u>
NET POSITION			
Restricted	<u>\$ 15,418</u>	<u>\$ 993,351</u>	<u>\$ 1,008,769</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

EXHIBIT E-2
TOWN OF MEREDITH, NEW HAMPSHIRE
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2023

	Private Purpose Trust Funds	Other Custodial Funds	All Custodial Funds
ADDITIONS			
Contributions	\$ -	\$ 277,462	\$ 277,462
Investment earnings	1,480	18,336	19,816
Unrealized gain (loss) on investments	158	(107,468)	(107,310)
Tax collections for other governments	-	25,603,956	25,603,956
Collection of motor vehicle for State	-	647,840	647,840
Total additions	1,638	26,440,126	26,441,764
DEDUCTIONS			
Administrative expenses	65	1,516	1,581
Payments of taxes to other governments	-	25,603,956	25,603,956
Payments for escrow purposes	-	72,651	72,651
Payments of motore vehicle fees to State	-	647,840	647,840
Total deductions	65	26,325,963	26,326,028
Change in net position	1,573	114,163	115,736
Net position, beginning	13,845	879,188	893,033
Net position, ending	\$ 15,418	\$ 993,351	\$ 1,008,769

The Notes to the Basic Financial Statements are an integral part of this statement.

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

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TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Meredith, New Hampshire (the Town), have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

The more significant of the Town’s accounting policies are described below.

1-A Reporting Entity

The Town of Meredith is a municipal corporation governed by an elected 5-member Board of Selectmen and Town Manager. In evaluating how to define the Town for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by the GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units – an Amendment of GASB Statement No. 14*. The Town has no component units to include in its reporting entity.

1-B Basis of Accounting and Measurement Focus

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-wide Financial Statements – The Town’s government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present a summary of governmental activities for the Town. Fiduciary activities of the Town are not included in these statements.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the Town’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the Town are reported in two categories: 1) charges for services, and 2) operating grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

Governmental Fund Financial Statements – Include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. Accompanying statements are presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements. The Town has presented all major funds that met those qualifications.

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 Town generally considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of reimbursement-based grants, which use a period of one year. Property taxes, licenses, and permits, intergovernmental revenue, 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. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

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.

The Town reports the following major governmental funds:

General Fund – is the Town’s primary operating fund. The general fund accounts for all financial resources except those required to be accounted for in another fund. The primary revenue sources include property taxes, State grants and motor vehicle permit fees. The primary expenditures are for general government, public safety, highways and streets, sanitation, culture and recreation, debt service and capital outlay. Under GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* guidance, the library, Hawkins Nature Trail, and expendable trust funds are consolidated in the general fund.

DPW Capital Project Fund – the DPW capital project fund accounts for the activity pertaining to the construction/renovation of the public works building.

Additionally, the Town reports the following fund types:

Special Revenue Funds – are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Permanent Fund – is used to record activity of legal trusts for which the interest on the corpus provides funds for the permanent funds including the Town’s cemetery operations.

All the governmental funds not meeting the criteria established for major funds are presented in the other governmental column.

Fiduciary Fund Financial Statements – Include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The Town’s fiduciary funds are private purpose trust and custodial funds, which are custodial in nature and do not involve measurement of results of operations. These funds are accounted for on a spending, or “economic resources” measurement focus and the accrual basis of accounting.

The Town reports the following fiduciary funds:

Private Purpose Trust Fund – are used to report trust arrangements, other than pension and investment trusts, under which principal and income benefit individuals, private organizations, or other governments.

Custodial Fund – are custodial in nature and do not involve the measurement of operating results. A custodial fund is used to account for assets held on behalf of outside parties, including other governments.

1-C Cash and Cash Equivalents

The Town considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Deposits with financial institutions consist primarily of demand deposits and savings accounts. A cash pool is maintained that is available for use by all funds. Each fund’s portion of this pool is reflected on the combined financial statements under the caption “cash and cash equivalents.”

The treasurer is required to deposit such moneys in solvent banks in state or the Public Deposit Investment Pool pursuant to New Hampshire RSA 383:22. Funds may be deposited in banks outside of the state if such banks pledge and deliver to a third party custodial bank or the Federal Reserve Bank, collateral security for such deposits, United States government or government agency obligations or obligations to the State of New Hampshire in value at least equal to the amount of the deposit in each case.

1-D Investments

State statutes place certain limitations on the nature of deposits and investments available as follows:

- New Hampshire law authorizes the Town to invest in the following type of obligations:
- Obligations of the United States government,
 - The public deposit investment pool established pursuant to RSA 383:22,

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

- Savings bank deposits,
- Certificates of deposit and repurchase agreements of banks incorporated under the laws of the State of New Hampshire or in banks recognized by the State treasurer.

Any person who directly or indirectly receives any such funds or moneys 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 of such funds. Such collateral shall be segregated for the exclusive benefit of the Town. 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.

Fair Value Measurements of Investments – In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, except for investments measured using net asset value (NAV) as a practical expedient to estimate fair value, the Town categorizes the fair value measurements of its investments within the fair value hierarchy established by US GAAP. The fair value hierarchy categorizes the inputs to valuation techniques used for fair value measurement into three levels as follows:

Level 1 – Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets. A quoted price for an identical asset or liability in an active market (e.g., an equity security traded on a major exchange) provides the most reliable fair value measurement and, if available, should be used to measure the fair value in that particular market.

Level 2 – The categorization of an asset/liability as Level 1 requires that it be traded in an active market. If an instrument is not traded in an active market, it may fall to Level 2. Level 2 inputs are inputs that are observable, either directly or indirectly, but do not qualify as Level 1.

Level 3 – Reporting entities may use unobservable inputs to measure fair value if relevant observable inputs are not available, thereby allowing for situations in which there is little, if any market activity for the asset or liability at the measurement date. These unobservable inputs are considered Level 3.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In certain instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, is the level in the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. Investments are reported at fair value. If an investment is held directly by the Town and an active market with quoted prices exists, such as for domestic equity securities, the market price of an identical security is used to report fair value and is classified in Level 1. Corporate fixed income securities and certain governmental securities utilize pricing that may involve estimation using similar securities or trade dates and are classified in Level 2. Fair values for shares in registered mutual funds and exchange-traded funds are based on published share prices and classified in Level 1.

In determining fair value, the Town utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

1-E Receivables

Receivables recorded in the financial statements represent amounts due to the Town at December 31. They are aggregated into a single accounts receivable (net of allowance for uncollectibles) line for certain funds and aggregated columns. They consist primarily of taxes, billing for charges, and other user fees.

1-F Capital Assets

Capital assets are reported in the governmental activities in the government-wide financial statements but are not reported in the fund financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. When purchased, such assets are recorded as expenditures in a governmental fund and capitalized as assets in the government-wide Statement of Net Position.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

Capital assets of the Town are depreciated or amortized (except for land and construction on progress which are not depreciated) using the straight-line method over the following estimated useful lives:

Capital Asset Classes:	<u>Years</u>
Land improvements	40
Monument	10
Building and building improvements	10-40
Machinery, equipment, and vehicles	5-15
Infrastructure	50

1-G Interfund Activities

Interfund activities are reported as follows:

Interfund Transfers – Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making the transfers and other financing sources in the funds receiving the transfers. In the government-wide financial statements, all interfund transfers between individual governmental funds have been eliminated.

1-H Property Taxes

Property tax billings occur semi-annually and are based on the assessed inventory values as of April 1 of each year. Warrants for the year were issued on May 16, 2023, and December 4, 2023, and due on July 3, 2023, and January 8, 2024. For any regular property taxes issued, the interest accrues at a rate of 8% on bills outstanding after the due date and 14% on tax liens outstanding.

In connection with the setting of the tax rate, Town officials with the approval of the Department of Revenue Administration, establish and raise through taxation an amount for tax abatement and refunds, known as overlay. This amount is reported as a reduction in tax revenue and is adjusted by management for any reserve for uncollectable taxes at year-end. The property taxes collected by the Town include taxes levied for the State of New Hampshire, Interlake School District, Maple Ridge Road Village District, and Belknap County, which are remitted to these entities as required by law.

The Town net assessed valuation as of April 1, 2023, utilized in the setting of the tax rate was as follows:

For the New Hampshire education tax	\$ 3,830,968,852
For all other taxes	\$ 3,850,478,052

The tax rates and amounts assessed for the year ended December 31, 2023 were as follows:

	Per \$1,000 of Assessed Valuation	Property Taxes Assessed
Municipal portion	\$ 3.24	\$ 12,459,277
School portion:		
State of New Hampshire	1.23	4,727,806
Local	4.40	16,937,819
County portion	1.02	3,932,330
Precinct portion:		
Maple Ridge Road	1.31	6,001
Total	\$ 11.20	\$ 38,063,233

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

1-I Accounts Payable

Accounts payable represent the gross amount of expenditures or expenses incurred as a result of normal operations, but for which no actual payment has yet been issued to vendors/providers as of December 31, 2023.

1-J Deferred Outflows/Inflows of Resources

Deferred outflows of resources, a separate financial statement element, represents a consumption of net position or fund balance that applies to a future period(s) and thus will not be recognized as an outflow of resources (expenses) until then. The Town has two items that qualify for reporting in this category. Deferred outflows related to pensions and deferred outflows related to OPEB are reported in the government-wide Statement of Net Position for various estimate differences that will be amortized and recognized over future years.

Deferred inflows of resources, a separate financial statement element, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. The Town has three types of items which qualify for reporting in this category. Deferred inflows of resources related to pensions and OPEB are reported in the government-wide Statement of Net Position for various estimate differences that will be amortized and recognized over future years. In addition, unavailable revenues from grants and donations arises when the related eligible expenditures will not be made until the subsequent period.

1-K Compensated Absences

General leave for the Town includes vacation and sick pay. General leave is based on an employee's length of employment and is earned ratably during the span of employment. Upon retirement or termination, employees are paid full value for any accrued general leave earned as set forth by the Town's personnel policy.

Vested or accumulated general leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated general leave that are not expected to be liquidated with expendable available resources are maintained separately and represent a reconciling item between the fund and government-wide presentations.

1-L Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums are deferred and amortized over the life of the bonds using the straight-line method.

In accordance with GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, the Town utilizes the following classifications to categorize the financial transactions:

Direct Borrowings – financial transactions for a note or a loan where the Town negotiates certain terms with a single lender and are not offered for public sale.

Direct Placements – financial transactions for the sale of bonds where the Town engages with a single buyer or limited number of buyers without a public offering.

1-M Defined Benefit Pension Plan

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* and GASB Statement No. 82 *Pension Issues – an amendment of GASB Statement No. 67, No. 68 and No.73* requires participating

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employers to recognize their proportionate share of collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, and schedules have been prepared to provide employers with their calculated proportionate share of these amounts. The collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions from employers are recognized when legally due, based on statutory requirements.

The schedules prepared by New Hampshire Retirement System, and audited by the plan's independent auditors, require management to make a number of estimates and assumptions related to the reported amounts. Due to the inherent nature and uncertainty of these estimates, actual results could differ, and the differences may be material.

1-N Postemployment Benefits Other Than Pensions (OPEB)

The Town maintains two separate other postemployment benefit plans, as follows:

New Hampshire Retirement System Plan – For the purposes of measuring the total other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Hampshire Retirement System OPEB Plan (the plan) and additions to/deductions from the plan's fiduciary net position has been determined on the same basis as they are reported by the New Hampshire Retirement System. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Single Employer Plan – For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on the Town's actuarial report. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms.

1-O Net Position/Fund Balances

Government-wide Statements – Equity is classified as net position and displayed in three components:

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.

Restricted net position – Results when constraints placed on net position use are either externally imposed by a third party (statutory, bond covenant, or granting agency) or are imposed by law through constitutional provisions or enabling legislation. The Town typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a further project.

Unrestricted net position – Consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.

Fund Balance Classifications – GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides more clearly defined fund balance categories to make sure the nature and extent of the constraints placed on a government's fund balances are more transparent. The following classifications describe the relative strength of the spending constraints:

Nonspendable – Amounts that cannot be spent because they are either (a) not in spendable form (such as prepaid items, inventory, or tax deeded property subject to resale); or (b) are legally or contractually required to be maintained intact.

Restricted – Amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

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Committed – Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the legislative body (Town Meeting). These amounts cannot be used for any other purpose unless the legislative body removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

Assigned – Amounts that are constrained by the Town’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Selectmen through the budgetary process.

Unassigned – Amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When multiple net position/fund balance classifications are available for use, it is the government’s policy to utilize the most restricted balances first, then the next most restricted balance as needed. When components of unrestricted fund balance are used, committed fund balance is depleted first followed by assigned fund balance. Unassigned fund balance is applied last.

In the general fund, the Town strives to maintain an unassigned fund balance to be used for unanticipated emergencies of approximately 5% to 15% of the regular general fund operating revenues or 8% to 17% of the regular general fund expenditures, in addition to the School and County appropriations in accordance with the recommendations of the NH Department of Revenue Administration.

1-P Use of Estimates

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses/expenditures during the period reported. These estimates include assessing the collectability of taxes receivable, the useful lives and impairment of tangible and intangible capital assets, net pension liability, other postemployment benefit liability, deferred outflows and inflows of resources related to both pension and other postemployment benefits, and accrued landfill postclosure care costs, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

2-A Budgetary Information

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements which govern the Town’s operations. At its annual meeting, the Town adopts a budget for the current year for the general fund, as well as the nonmajor sewer, water, and conservation funds. Except as reconciled below, the budget was adopted on a basis consistent with US generally accepted accounting principles.

Management may transfer appropriations between operating categories as deemed necessary, but expenditures may not legally exceed budgeted appropriations in total. All annual appropriations lapse at year-end unless encumbered.

Encumbrance accounting, under which purchase orders, contracts, and continuing appropriations (certain projects and specific items not fully expended at year-end) are recognized, is employed in the governmental funds. Encumbrances are not the equivalent of expenditures, and are therefore, reported as part of the assigned fund balance at year-end, and are carried forward to supplement appropriations of the subsequent year.

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State statutes require balanced budgets but provide for the use of beginning unassigned fund balance to achieve that end. For the fiscal year 2023, \$385,000 of the beginning general fund unassigned fund balance was applied for this purpose and \$105,000 was voted from unassigned fund balance as a transfer to the capital reserve funds and the police detail revolving fund.

2-B Budgetary Reconciliation to GAAP Basis

While the Town reports financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual is presented for the major general fund. Differences between the budgetary basis and GAAP basis of accounting for the general fund are as follows:

Revenues and other financing sources:	
Per Exhibit D (budgetary basis)	\$ 18,909,062
Adjustments:	
Basis differences:	
Note proceeds	175,650
GASB Statement No. 54:	
To record miscellaneous income of the blended funds	557,060
To eliminate transfers between general and blended funds	(1,831,884)
Change in deferred tax revenue relating to 60-day revenue recognition recognized as revenue on the GAAP basis, but not on the budgetary basis	34,665
Per Exhibit C-3 (GAAP basis)	\$ 17,844,553
Expenditures and other financing uses:	
Per Exhibit D (budgetary basis)	\$ 18,301,235
Adjustments:	
Basis differences:	
Note proceeds	175,650
Encumbrances, beginning	1,099,711
Encumbrances, ending	(1,830,831)
GASB Statement No. 54:	
To record expenditures of the blended funds during the year	15,207
To recognize transfer between blended expendable trust and general fund	(600,000)
Per Exhibit C-3 (GAAP basis)	\$ 17,160,972

2-C Accounting Change

Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*, was implemented during fiscal year 2023. The objective of this Statement is to better meet information needs of financial statement users by (a) establishing uniform accounting and financial reporting requirement for subscription-based information technology arrangements (SBITAs); (b) improving the comparability of financial statements among governments that have entered into SBITAs; and (c) enhancing the understandability, reliability, relevance, and consistency of information about SBITAs. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription assets (an intangible asset), and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards of SBITA are based on the standards established in Statement No. 87, *Leases*, as amended. The Town has assessed all potential agreements that may be applicable for reporting under GASB Statement No. 96 and have determined that none of the agreements have met the requirements of the pronouncement.

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DETAILED NOTES ON ALL FUNDS

NOTE 3 – CASH AND CASH EQUIVALENTS

The Town’s deposits are entirely covered by Federal Depository Insurance Corporation (FDIC) or by collateral held by the Town’s agent in the Town’s name. The FDIC currently insures the first \$250,000 of the Town’s deposits at each financial institution, per case custodian. Deposit balances over \$250,000 are insured by the collateral. As of year-end, the carrying amount of the Town’s deposits was \$13,737,774 and the bank balances totaled \$13,401,304. Petty cash totaled \$900.

Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A)	\$ 12,867,337
Cash per Statement of Fiduciary Net Position - Fiduciary Funds (Exhibit E-1)	870,437
Total cash and cash equivalents	<u>\$ 13,737,774</u>

NOTE 4 – INVESTMENTS

Note 1-D describes statutory requirements covering the investment of the Town funds. The Town holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the Town’s mission, the Town determines that the disclosures related to these investments only need to be disaggregated by major type. The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Town has the following recurring fair value measurements as of December 31, 2023:

	Fair Value Hierarchy		Total
	Level 1	Level 2	
Investments type:			
Common stock	\$ 355,004	\$ -	\$ 355,004
Corporate bonds	-	361,609	361,609
Certificates of deposit	-	2,627,542	2,627,542
Equity exchange traded funds	253,934	-	253,934
Equity mutual funds	34,473	-	34,473
Fixed income exchange traded funds	51,772	-	51,772
Fixed income mutual funds	57,388	-	57,388
American Depository Receipt	-	19,837	19,837
U.S. Government agency bonds	-	89,918	89,918
U.S. Treasury bonds	-	9,422	9,422
Total fair value of investments	<u>\$ 752,571</u>	<u>\$ 3,108,328</u>	<u>\$ 3,860,898</u>

Interest Rate Risk – This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Town has the following remaining maturities as of December 31, 2023:

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Investments Type	Reported Balance	Exempt from Disclosure	Remaining Maturity (in Years)		
			Less than 1	1-5	5-10
Common stock	\$ 355,004	\$ 355,004	\$ -	\$ -	\$ -
Corporate bonds	361,609	-	39,587	271,894	50,128
Certificates of deposit	2,627,542	-	914,583	1,712,959	-
Equity exchange traded funds	253,934	253,934	-	-	-
Equity mutual funds	34,473	34,473	-	-	-
Fixed income exchange traded funds	51,772	51,772	-	-	-
Fixed income mutual funds	57,388	57,388	-	-	-
American Depository Receipt	19,837	19,837	-	-	-
U.S. Government agency bonds	89,918	-	19,223	24,527	46,168
U.S. Treasury bonds	9,422	-	-	-	9,422
Total	\$ 3,860,898	\$ 772,408	\$ 973,393	\$ 2,009,380	\$ 105,718

Credit Risk – The Town has no formal policy on managing credit risk; however, state law limits investments as explained in Note 1-D. As of December 31, 2023, the Town’s investment pool had the following credit risk structure:

Investments Type	Reported Balance	Exempt From Disclosure	Rating as of Year-end								
			AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB
Common stock	\$ 355,004	\$ 355,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate bonds	361,609	-	9,554	19,501	97,620	9,957	24,504	23,379	87,363	70,057	19,674
Certificates of deposit	2,627,542	2,627,542	-	-	-	-	-	-	-	-	-
Equity exchange traded funds	253,934	253,934	-	-	-	-	-	-	-	-	-
Equity mutual funds	34,473	34,473	-	-	-	-	-	-	-	-	-
Fixed income exchange traded funds	51,772	51,772	-	-	-	-	-	-	-	-	-
Fixed income mutual funds	57,388	57,388	-	-	-	-	-	-	-	-	-
American Depository Receipt	19,837	19,837	-	-	-	-	-	-	-	-	-
U.S. Government agency bonds	89,918	-	89,918	-	-	-	-	-	-	-	-
U.S. Treasury bonds	9,422	-	9,422	-	-	-	-	-	-	-	-
Total	\$ 3,860,898	\$ 3,399,950	\$ 108,894	\$ 19,501	\$ 97,620	\$ 9,957	\$ 24,504	\$ 23,379	\$ 87,363	\$ 70,057	\$ 19,674

Investment reconciliation:

Investments per Statement of Net Position (Exhibit A)	\$ 3,592,068
Investments per Statement of Fiduciary Net Position - Fiduciary Funds (Exhibit E-1)	268,830
Total investments	\$ 3,860,898

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TOWN OF MEREDITH, NEW HAMPSHIRE
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NOTE 5 – TAXES RECEIVABLE

Taxes receivable represent the amount of current and prior year taxes which have not been collected as of December 31, 2023. The amount has been reduced by an allowance for an estimated uncollectible amount of \$30,000. Taxes receivable by year are as follows:

	As reported on:	
	Exhibit A	Exhibit C-1
Property:		
Levy of 2023	\$ 12,879,189	\$ 12,879,189
Unredeemed (under tax lien):		
Levy of 2022	143,408	143,408
Levy of 2021	60,491	60,491
Levy of 2020	26,812	26,812
Levies of 2019 and prior	13,164	13,164
Less: allowance for estimated uncollectible taxes	(30,000) *	-
Net taxes receivable	<u>\$ 13,093,064</u>	<u>\$ 13,123,064</u>

*The allowance for uncollectible property taxes is not recognized under the modified accrual basis of accounting (Exhibit C-1 and C-3) due to the 60-day rule as explained in Note 1-B. However, the allowance is recognized under the full accrual basis of accounting (Exhibits A and B).

NOTE 6 – OTHER RECEIVABLES

Receivables at December 31, 2023, consisted of accounts (billings for police details, water, sewer, ambulance, and other user charges) and intergovernmental amounts arising from grants. Receivables are recorded on the Town’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

Fiduciary Funds - intergovernmental receivables represent property taxes collected on behalf of the Interlake School District. These amounts are collected and are part of the Town’s general fund cash at year-end. The general fund reports an offsetting intergovernmental payable for this amount at year-end, see Note 9.

NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 is as follows:

	Balance, beginning	Additions	Deletions	Balance, ending
At cost:				
Not being depreciated/amortized:				
Land	\$ 11,178,977	\$ -	\$ -	\$ 11,178,977
Intangible assets	1,143,098	-	-	1,143,098
Construction in progress	7,577,149	356,642	-	7,933,791
Total capital assets not being depreciated/amortized	<u>19,899,224</u>	<u>356,642</u>	<u>-</u>	<u>20,255,866</u>

(Continued)

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Capital assets continued:

	Balance, beginning	Additions	Deletions	Balance, ending
Being depreciated/amortized:				
Land improvements	862,644	-	-	862,644
Monument	92,000	-	-	92,000
Buildings and building improvements	26,421,609	-	-	26,421,609
Equipment	3,372,679	418,404	(3,900)	3,787,183
Vehicles	5,909,909	577,233	(21,703)	6,465,439
Infrastructure	4,952,783	-	-	4,952,783
Total capital assets being depreciated/amortized	<u>41,611,624</u>	<u>995,637</u>	<u>(25,603)</u>	<u>42,581,658</u>
Total all capital assets	<u>61,510,848</u>	<u>1,352,279</u>	<u>(25,603)</u>	<u>62,837,524</u>
Less accumulated depreciation/amortization:				
Land improvements	(107,856)	(28,711)	-	(136,567)
Monument	(68,000)	(4,000)	-	(72,000)
Buildings and building improvements	(7,592,888)	(544,400)	-	(8,137,288)
Equipment	(2,542,935)	(193,830)	-	(2,736,765)
Vehicles	(4,356,140)	(314,894)	21,703	(4,649,331)
Infrastructure	(512,890)	(33,017)	-	(545,907)
Total accumulated depreciation/amortization	<u>(15,180,709)</u>	<u>(1,118,852)</u>	<u>21,703</u>	<u>(16,277,858)</u>
Net book value, capital assets being depreciated/amortized	<u>26,430,915</u>	<u>(123,215)</u>	<u>(3,900)</u>	<u>26,303,800</u>
Net book value, all capital assets	<u>\$ 46,330,139</u>	<u>\$ 233,427</u>	<u>\$ (3,900)</u>	<u>\$ 46,559,666</u>

Depreciation/amortization expense was charged to functions of the Town based on their usage of the related assets. The amounts allocated to each function are as follows:

General government	\$ 33,545
Public safety	345,969
Highways and streets	199,225
Sanitation	113,105
Conservation	26,534
Culture and recreation	317,848
Water distribution and treatment	82,626
Total depreciation/amortization expense	<u>\$ 1,118,852</u>

NOTE 8 – INTERFUND TRANSFERS

The composition of interfund transfers for the year ended December 31, 2023 is as follows:

	Transfers In:		
	General Fund	Nonmajor Funds	Total
Transfers out:			
General fund	\$ -	\$ 8,350	\$ 8,350
Nonmajor funds	62,487	12,000	74,487
Total	<u>\$ 62,487</u>	<u>\$ 20,350</u>	<u>\$ 82,837</u>

During the year, transfers are used to (1) move revenues from the fund with collection authority to the fund responsible for expenditure and (2) move general fund resources to provide an annual subsidy.

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NOTE 9 – INTERGOVERNMENTAL PAYABLES

Amounts due to other governments of consist of the following:

	Governmental Activities	Governmental Fund General	Fiduciary Funds
Balance due to the New Hampshire Retirement System	\$ 138,676	\$ 138,676	\$ -
Property taxes due to the custodial funds	10,625,625	10,625,625	-
Property taxes due to the Interlakes School District	-	-	10,625,625 ²
Other intergovernmental payables	8,557	8,557	-
Total	<u>\$ 10,772,858</u>	<u>\$ 10,772,858</u>	<u>\$ 10,625,625</u>

- ¹ Property taxes due to the custodial fund represent amounts collected by the Town on behalf of Interlakes School District and are reported as a component of general fund cash at year-end.
- ² Property taxes due to the Interlakes School District represent amounts collected by the Town that will be paid to the School District in incremental payments based upon an agreed schedule in the next calendar year.

NOTE 10 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows of resources are as follows:

	Exhibit A
Amounts related to pensions (see Note 12)	\$ 1,306,614
Amounts related to other postemployment benefits (see Note 13)	19,793
Total deferred inflows of resources	<u>\$ 1,326,407</u>

Deferred inflows of resources are as follows:

	Exhibit A	Exhibit C-1
Prepaid property taxes	\$ 25,389	\$ 25,389
ARPA and SB 401 grant proceeds received in advance of eligible expenditures	599,878	599,878
Deferred property taxes not collected within 60 days of fiscal year-end	-	250,215
Amounts related to pensions (see Note 12)	109,400	-
Total deferred inflows of resources	<u>\$ 734,667</u>	<u>\$ 875,482</u>

NOTE 11 – LONG-TERM LIABILITIES

Changes in the Town’s long-term liabilities consisted of the following for the year ended December 31, 2023:

	Balance January 1, 2023	Additions	Reductions	Balance December 31, 2023	Due Within One Year	Due In More Than One Year
Bonds payable:						
Direct placements	\$ 9,490,500	\$ -	\$ (906,500)	\$ 8,584,000	\$ 910,000	\$ 7,674,000
Premium	1,587,814	-	(127,198)	1,460,616	127,198	1,333,418
Total bonds payable	11,078,314	-	(1,033,698)	10,044,616	1,037,198	9,007,418
Notes payable	-	175,650	(47,394)	128,256	39,825	88,431
Compensated absences	604,959	150,597	-	755,556	49,993	705,563
Accrued landfill postclosure care costs	48,000	-	(6,000)	42,000	6,000	36,000
Net pension liability	8,313,548	-	(173,761)	8,139,787	-	8,139,787
Net other postemployment benefits	1,370,849	80,957	(50,752)	1,401,054	-	1,401,054
Total long-term liabilities	<u>\$ 21,415,670</u>	<u>\$ 407,204</u>	<u>\$ (1,311,605)</u>	<u>\$ 20,511,269</u>	<u>\$ 1,133,016</u>	<u>\$ 19,378,253</u>

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Long-term bonds and notes are comprised of the following:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding December 31, 2023	Current Portion
Bonds payable:						
Direct placements:						
Community center	\$ 3,500,000	2005	2025	3.75-4.20	\$ 350,000	\$ 175,000
Refinancing bond	1,007,150	2012	2027	2.49	324,000	75,000
DPW project bond	6,437,275	2020	2035	1.36	5,150,000	430,000
Library project bond	3,448,050	2020	2035	1.37	2,760,000	230,000
					<u>8,584,000</u>	<u>910,000</u>
					<u>1,460,616</u>	<u>127,198</u>
Bond premium					<u>\$ 10,044,616</u>	<u>\$ 1,037,198</u>
Total direct placements						
Notes Payable - direct borrowings						
Front End Loader	\$ 112,650	2023	2027	5.49	\$ 87,650	\$ 20,188
Ford Superduty	63,000	2023	2025	6.79	40,606	19,637
					<u>\$ 128,256</u>	<u>\$ 39,825</u>
Total direct borrowings						

The annual requirements to amortize all general obligation bonds and notes outstanding as of December 31, 2023, including interest payments, are as follows:

Fiscal Year Ending December 31,	Bonds - Direct Placements		
	Principal	Interest	Total
2024	\$ 910,000	\$ 353,670	\$ 1,263,670
2025	914,000	308,909	1,222,909
2026	743,000	263,950	1,006,950
2027	747,000	226,140	973,140
2028	660,000	189,870	849,870
2029-2033	3,300,000	470,850	3,770,850
2034-2035	1,310,000	41,266	1,351,266
Totals	<u>\$ 8,584,000</u>	<u>\$ 1,854,655</u>	<u>\$ 10,438,655</u>

Fiscal Year Ending December 31,	Notes - Direct Borrowings		
	Principal	Interest	Total
2024	\$ 39,825	\$ 7,569	\$ 47,394
2025	42,267	5,127	47,394
2026	22,466	2,534	25,000
2027	23,698	1,301	24,999
Totals	<u>\$ 128,256</u>	<u>\$ 16,531</u>	<u>\$ 144,787</u>

All debt is general obligation debt of the Town, which is backed by its full faith and credit, and will be repaid from general governmental revenues.

Accrued Landfill Postclosure Care Costs – The Town ceased operating its landfill in 1983. Federal and State laws and regulations require that the Town place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site after closure. A liability is being recognized based on the future postclosure care costs that will be incurred. The recognition of these landfill postclosure care costs is based on the amount of the landfill used through the end of

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the year. The estimated total current cost of the landfill postclosure care (\$42,000) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2023. However, the actual cost of postclosure care may be higher or lower due to inflation, changes in technology, or changes in landfill laws and regulations.

NOTE 12 – DEFINED BENEFIT PENSION PLAN

Plan Description – The New Hampshire Retirement System (NHRS or the System) is a public employee retirement system that administers one cost-sharing multiple-employer defined benefit pension plan (Pension Plan), a component unit of the State of New Hampshire, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* – an amendment of GASB Statement No. 25. The Pension Plan 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 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 and required to participate in the Pension Plan. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

Benefits Provided – Benefit formulas and eligibility requirements for the Pension Plan are set by state law (RSA 100-A). The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II.

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

Group II benefits are provided based on age, years of creditable service and benefit multiplier depending on vesting status as of 1/1/12. The maximum retirement allowance for Group II members vested by 1/1/12 (45 years of age with 20 years of service or age 60 regardless of years of creditable service) is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by 1/1/12 the benefit is calculated the same way, but the multiplier used in the calculation will change depending on age and years of creditable service as follows:

Years of Creditable Service as of 1/1/12	Minimum Age	Minimum Service	Benefit Multiplier
At least 8 but less than 10 years	46	21	2.4%
At least 6 but less than 8 years	47	22	2.3%
At least 4 but less than 6 years	48	23	2.2%
Less than 4 years	49	24	2.1%

Members of both groups may qualify for vested deferred allowances, disability allowances and death benefit allowances, subject to meeting various eligibility requirements. Benefits are based on AFC or earnable compensation and/or service.

Contributions: The System is financed by contributions from both the employees and the Town. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. Group I members are required to contribute 7% of earnable compensation and group II members (police and fire) are required to contribute 11.55% and 11.80%, respectively. For the period of January 1, 2023, to June 30, 2023, the Town contributed 30.67% for police, 29.78% for fire and 13.75% for other employees. For the period of July 1, 2023, to December 31, 2023, the Town contributed 28.68% for police, 27.75% for fire and 13.27% for other employees. The contribution requirement for the fiscal year 2023 was \$874,350, which was paid in full.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At December 31, 2023 the Town reported a liability of \$8,139,787 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town’s proportion of the net pension liability was based on a projection of the Town’s long-term share of contributions to the pension plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2023, the Town’s proportion was 0.15% which was an increase of 0.01% from its proportion measured as of June 30, 2022.

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For the year ended December 31, 2023, the Town recognized pension expense of \$981,033. At December 31, 2023 the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 104,866	\$ 106,129
Changes in assumptions	214,235	-
Net difference between projected and actual investment earnings on pension plan investments	117,715	-
Differences between expected and actual experience	207,990	3,271
Contributions subsequent to the measurement date	661,808	-
Total	\$ 1,306,614	\$ 109,400

The \$661,808 reported as deferred outflows of resources related to pensions results from the Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending December 31,	
2024	\$ 232,867
2025	(147,106)
2026	460,319
2027	(10,674)
2028	-
Thereafter	-
Totals	\$ 535,406

Actuarial Assumptions – The collective total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2021, using the following actuarial assumptions which, accordingly, apply to 2023 measurements:

Inflation:	2.0%
Salary increases:	5.4% average, including inflation
Wage inflation:	2.75% (2.25% for teachers)
Investment rate of return:	6.75% net of pension plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Health Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 – June 30, 2019.

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

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Following is a table presenting target allocations and long-term rates of return for 2023:

Asset Class	Target Allocation	30 Year Return
Broad US Equity (1)	30.00%	5.40%
Global Ex-US Equity (2)	20.00%	5.65%
Total public equity	50.00%	
Real Estate Equity	10.00%	4.00%
Private Equity	10.00%	6.65%
Total private market equity	20.00%	
Private Debt	5.00%	5.05%
Core U.S. Fixed Income (3)	25.00%	2.15%
Total	100.00%	

Discount Rate – The discount rate used to measure the collective total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the Pension Plan’s actuarial funding policy as required by RSA 100-A:16. Based on those assumptions, the Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on Pension Plan investment was applied to all periods of projected benefit payments to determine the collective total pension liability.

Sensitivity of the Town’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following table presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 6.75% as well as what the Town’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage point higher (7.75%) than the current rate:

Actuarial Valuation Date	1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
June 30, 2023	\$ 11,044,705	\$ 8,139,787	\$ 5,657,712

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit Pension Plan financial report.

NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

13-A New Hampshire Retirement System (NHRS)

Plan Description – The New Hampshire Retirement System (NHRS or the System) administers a cost-sharing multiple-employer other postemployment benefit plan medical subsidy healthcare plan (OPEB Plan). For additional system information, please refer to the 2022 Comprehensive Annual Financial Report, which can be found on the system’s website at www.nhrs.org.

Benefits Provided - Benefit amounts and eligibility requirements for the OPEB Plan are set by state law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The four membership types are 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

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

Group I benefits are based on creditable service, age, and retirement date. Group II benefits are based on hire date, age, and creditable service. The OPEB plan is closed to new entrants.

Maximum medical subsidy rates paid during fiscal year 2023 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.

Contributions – The OPEB Plan is funded by allocating to the 401(h) subtrust the lesser of: 25% of all employer contributions made in accordance with RSA 100-A:16 or the percentage of employer contributions determined by the actuary to be the minimum rate necessary to maintain the benefits provided under RSA 100-A:53-b, RSA 100-A:53-c, and RSA 100-A:53-d. For fiscal year 2023, the minimum rates determined by the actuary to maintain benefits were the lesser of the two options and were used to determine the employer contributions due to the 401(h) subtrust. The State Legislature has the authority to establish, amend and discontinue the contribution requirements of the OPEB Plan. Administrative costs are allocated to the OPEB Plan based on fund balances. For the period of January 1, 2023, to June 30, 2023, the Town contributed 3.21% for police and fire, and 0.31% for other employees. For the period of July 1, 2023, to December 31, 2023, the Town contributed 2.60% for police and fire, and 0.26% for other employees. The contribution requirement for the fiscal year 2023 was \$48,953, which was paid in full.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources Related to OPEB – At December 31, 2023, the Town reported a liability of \$378,180 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022. The Town’s proportion of the net OPEB liability was based on a projection of the Town’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2023, the Town’s proportion was 0.11% which was the same as its proportion measured as of June 30, 2022.

For the year ended December 31, 2023, the Town recognized OPEB expense of (\$1,599). At December 31, 2023, the Town reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Net difference between projected and actual investment earnings on OPEB plan investments	\$ 455
Contributions subsequent to the measurement date	19,338
Total	\$ 19,793

The \$19,338 reported as deferred outflows of resources related to OPEB results from the Town contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending December 31,	
2024	\$ (75)
2025	(574)
2026	1,229
2027	(125)
2028	-
Thereafter	-
Totals	\$ 455

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Actuarial Assumptions – The total OPEB liability in this report is based on an actuarial valuation performed as of June 30, 2022, and a measurement date of June 30, 2023. The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Price inflation:	2.0% per year
Wage inflation:	2.75% (2.25% for teachers)
Salary increases:	5.4% average, including inflation
Investment rate of return:	6.75% net of OPEB plan investment expense, including inflation

Mortality rates were based on the Pub-2010 Health Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 – June 30, 2019.

Long-term Rates of Return – The long-term expected rate of return on OPEB plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and long-term rates of return for 2023:

Asset Class	Target Allocation	30 Year Geometric Return
Broad US Equity (1)	30.00%	5.40%
Global Ex-US Equity (2)	20.00%	5.65%
Total public equity	50.00%	
Real Estate Equity	10.00%	4.00%
Private Equity	10.00%	6.65%
Total private market equity	20.00%	
Private Debt	5.00%	5.05%
Core U.S. Fixed Income (3)	25.00%	2.15%
Total	100.00%	

Discount Rate – The discount rate used to measure the total OPEB liability as of June 30, 2023, was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made under the current statute RSA 100-A:16 and that plan member contributions will be made under RSA 100-A:16. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

Sensitivity of the Town’s Proportionate Share of the OPEB Liability to Changes in the Discount Rate – The following table presents the Town’s proportionate share of the OPEB liability calculated using the discount rate of 6.75% as well as what the Town’s proportionate share of the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75%) or 1-percentage point higher (7.75%) than the current rate:

Actuarial Valuation Date	1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
June 30, 2022	\$ 410,740	\$ 378,180	\$ 349,771

OPEB Plan Fiduciary Net Position – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit OPEB Plan financial report.

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13-B Town of Meredith Retiree Health Benefit Program

Plan Description – GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires governments to account for other postemployment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statement of Activities when a future retiree earns their postemployment benefits, rather than when they use their postemployment benefit. The postemployment benefit liability is recognized on the Statement of Net Position over time.

Benefits Provided – The Town provides postemployment healthcare benefits for certain eligible retirees. The Town provides medical benefits to its eligible retirees.

Employees Covered by Benefit Terms – At January 1, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1
Active employees	<u>70</u>
Total participants covered by OPEB plan	<u><u>71</u></u>

Total OPEB Liability – The Town’s total OPEB liability of \$1,022,874 was measured as of December 31, 2023, and was determined by an actuarial valuation as of January 1, 2023.

Actuarial Assumptions and Other Inputs – The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate:	4.00%
Healthcare Cost Trend Rates:	
Current Year Trend	8.00%
Second Year Trend	7.50%
Decrement	0.50%
Ultimate Trend	4.50%
Year Ultimate Trend is Reached	2031+
Salary Increases:	2.75%

Under GASB 75, the discount rate used in valuing OPEB liabilities for unfunded plans as of the Measurement Date must be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

Mortality rates were based on the SOA Pub-2010 General Headcount Weighted Mortality table fully generational using Scale MP-2021.

Changes in the Total OPEB Liability

	December 31,	
	2022	2023
OPEB liability, beginning of year	\$ 1,548,008	\$ 941,917
Changes for the year:		
Service cost	61,908	28,530
Interest	35,311	40,365
Changes in benefit terms	-	191,088
Assumption changes and difference between actual and expected experience	(621,748)	(110,506)
Benefit payments	(81,562)	(68,520)
OPEB liability, end of year	<u><u>\$ 941,917</u></u>	<u><u>\$ 1,022,874</u></u>

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Sensitivity of the Town's OPEB Liability to Changes in the Discount Rate – The January 1, 2023, actuarial valuation was prepared using a discount rate of 4.00%. If the discount rate were 1% higher than what was used the OPEB liability would decrease to \$953,960 or by 6.74%. If the discount rate were 1% lower than what was used the OPEB liability would increase to \$1,098,694 or by 7.41%.

	Discount Rate		
	1% Decrease	Baseline 4.00%	1% Increase
Total OPEB Liability	\$ 1,098,694	\$ 1,022,874	\$ 953,960

Sensitivity of the Town's OPEB Liability to Changes in the Healthcare Cost Trend Rates – The January 1, 2023, actuarial valuation was prepared using an initial trend rate of 8.00%. If the trend rate were 1% higher than what was used the OPEB liability would increase to \$1,128,663 or by 10.34%. If the trend rate were 1% lower than what was used the OPEB liability would decrease to \$932,720 or by 8.81%.

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline 8.00%	1% Increase
Total OPEB Liability	\$ 932,720	\$ 1,022,874	\$ 1,128,663

OPEB Expense – For the year ended December 31, 2023, the Town recognized OPEB expense of \$149,477.

NOTE 14 – COMMITMENTS

The Town has active construction projects as of December 31, 2023. At year-end, the Town commitments with contractors for specific projects are as follows:

Capital Project Program	Spent to Date	Remaining Commitment
DPW Project	\$ 7,577,149	\$ 22,851

NOTE 15 - ENCUMBRANCES

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at December 31, 2023 are as follows:

General fund:	
General government	\$ 921,311
Public safety	438,141
Highways and streets	86,323
Sanitation	6,803
Culture and recreation	57,000
Capital outlay	321,253
Total encumbrances	\$ 1,830,831

NOTE 16 – GOVERNMENTAL ACTIVITIES AND FIDUCIARY FUNDS NET POSITION

Governmental activities and fiduciary fund net position reported on the Statements of Net Position at December 31, 2023 include the following:

	Governmental Activities	Fiduciary Funds
Net investment in capital assets:		
Net book value, all capital assets	\$ 46,559,666	\$ -
Less:		
General obligation bonds payable	(8,584,000)	-
Unamortized bond premiums	(1,460,616)	-
Notes payable	(128,256)	-
Amount of debt related to unspent proceeds	22,851	-
Total net investment in capital assets	36,409,645	-

(Continued)

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Governmental funds and fiduciary funds net position continued:

	Governmental Activities	Fiduciary Funds
Restricted net position:		
Perpetual care - nonexpendable	188,347	-
Perpetual care - income balance	1,024,939	-
DPW Project	22,851	-
Library	103,395	-
Water	2,256,506	-
Sewer	2,427,362	-
Community Center	239,727	-
Cable Improvements	305,935	-
Grants and donations	793,300	-
Private purpose trust funds	-	15,418
Engineering Escrows	-	127,887
School trust funds	-	865,464
Total restricted net position	<u>7,362,362</u>	<u>1,008,769</u>
Unrestricted	<u>1,887,625</u>	-
Total net position	<u>\$ 45,659,632</u>	<u>\$ 1,008,769</u>

NOTE 17 – GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2023 include the following:

	General Fund	DPW Project Fund	Nonmajor Funds	Total Governmental Funds
Nonspendable:				
Tax deeded property	\$ 58,592	\$ -	\$ -	\$ 58,592
Permanent fund - principal balance	-	-	188,347	188,347
Total nonspendable fund balance	<u>58,592</u>	<u>-</u>	<u>188,347</u>	<u>246,939</u>
Restricted:				
Permanent - income balance	-	-	1,024,939	1,024,939
Special revenue:				
Library	-	-	103,395	103,395
Water	-	-	2,256,506	2,256,506
Sewer	-	-	2,427,362	2,427,362
Community center	-	-	239,727	239,727
Cable improvements	-	-	305,935	305,935
Grants and donations	793,300	-	-	793,300
Capital projects	-	22,851	-	22,851
Total restricted fund balance	<u>793,300</u>	<u>22,851</u>	<u>6,357,864</u>	<u>7,174,015</u>
Committed:				
Expendable trust	2,385,422	-	-	2,385,422
Special revenue:				
Conservation	-	-	248,787	248,787
Shep Brown Boat Basic	-	-	88,714	88,714
Police Detail	-	-	21,043	21,043
Total committed fund balance	<u>2,385,422</u>	<u>-</u>	<u>358,544</u>	<u>2,743,966</u>

(Continued)

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Governmental fund balances continued:

	General Fund	DPW Project Fund	Nonmajor Funds	Total Governmental Funds
Assigned:				
Encumbrances	1,830,831	-	-	1,830,831
Non-encumbrance	13,615	-	-	13,615
Total assigned fund balance	1,844,446	-	-	1,844,446
Unassigned	6,305,694	-	-	6,305,694
Total governmental fund balances	<u>\$ 11,387,454</u>	<u>\$ 22,851</u>	<u>\$ 6,904,755</u>	<u>\$ 18,315,060</u>

NOTE 18 – PRIOR PERIOD ADJUSTMENT

Net position/fund balance at January 1, 2023 was restated to give retroactive effect to the following prior period adjustment:

	Government-wide Statements	Nonmajor Funds
To restate for closure of DARE fund not recorded in prior year	\$ (532)	\$ (532)
Net position/fund balance, as previously reported	43,934,787	7,182,039
Net position/fund balance, as restated	<u>\$ 43,934,255</u>	<u>\$ 7,181,507</u>

NOTE 19 – RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2023, the Town was a member of the New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs.

The New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from January 1, 2023 to December 31, 2023 by Primex³, which retained \$2,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and for each property loss it is based upon the Town's property schedule on file with Primex³. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The workers' compensation section of the self-insurance membership agreement permits Primex³ 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. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. In fiscal year 2023 the Town paid \$151,359 and \$186,679 respectively, to Primex³ for Property/Liability and Worker's Compensation coverage. At this time, Primex³ foresees no likelihood of any additional assessment for this or any prior year.

The Town continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 20 – TAX ABATEMENTS

Governmental Accounting Standards Board Statement No. 77 defines tax abatements as a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

There were no such agreements identified as of December 31, 2023.

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

NOTE 21 – CONTINGENT LIABILITIES

The Town participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Function as amended. Accordingly, the government's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the government anticipates such amounts, if any, will be immaterial.

NOTE 22 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued. Recognized subsequent events are events or transactions that provided additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date but arose after the date. Management has evaluated subsequent events through March 21, 2025, the date the December 31, 2023 financial statements were available to be issued, and the following events occurred that requires recognition or disclosure:

At the 2023 Annual Meeting the Town approved two warrant articles (#10 and #11) to raise funds for the CMAQ program and establish a Lake Waukevan Water Quality Protection Expendable Trust Fund, respectively. Both warrant articles are funded, in part or whole, by unassigned fund balance as of December 31, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT F
TOWN OF MEREDITH, NEW HAMPSHIRE
Schedule of the Town's Proportionate Share of Net Pension Liability
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended December 31, 2023
Unaudited

Fiscal year-end	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Town's proportion of the net pension liability	0.16%	0.16%	0.16%	0.17%	0.15%	0.15%	0.15%	0.14%	0.14%	0.15%
Town's proportionate share of the net pension liability	\$ 6,055,994	\$ 6,314,857	\$ 8,322,979	\$ 8,193,577	\$ 7,194,350	\$ 7,226,488	\$ 9,277,256	\$ 6,296,765	\$ 8,313,548	\$ 8,139,787
Town's covered payroll (as of the measurement date)	\$ 3,877,355	\$ 3,955,335	\$ 4,093,348	\$ 4,349,014	\$ 4,313,061	\$ 4,452,757	\$ 4,452,757	\$ 4,504,559	\$ 4,670,054	\$ 4,903,808
Town's proportionate share of the net pension liability as a percentage of its covered payroll	156.19%	159.65%	203.33%	188.40%	166.80%	162.29%	208.35%	139.79%	178.02%	165.99%
Plan fiduciary net position as a percentage of the total pension liability	66.32%	65.47%	58.30%	62.66%	64.73%	65.59%	58.72%	72.22%	65.12%	67.18%

The Note to the Required Supplementary Information – Pension Liability is an integral part of this schedule.

EXHIBIT G
TOWN OF MEREDITH, NEW HAMPSHIRE
Schedule of Town Contributions - Pensions
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended December 31, 2023
Unaudited

Fiscal year-end	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
Measurement date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Contractually required contribution	\$ 523,421	\$ 534,784	\$ 560,457	\$ 610,343	\$ 631,489	\$ 653,587	\$ 644,348	\$ 652,742	\$ 839,184	\$ 874,350
Contributions in relation to the contractually required contributions	(523,421)	(534,784)	(560,457)	(610,343)	(631,489)	(653,587)	(644,348)	(652,742)	(839,184)	(874,350)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll (as of the fiscal year-end)	\$ 3,877,355	\$ 3,955,335	\$ 4,093,348	\$ 4,349,014	\$ 4,313,061	\$ 4,452,757	\$ 4,512,315	\$ 4,572,761	\$ 4,670,054	\$ 4,876,422
Contributions as a percentage of covered payroll	13.50%	13.52%	13.69%	14.03%	14.64%	14.68%	14.28%	14.27%	17.97%	17.93%

The Note to the Required Supplementary Information – Pension Liability is an integral part of this schedule.
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TOWN OF MEREDITH, NEW HAMPSHIRE
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION –
PENSION LIABILITY
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

***Schedule of the Town’s Proportionate Share of Net Pension Liability and
Schedule of Town Contributions - Pensions***

Changes in Benefit Terms – There were no changes in benefit terms for the current period.

Changes in Assumptions – There were no changes in assumptions for the current period.

Methods and Assumptions Used to Determine Contribution Rates – A full list of the methods and assumptions used to determine the contribution rates can be found in the most recent actuarial valuation report. This report can be located at www.nhrs.org.

As required by GASB Statement No. 68, and as amended by GASB Statement No. 71, Exhibits F and G represent the actuarial determined costs associated with the Town’s pension plan at December 31, 2023. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

EXHIBIT H
TOWN OF MEREDITH, NEW HAMPSHIRE
Schedule of the Town's Proportionate Share of the Net Other Postemployment Benefit Plan Liability
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended December 31, 2023
Unaudited

Fiscal year-end	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
Measurement date	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Town's proportion of the net OPEB liability	0.09%	0.09%	0.12%	0.12%	0.11%	0.11%	0.11%	0.11%
Town's proportionate share of the net OPEB liability	\$ 414,429	\$ 411,541	\$ 545,662	\$ 532,711	\$ 470,627	\$ 427,039	\$ 428,932	\$ 378,180
Town's covered payroll (as of the measurement date)	\$ 4,349,014	\$ 4,313,061	\$ 4,452,757	\$ 4,452,757	\$ 4,452,757	\$ 4,504,559	\$ 4,670,054	\$ 4,903,808
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	9.53%	9.54%	12.25%	11.96%	10.57%	9.48%	9.18%	7.71%
Plan fiduciary net position as a percentage of the total OPEB liability	5.21%	7.91%	7.53%	7.75%	7.74%	11.06%	10.64%	12.80%

The Notes to the Required Supplementary Information – Other Postemployment Benefit Liability is an integral part of this schedule.

EXHIBIT I
TOWN OF MEREDITH, NEW HAMPSHIRE
Schedule of Town Contributions - Other Postemployment Benefits
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended December 31, 2023
Unaudited

Fiscal year-end	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023
Measurement date	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023
Contractually required contribution	\$ 49,743	\$ 53,347	\$ 52,717	\$ 55,452	\$ 49,908	\$ 51,245	\$ 47,797	\$ 48,953
Contributions in relation to the contractually required contribution	(49,743)	(53,347)	(52,717)	(55,452)	(49,908)	(51,245)	(47,797)	(48,953)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll (as of the fiscal year end)	\$ 4,349,014	\$ 4,313,061	\$ 4,452,757	\$ 4,452,757	\$ 4,512,315	\$ 4,572,761	\$ 4,670,054	\$ 4,876,422
Contributions as a percentage of covered payroll	1.14%	1.24%	1.18%	1.25%	1.11%	1.12%	1.02%	1.00%

The Notes to the Required Supplementary Information – Other Postemployment Benefit Liability is an integral part of this schedule.

EXHIBIT J
TOWN OF MEREDITH, NEW HAMPSHIRE
Schedule of Changes in the Town's Total Other Postemployment Benefits Liability and Related Ratios
Retiree Health Benefit Program
For the Fiscal Year Ended December 31, 2023

	December 31,					
	2018	2019	2020	2021	2022	2023
OPEB liability, beginning of year	\$ 855,002	\$ 1,405,138	\$ 1,475,315	\$ 1,525,631	\$ 1,548,008	\$ 941,917
Changes for the year:						
Service cost	47,678	58,059	64,107	61,147	61,908	28,530
Interest	30,663	60,137	50,185	33,640	35,311	40,365
Changes to benefit terms	-	-	-	-	-	191,088
Assumption changes and difference difference between actual and expected experience	494,623	(48,019)	(63,976)	(72,410)	(621,748)	(110,506)
Benefit payments	(22,828)	-	-	-	(81,562)	(68,520)
OPEB liability, end of year	<u>\$ 1,405,138</u>	<u>\$ 1,475,315</u>	<u>\$ 1,525,631</u>	<u>\$ 1,548,008</u>	<u>\$ 941,917</u>	<u>\$ 1,022,874</u>
Covered payroll	<u>\$ 4,208,311</u>	<u>\$ 4,582,605</u>	<u>\$ 4,113,940</u>	<u>\$ 4,215,440</u>	<u>\$ 4,566,771</u>	<u>\$ 5,851,876</u>
Total OPEB liability as a percentage of covered payroll	33.39%	32.19%	37.08%	36.72%	20.63%	17.48%

The Notes to the Required Supplementary Information – Other Postemployment Benefit Liability is an integral part of this schedule.

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –
OTHER POSTEMPLOYMENT BENEFIT LIABILITY
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

Schedule of the Town's Proportionate Share of Net Other Postemployment Benefits Liability and Schedule of Town Contributions – Other Postemployment Benefits

Changes in Benefit Terms – There were no changes in benefit terms for the current period.

Changes in Assumptions – There were no changes in assumptions for the current period.

Methods and Assumptions Used to Determine Contribution Rates – A full list of the methods and assumptions used to determine the contribution rates can be found in the most recent actuarial valuation report. This report can be located at www.nhrs.org.

As required by GASB Statement No. 75, Exhibits H and I represent the actuarial determined costs associated with the Town's other postemployment benefits at December 31, 2023. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

Schedule of Changes in Town's Total Other Postemployment Benefits Liability and Related Ratios

Changes in Benefit Terms – There were no changes in benefit terms for the current period.

Changes in Assumptions – There were no changes in assumptions for the current period.

As required by GASB Statement No. 75, Exhibit J represents the actuarial determined costs associated with the Town's other postemployment benefits at December 31, 2023. The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

COMBINING AND INDIVIDUAL FUND SCHEDULES

SCHEDULE 1
TOWN OF MEREDITH, NEW HAMPSHIRE
Major General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2023

	Estimated	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 12,060,530	\$ 12,175,124	\$ 114,594
Yield	30,000	30,362	362
Timber	53,500	54,424	924
Payment in lieu of taxes	136,955	118,958	(17,997)
Interest and penalties on taxes	75,000	80,001	5,001
Total from taxes	<u>12,355,985</u>	<u>12,458,869</u>	<u>102,884</u>
Licenses, permits, and fees:			
Business licenses, permits, and fees	15,000	9,400	(5,600)
Motor vehicle permit fees	1,925,000	2,059,046	134,046
Building permits	62,000	60,662	(1,338)
Other	110,000	75,752	(34,248)
Total from licenses, permits, and fees	<u>2,112,000</u>	<u>2,204,860</u>	<u>92,860</u>
Intergovernmental:			
State:			
Meals and rooms distribution	630,972	630,972	-
Highway block grant	350,029	350,003	(26)
State and federal forest land reimbursement	122	122	-
Other	2,780	105,063	102,283
Federal:			
Other	-	14,977	14,977
Total from intergovernmental	<u>983,903</u>	<u>1,101,137</u>	<u>117,234</u>
Charges for services:			
Income from departments	<u>768,100</u>	<u>995,552</u>	<u>227,452</u>
Miscellaneous:			
Sale of municipal property	-	1,781	1,781
Interest on investments	150,000	228,777	78,777
Other	75,000	23,715	(51,285)
Total from miscellaneous	<u>225,000</u>	<u>254,273</u>	<u>29,273</u>
Other financing sources:			
Transfers in	<u>1,831,884</u>	<u>1,894,371</u>	<u>62,487</u>
Total revenues and other financing sources	18,276,872	\$ 18,909,062	\$ 632,190
Unassigned fund balance used to reduce tax rate	385,000		
Amounts voted from fund balance	105,000		
Total revenues, other financing sources, and use of fund balance	<u>\$ 18,766,872</u>		

See Independent Auditor's Report.

SCHEDULE 2
TOWN OF MEREDITH, NEW HAMPSHIRE
Major General Fund
Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended December 31, 2023

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ -	\$ 243,703	\$ 229,998	\$ -	\$ 13,705
Election and registration	-	151,409	142,436	-	8,973
Financial administration	7,875	439,423	364,169	15,000	68,129
Revaluation of property	-	250,753	245,165	-	5,588
Legal	-	50,000	72,730	-	(22,730)
Personnel administration	-	3,048,649	2,382,194	602,944	63,511
Planning and zoning	9,194	413,334	327,087	-	95,441
General government buildings	4,053	358,194	316,651	-	45,596
Cemeteries	-	68,737	64,583	-	4,154
Insurance, not otherwise allocated	-	317,914	317,379	-	535
Advertising and regional associations	-	246,863	245,363	-	1,500
Other	185,094	1,381,361	1,334,045	303,367	(70,957)
Total general government	206,216	6,970,340	6,041,800	921,311	213,445
Public safety:					
Police	171	1,696,156	1,522,654	249,309	(75,636)
Ambulance	-	351,294	339,678	-	11,616
Fire	108,730	503,796	519,078	188,832	(95,384)
Other	-	101,146	101,146	-	-
Total public safety	108,901	2,652,392	2,482,556	438,141	(159,404)
Highways and streets:					
Administration	-	1,142,465	1,091,102	-	51,363
Highways and streets	131,061	1,700,697	1,646,316	86,323	99,119
Total highways and streets	131,061	2,843,162	2,737,418	86,323	150,482
Sanitation:					
Administration	-	316,645	285,517	-	31,128
Solid waste collection	-	82,075	26,623	6,803	48,649
Solid waste disposal	-	465,950	446,526	-	19,424
Total sanitation	-	864,670	758,666	6,803	99,201
Welfare:					
Administration and direct assistance	-	50,000	53,001	-	(3,001)
Culture and recreation:					
Parks and recreation	65,455	888,899	858,701	57,000	38,653
Library	-	616,681	555,338	-	61,343
Total culture and recreation	65,455	1,505,580	1,414,039	57,000	99,996
Debt service:					
Principal of long-term debt	-	906,500	906,500	-	-
Interest on long-term debt	-	398,080	379,143	-	18,937
Interest on tax anticipation notes	-	10,000	-	-	10,000
Total debt service	-	1,314,580	1,285,643	-	28,937
Capital outlay	588,078	1,966,148	2,188,642	321,253	44,331
Other financing uses:					
Transfers out	-	600,000	608,350	-	(8,350)
Total appropriations, expenditures, other financing uses, and encumbrances	\$ 1,099,711	\$ 18,766,872	\$ 17,570,115	\$ 1,830,831	\$ 465,637

See Independent Auditor's Report.

SCHEDULE 3
TOWN OF MEREDITH, NEW HAMPSHIRE
Major General Fund
Schedule of Changes in Unassigned Fund Balance
For the Fiscal Year Ended December 31, 2023

Unassigned fund balance, beginning (Non-GAAP Budgetary Basis)		\$ 5,531,395
Changes:		
Unassigned fund balance used to reduce 2023 tax rate		(385,000)
Amounts voted from fund balance		(105,000)
2023 Budget summary:		
Revenue surplus (Schedule 1)	\$ 632,190	
Unexpended balance of appropriations (Schedule 2)	<u>465,637</u>	
2023 Budget surplus		1,097,827
Decrease in nonspendable fund balance		1,662
Increase in restricted fund balance		(12,233)
Decrease in committed fund balance		400,000
Decrease in assigned fund balance (non-encumbrance)		<u>842</u>
Unassigned fund balance, ending (Non-GAAP Budgetary Basis)		6,529,493
 Reconciliation on Non-GAAP Budgetary Basis to GAAP Basis		
To record deferred property taxes not collected within 60 days of the fiscal year-end, not recognized on a budgetary basis		(250,215)
Deficit balance of the blended funds		(3,584)
Elimination of the allowance for uncollectible taxes		<u>30,000</u>
Unassigned fund balance, ending, GAAP basis (Exhibit C-1)		<u><u>\$ 6,305,694</u></u>

SCHEDULE 4
TOWN OF MEREDITH, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2023

	Special Revenue Funds					
	Sewer	Water	Public Library	Conservation	Cable Improvements	Community Center
ASSETS						
Cash and cash equivalents	\$ 2,389,124	\$ 2,226,917	\$ 103,395	\$ 248,787	\$ 305,935	\$ 80,434
Investments	-	-	-	-	-	159,293
Accounts receivable	38,238	29,589	-	-	-	-
Total assets	<u>\$ 2,427,362</u>	<u>\$ 2,256,506</u>	<u>\$ 103,395</u>	<u>\$ 248,787</u>	<u>\$ 305,935</u>	<u>\$ 239,727</u>
FUND BALANCES						
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	2,427,362	2,256,506	103,395	-	305,935	239,727
Committed	-	-	-	248,787	-	-
Total fund balances	<u>\$ 2,427,362</u>	<u>\$ 2,256,506</u>	<u>\$ 103,395</u>	<u>\$ 248,787</u>	<u>\$ 305,935</u>	<u>\$ 239,727</u>

Special Revenue Funds			Capital Project Fund	Permanent Funds		Total
Shep Brown Boat Basin	Police Detail	CDBG	Landfill Closure	Town	Library	
\$ 88,714	\$ 21,043	\$ -	\$ -	\$ 81,637	\$ 41,507	\$ 5,587,493
-	-	-	-	183,557	906,585	1,249,435
-	-	-	-	-	-	67,827
<u>\$ 88,714</u>	<u>\$ 21,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,194</u>	<u>\$ 948,092</u>	<u>\$ 6,904,755</u>
\$ -	\$ -	\$ -	\$ -	\$ 188,347	\$ -	\$ 188,347
-	-	-	-	76,847	948,092	6,357,864
88,714	21,043	-	-	-	-	358,544
<u>\$ 88,714</u>	<u>\$ 21,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,194</u>	<u>\$ 948,092</u>	<u>\$ 6,904,755</u>

See Independent Auditor's Report.

SCHEDULE 5
TOWN OF MEREDITH, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended December 31, 2023

	Special Revenue Funds				
	Sewer	Water	Public Library	Conservation	Cable Improvements
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 35,900	\$ -
Licenses and permits	-	-	-	-	82,488
Intergovernmental revenue	-	-	-	7,041	-
Charges for services	1,031,581	759,136	-	3,082	-
Miscellaneous	-	-	25,940	250	-
Unrealized gain (loss) on investments	-	-	-	-	-
Total revenues	<u>1,031,581</u>	<u>759,136</u>	<u>25,940</u>	<u>46,273</u>	<u>82,488</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	90,023
Public safety	-	-	-	-	-
Water distribution and treatment	-	1,041,999	-	-	-
Sanitation	1,053,862	-	-	-	-
Culture and recreation	-	-	50,504	-	-
Conservation	-	-	-	26,960	-
Total expenditures	<u>1,053,862</u>	<u>1,041,999</u>	<u>50,504</u>	<u>26,960</u>	<u>90,023</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,281)</u>	<u>(282,863)</u>	<u>(24,564)</u>	<u>19,313</u>	<u>(7,535)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	12,000	-	-
Transfers out	(37,492)	(24,995)	-	-	-
Total other financing sources (uses)	<u>(37,492)</u>	<u>(24,995)</u>	<u>12,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(59,773)	(307,858)	(12,564)	19,313	(7,535)
Fund balances, beginning, as restated (see Note 18)	2,487,135	2,564,364	115,959	229,474	313,470
Fund balances, ending	<u>\$ 2,427,362</u>	<u>\$ 2,256,506</u>	<u>\$ 103,395</u>	<u>\$ 248,787</u>	<u>\$ 305,935</u>

Special Revenue Funds				Capital Project Fund	Permanent Funds		Total
Community Center	Shep Brown Boat Basin	Police Detail	CDBG	Landfill Closure	Town	Library	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,900
-	-	-	-	-	-	-	82,488
-	-	-	15,932	-	-	-	22,973
-	-	164,524	-	-	-	-	1,958,323
7,177	3,884	-	-	-	18,288	29,220	84,759
(10,125)	-	-	-	-	11,010	25,406	26,291
<u>(2,948)</u>	<u>3,884</u>	<u>164,524</u>	<u>15,932</u>	<u>-</u>	<u>29,298</u>	<u>54,626</u>	<u>2,210,734</u>
-	-	-	15,932	-	2,238	-	108,193
-	-	143,481	-	-	-	-	143,481
-	-	-	-	-	-	-	1,041,999
-	-	-	-	8,350	-	-	1,062,212
-	-	-	-	-	-	-	50,504
-	-	-	-	-	-	-	26,960
<u>-</u>	<u>-</u>	<u>143,481</u>	<u>15,932</u>	<u>8,350</u>	<u>2,238</u>	<u>-</u>	<u>2,433,349</u>
<u>(2,948)</u>	<u>3,884</u>	<u>21,043</u>	<u>-</u>	<u>(8,350)</u>	<u>27,060</u>	<u>54,626</u>	<u>(222,615)</u>
-	-	-	-	8,350	-	-	20,350
-	-	-	-	-	-	(12,000)	(74,487)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,350</u>	<u>-</u>	<u>(12,000)</u>	<u>(54,137)</u>
(2,948)	3,884	21,043	-	-	27,060	42,626	(276,752)
242,675	84,830	-	-	-	238,134	905,466	7,181,507
<u>\$ 239,727</u>	<u>\$ 88,714</u>	<u>\$ 21,043</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,194</u>	<u>\$ 948,092</u>	<u>\$ 6,904,755</u>

See Independent Auditor's Report.

SCHEDULE 6
TOWN OF MEREDITH, NEW HAMPSHIRE
Custodial Funds
Combining Schedule of Fiduciary Net Position
December 31, 2023

	Custodial Funds				Total
	Taxes	School Trust Funds	Engineering Escrows	Town Clerk Fees State Portion	
ASSETS					
Cash and cash equivalents	\$ -	\$ 607,306	\$ 258,385	\$ -	\$ 865,691
Investments	-	258,158	-	-	258,158
Intergovernmental receivables	10,625,625	-	-	-	10,625,625
Total assets	<u>10,625,625</u>	<u>865,464</u>	<u>258,385</u>	<u>-</u>	<u>11,749,474</u>
LIABILITIES					
Due to school district	10,625,625	-	-	-	10,625,625
Escrow payable	-	-	130,498	-	130,498
Total liabilities	<u>10,625,625</u>	<u>-</u>	<u>130,498</u>	<u>-</u>	<u>10,756,123</u>
NET POSITION					
Restricted	<u>\$ -</u>	<u>\$ 865,464</u>	<u>\$ 127,887</u>	<u>\$ -</u>	<u>\$ 993,351</u>

See Independent Auditor's Report.

SCHEDULE 7
TOWN OF MEREDITH, NEW HAMPSHIRE
Custodial Funds
Combining Schedule of Changes in Fiduciary Net Position
For the Fiscal Year Ended December 31, 2023

	Custodial Funds				Total
	Taxes	School Trust Funds	Engineering Escrows	Town Clerk Fees State Portion	
Additions:					
Contributions	\$ -	\$ 250,000	\$ 27,462	\$ -	\$ 277,462
Investment earnings	-	18,336	-	-	18,336
Change in fair market value	-	(107,468)	-	-	(107,468)
Tax collections for other governments	25,603,956	-	-	-	25,603,956
Collections of motor vehicle fees for State	-	-	-	647,840	647,840
Total additions	<u>25,603,956</u>	<u>160,868</u>	<u>27,462</u>	<u>647,840</u>	<u>26,440,126</u>
Deductions:					
Administrative expenses	-	1,516	-	-	1,516
Payments of taxes to other governments	25,603,956	-	-	-	25,603,956
Payments for escrow purposes	-	-	72,651	-	72,651
Payments of motor vehicle fees for State	-	-	-	647,840	647,840
Total deductions	<u>25,603,956</u>	<u>1,516</u>	<u>72,651</u>	<u>647,840</u>	<u>26,325,963</u>
Change in net position	-	159,352	(45,189)	-	114,163
Net position, beginning	-	706,112	173,076	-	879,188
Net position, ending	<u>\$ -</u>	<u>\$ 865,464</u>	<u>\$ 127,887</u>	<u>\$ -</u>	<u>\$ 993,351</u>

See Independent Auditor's Report.