

**TOWN OF MEREDITH,
NEW HAMPSHIRE**

ANNUAL FINANCIAL REPORT

**AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021**

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the Town of as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of the Town of Meredith, as of December 31, 2021, 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. 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.

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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting 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.

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

In performing an audit in accordance with generally accepted auditing standards, 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 the 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.

January 17, 2023

Concord, New Hampshire

*Plodzik & Sanderson
Professional Association*

TOWN OF MEREDITH, NH
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDING DECEMBER 31, 2021

Presented here is the Management Discussion & Analysis Report for the Town of Meredith, NH, for the year ending December 31, 2021. 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 2021 resulting in a net position of \$40,925,417 on the government-wide financial statements (Accrual Basis).
- The Town's revenue for all Governmental Activities was \$16,122,518 while expenses totaled \$17,524,764 resulting in a \$1,402,246 excess of expenses over revenues.
- The net change in Total Government Fund Balances was \$4,194,401 resulting in fund balances at the end of 2021 for all Government Funds of \$22,280,838.
- The net change in the Fund Balance of the General Fund was a decrease of \$282,244, resulting in a total Unassigned Fund Balance of \$6,259,127 as of December 31, 2021 (Non-GAAP Budgetary Basis). GAAP Basis Unassigned Fund Balance was \$6,109,815 (see Schedule 3).
- The long-term debt liability decreased, with total outstanding bond debt (principal and unamortized bond premiums) of \$12,109,512, which is an \$1,024,023 decrease from the prior year.
- The Town of Meredith's net pension liability of \$6,296,765 under GASB Statement 68 is a decrease of \$2,980,491 from the prior year.
- The liability of the closing of the Town's landfill and post-closure care costs is \$54,000, a decrease of \$6,000 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 Schedule of Funding Process for Other Postemployment Benefit Plan, the Schedule of Changes in the Town's Proportionate Share of the Net Pension Liability, and the Schedule of Town Contributions.

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, 2021 and 2020 is as follows:

	2021	2020	Change	% of Change
Capital Assets, Net	\$40,810,145	\$39,407,067	\$ 1,403,078	3.56%
Other Assets	34,420,918	27,381,454	7,039,464	25.71%
Total Assets	75,231,063	66,788,521	8,442,542	12.64%
Total Deferred Outflows of Resources	1,104,165	2,024,493	(920,328)	-45.46%
Long-term Liabilities	21,017,106	24,988,625	(3,971,519)	-15.89%
Other Liabilities	11,774,227	836,573	10,937,654	1307.44%
Total Liabilities	32,791,333	25,825,198	6,966,135	26.97%
Total Deferred Inflows of Resources	2,618,478	660,153	1,958,325	296.65%
Net Position:				
Net Investment in Capital Assets	33,362,387	26,273,532	7,088,855	26.98%
Restricted	12,216,783	6,934,790	5,281,993	76.17%
Unrestricted	(4,653,753)	9,119,341	(13,773,094)	-151.03%
Total Net Position	\$40,925,417	\$42,327,663	\$ (1,402,246)	-3.31%

Statement of Activities

Changes in net position for the years ending December 31, 2021 and 2020 are as follows:

	2021	2020	Change	% of Change
Revenues				
Program Revenues:				
Charges for Services	\$ 2,807,727	\$ 2,524,131	\$ 283,596	11.24%
Operating Grants and Contributions	234,327	375,760	(141,433)	-37.64%
General Revenues:				
Property and Other Taxes	9,104,018	9,796,375	(692,357)	-7.07%
Licenses and Permits	2,098,307	1,952,667	145,640	7.46%
Grants and Contributions	471,425	487,157	(15,732)	-3.23%
Miscellaneous	1,406,714	925,658	481,056	51.97%
Total Revenues	16,122,518	16,061,748	60,770	0.38%
Expenses				
General Government	5,116,862	5,356,221	(239,359)	-4.47%
Public Safety	2,671,367	2,500,042	171,325	6.85%
Highway and Streets	5,619,038	1,670,264	3,948,774	236.42%
Sanitation	1,670,001	1,574,107	95,894	6.09%
Water Distribution and Treatment	723,316	700,927	22,389	3.19%
Health and Welfare	29,077	30,678	(1,601)	-5.22%
Culture and Recreation	1,313,818	591,017	722,801	122.30%
Conservation	25,406	12,937	12,469	96.38%
Interest - Long-term Debt	355,879	218,577	137,302	62.82%
Total Expenditures	17,524,764	12,654,770	4,869,994	38.48%
Increase in Net Position	(1,402,246)	3,406,978	(4,809,224)	-141.16%
Net Position, Beginning of Year	42,327,663	38,920,685	3,406,978	8.75%
Net Position, End of Year	\$40,925,417	\$42,327,663	\$ (1,402,246)	-3.31%

Town of Meredith Activities

For the year ending December 31, 2021, there was a decrease in the Town's total Net Position of \$1,402,246. This decrease is due mainly to capital expenditures for the library and DPW garage projects.

The General Fund ended the year with an unassigned fund balance of \$6,109,815 under the GAAP Basis, or 35% of total general fund expenditures. The decrease of \$162,333 was due to a relative balance between expenditures and revenue. \$1,575,000 was used to offset the 2021 tax rate.

General Fund Budgetary Highlights

The approved appropriations for the Town for the 2021 budget year was \$14,411,092, with separate warrant articles for Expendable Trust Funds totaling \$310,000. The Town under-expended its total 2021 General Fund appropriations by \$1,016,055. Savings were realized in all functions with the exception of Public Safety, Sanitation, and Debt Service. 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 \$40,810,145, an increase of \$1,403,078 due to construction on the library. 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 2021 amounted to \$2,934,245, with \$972,886 in depreciation expense. This amount includes improvements to the Library and the DPW garage. There were \$558,281 (net) of retired capital assets in 2021.

Additional information on capital assets can be found in Note 1-F 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 2021, existing debt service payments will total \$1,385,130 representing 82% of the recommended municipal Capital Improvement Program. The recommended municipal Capital Improvement Program includes additional capital program spending in the amount of \$310,000. The CIP Advisory Committee recommends a municipal Capital Improvement Program (debt service plus capital projects) of \$1,695,130. This represents an increase of 6% compared to the 2020 municipal CIP-related appropriations.

The municipal debt service schedule indicates that no additional debt will be acquired in 2021 but more will be retired in 2023 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:

- Repair or replacement of waterfront infrastructure

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 comprise 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 2021, total general obligation debt outstanding (principal and unamortized bond premiums) was \$12,109,512. During 2021, outstanding general obligation debt decreased by \$1,024,023 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 \$60,206. 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 2021 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 2021 and 2020 tax rates:

	<u>2021</u>	<u>2020</u>
Municipal Rate	\$ 3.85	\$ 4.29
Local School Rate	\$ 6.77	\$ 6.70
State School Rate	\$ 1.83	\$ 1.88
County Rate	<u>\$ 0.98</u>	<u>\$ 1.15</u>
Total Rate	\$13.43	\$14.02

The tax rate decreased by \$0.59 from 2020 to 2021, or by -4.02%.

Assessed value 2021 - \$2,330,415,957 2020 - \$2,302,685,480

The assessed value increased by \$27,730,477 from 2020 to 2021, or by 1.20%.

The total Municipal Tax Effort was \$31,269,315 with War Service Credits in the amount of \$299,875.

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, 2021

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 22,163,033
Investments	4,483,348
Taxes receivable (net)	7,518,739
Accounts receivable	170,566
Intergovernmental receivable	11,327
Tax deeded property, subject to resale	73,905
Capital assets:	
Land and construction in progress	18,805,636
Other capital assets, net of depreciation	22,004,509
Total assets	75,231,063
DEFERRED OUTFLOWS OF RESOURCES	
Amounts related to pensions	1,028,805
Amounts related to other postemployment benefits	75,360
Total deferred outflows of resources	1,104,165
LIABILITIES	
Accounts payable	1,096,666
Retainage payable	117,592
Contracts payable	300,665
Accrued interest payable	169,966
Intergovernmental payable	10,035,891
Escrow and performance deposits	53,447
Long-term liabilities:	
Due within one year	1,087,073
Due in more than one year	19,930,033
Total liabilities	32,791,333
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue - prepaid property taxes	52,943
Unavailable revenue - ARPA	337,938
Amounts related to pensions	2,222,141
Amounts related to other postemployment benefits	5,456
Total deferred inflows of resources	2,618,478
NET POSITION	
Net investment in capital assets	33,362,387
Restricted	12,216,783
Unrestricted	(4,653,753)
Total net position	\$ 40,925,417

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, 2021

	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Change In Net Position
General government	\$ 5,116,862	\$ 65,176	\$ 152	\$ (5,051,534)
Public safety	2,671,367	143,394	14,268	(2,513,705)
Highways and streets	5,619,038	2,875	208,640	(5,407,523)
Sanitation	1,670,001	1,698,743	-	28,742
Water distribution and treatment	723,316	770,682	-	47,366
Welfare	29,077	-	-	(29,077)
Culture and recreation	1,313,818	126,857	2,163	(1,184,798)
Conservation	25,406	-	9,104	(16,302)
Interest on long-term debt	355,879	-	-	(355,879)
Total governmental activities	<u>\$ 17,524,764</u>	<u>\$ 2,807,727</u>	<u>\$ 234,327</u>	<u>(14,482,710)</u>
General revenues:				
Taxes:				
Property				8,902,677
Other				201,341
Motor vehicle permit fees				1,974,212
Licenses and other fees				124,095
Grants and contributions not restricted to specific programs				471,425
Unrestricted investment earnings				164,678
Miscellaneous				1,242,036
Total general revenues				<u>13,080,464</u>
Change in net position				(1,402,246)
Net position, beginning				42,327,663
Net position, ending				<u>\$ 40,925,417</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, 2021

	General	Capital Project Funds		Other Governmental Funds	Total Governmental Funds
		DPW Project	Library Project		
ASSETS					
Cash and cash equivalents	\$ 11,569,770	\$ 4,853,650	\$ 330,365	\$ 5,409,248	\$ 22,163,033
Investments	2,906,750	-	-	1,576,598	4,483,348
Taxes receivable	7,548,739	-	-	-	7,548,739
Accounts receivable	129,394	-	-	41,172	170,566
Intergovernmental receivable	11,327	-	-	-	11,327
Tax dedeed property, subject to resale	73,905	-	-	-	73,905
Total assets	\$ 22,239,885	\$ 4,853,650	\$ 330,365	\$ 7,027,018	\$ 34,450,918
LIABILITIES					
Accounts payable	\$ 1,040,018	\$ 56,648	\$ -	\$ -	\$ 1,096,666
Retainage payable	-	92,592	25,000	-	117,592
Contracts payable	-	42,656	258,009	-	300,665
Intergovernmental payable	10,035,891	-	-	-	10,035,891
Escrow and performance deposits	53,447	-	-	-	53,447
Total liabilities	11,129,356	191,896	283,009	-	11,604,261
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	174,938	-	-	-	174,938
Unavailable revenue - prepaid property taxes	52,943	-	-	-	52,943
Unavailable revenue - ARPA	337,938	-	-	-	337,938
Total deferred inflows of resources	565,819	-	-	-	565,819
FUND BALANCES					
Nonspendable	73,905	-	-	195,966	269,871
Restricted	742,986	4,661,754	47,356	6,568,721	12,020,817
Committed	3,200,245	-	-	262,331	3,462,576
Assigned	417,759	-	-	-	417,759
Unassigned	6,109,815	-	-	-	6,109,815
Total fund balances	10,544,710	4,661,754	47,356	7,027,018	22,280,838
Total liabilities, deferred inflows of resources, and fund balances	\$ 22,239,885	\$ 4,853,650	\$ 330,365	\$ 7,027,018	\$ 34,450,918

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, 2021

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Total fund balances of governmental funds (Exhibit C-1)		\$ 22,280,838
Capital assets used in governmental activities are not current financial resources, therefore, are not reported in the governmental funds.		
Cost	\$ 55,021,219	
Less accumulated depreciation	<u>(14,211,074)</u>	
		40,810,145
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	\$ 1,028,805	
Deferred inflows of resources related to pensions	(2,222,141)	
Deferred outflows of resources related to OPEB	75,360	
Deferred inflows of resources related to OPEB	<u>(5,456)</u>	
		(1,123,432)
Long-term revenue (taxes) is not available to pay current-period expenditures, and therefore, is deferred in the governmental funds.		174,938
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		(169,966)
Long-term liabilities that are not due and payable in the current period, therefore, are not reported in the governmental funds.		
Bonds	\$ 10,394,500	
Unamortized bond premium	1,715,012	
Compensated absences	581,782	
Accrued landfill postclosure care costs	54,000	
Net pension liability	6,296,765	
Other postemployment benefits	<u>1,975,047</u>	
		(21,017,106)
Net position of governmental activities (Exhibit A)		<u>\$ 40,925,417</u>

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

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, 2021

	General	Capital Project Funds		Other Governmental Funds	Total Governmental Funds
		DPW Project	Library Project		
REVENUES					
Taxes	\$ 9,056,895	\$ -	\$ -	\$ 99,120	\$ 9,156,015
Licenses and permits	2,097,599	-	-	86,244	2,183,843
Intergovernmental receivable	703,589	-	-	-	703,589
Charges for services	957,434	-	-	1,850,293	2,807,727
Miscellaneous	395,627	-	680,000	244,704	1,320,331
Total revenues	<u>13,211,144</u>	<u>-</u>	<u>680,000</u>	<u>2,280,361</u>	<u>16,171,505</u>
EXPENDITURES					
Current:					
General government	5,429,840	-	-	43,804	5,473,644
Public safety	2,289,478	-	-	-	2,289,478
Highways and streets	2,130,490	-	-	-	2,130,490
Water distribution and treatment	-	-	-	654,028	654,028
Sanitation	781,549	-	-	776,001	1,557,550
Welfare	29,077	-	-	-	29,077
Culture and recreation	1,119,693	-	-	60,104	1,179,797
Conservation	-	-	-	25,355	25,355
Debt service:					
Principal	896,825	-	-	-	896,825
Interest	502,830	-	-	-	502,830
Capital outlay	297,080	2,246,701	3,083,051	-	5,626,832
Total expenditures	<u>13,476,862</u>	<u>2,246,701</u>	<u>3,083,051</u>	<u>1,559,292</u>	<u>20,365,906</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(265,718)</u>	<u>(2,246,701)</u>	<u>(2,403,051)</u>	<u>721,069</u>	<u>(4,194,401)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	77,000	68,718	145,718
Transfers out	(16,526)	-	-	(129,192)	(145,718)
Total other financing sources (uses)	<u>(16,526)</u>	<u>-</u>	<u>77,000</u>	<u>(60,474)</u>	<u>-</u>
Net change in fund balances	(282,244)	(2,246,701)	(2,326,051)	660,595	(4,194,401)
Fund balances, beginning	10,826,954	6,908,455	2,373,407	6,366,423	26,475,239
Fund balances, ending	<u>\$ 10,544,710</u>	<u>\$ 4,661,754</u>	<u>\$ 47,356</u>	<u>\$ 7,027,018</u>	<u>\$ 22,280,838</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, 2021

Net change in fund balances of governmental funds (Exhibit C-3)		\$ (4,194,401)
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. Capital outlay expenditures exceeded depreciation expense in the current year, as follows:		
Capitalized capital outlay	\$ 2,934,245	
Depreciation expense	<u>(972,886)</u>	1,961,359
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position.		(558,281)
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$ (145,718)	
Transfers out	<u>145,718</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	\$ (78,987)	
Decrease in allowance for uncollectable taxes	<u>30,000</u>	(48,987)
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.		
Repayment of bond principal	\$ 896,825	
Amortization of bond premium	<u>127,198</u>	1,024,023
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	\$ 19,753	
Increase in compensated absences	(60,206)	
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	379,283	
Net change in other postemployment benefits liability, and related deferred outflows of resources and deferred inflows of resources	<u>69,211</u>	
		<u>414,041</u>
Changes in net position of governmental activities (Exhibit B)		<u>\$ (1,402,246)</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, 2021

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 9,039,721	\$ 9,039,721	\$ 9,007,908	\$ (31,813)
Licenses and permits	1,956,996	1,956,996	2,097,599	140,603
Intergovernmental receivable	688,625	688,625	703,589	14,964
Charges for services	800,000	800,000	957,434	157,434
Miscellaneous	281,964	281,964	316,943	34,979
Total revenues	<u>12,767,306</u>	<u>12,767,306</u>	<u>13,083,473</u>	<u>316,167</u>
EXPENDITURES				
Current:				
General government	6,044,814	6,044,814	5,427,807	617,007
Public safety	2,262,295	2,262,295	2,304,942	(42,647)
Highways and streets	2,237,305	2,237,305	2,086,052	151,253
Sanitation	781,301	781,301	784,349	(3,048)
Welfare	60,000	60,000	29,077	30,923
Culture and recreation	1,251,461	1,251,461	1,189,821	61,640
Debt service:				
Principal	896,825	896,825	896,825	-
Interest	498,305	498,305	502,830	(4,525)
Capital outlay	-	378,786	173,334	205,452
Total expenditures	<u>14,032,306</u>	<u>14,411,092</u>	<u>13,395,037</u>	<u>1,016,055</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,265,000)</u>	<u>(1,643,786)</u>	<u>(311,564)</u>	<u>1,332,222</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	378,786	445,881	67,095
Transfers out	(310,000)	(310,000)	(316,621)	(6,621)
Total other financing sources (uses)	<u>(310,000)</u>	<u>68,786</u>	<u>129,260</u>	<u>60,474</u>
Net change in fund balances	<u><u>\$(1,575,000)</u></u>	<u><u>\$(1,575,000)</u></u>	<u>(182,304)</u>	<u>\$ 1,392,696</u>
Increase in nonspendable fund balance			(31,040)	
Decrease in restricted fund balance			1,701	
Unassigned fund balance, beginning			6,470,770	
Unassigned fund balance, ending			<u><u>\$ 6,259,127</u></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, 2021

	Private Purpose Trust Funds	Other Custodial Funds	Total
ASSETS			
Cash and cash equivalents	\$ 4,167	\$ 1,084,898	\$ 1,089,065
Investments	11,127	200,393	211,520
Accounts receivable	-	31,897	31,897
Intergovernmental receivable	-	9,900,707	9,900,707
Total assets	<u>15,294</u>	<u>11,217,895</u>	<u>11,233,189</u>
LIABILITIES			
Due to school district	-	9,900,707	9,900,707
Escrow payable	-	116,677	116,677
Total liabilities	<u>-</u>	<u>10,017,384</u>	<u>10,017,384</u>
NET POSITION			
Restricted	<u>\$ 15,294</u>	<u>\$ 1,200,511</u>	<u>\$ 1,215,805</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, 2021

	Private Purpose Trust Funds	Other Custodial Funds	All Custodial Funds
ADDITIONS			
Contributions	\$ -	\$ 407,156	\$ 407,156
Investment earnings	212	7,426	7,638
Change in fair market value (unrealized loss)	870	(119,259)	(118,389)
Tax collections for other governments	-	22,300,836	22,300,836
Collection of motor vehicle for State	-	625,746	625,746
Total additions	1,082	23,221,905	23,222,987
DEDUCTIONS			
Administrative expenses	43	1,386	1,429
Payments of taxes to other governments	-	22,300,836	22,300,836
Payments for escrow purposes	-	31,538	31,538
Payments of motore vehicle fees to State	-	625,746	625,746
Total deductions	43	22,959,506	22,959,549
Change in net position	1,039	262,399	263,438
Net position, beginning	14,255	938,112	952,367
Net position, ending	\$ 15,294	\$ 1,200,511	\$ 1,215,805

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, 2021

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TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021

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. 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 summaries of governmental activities for the Town accompanied by a total column. 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. An accompanying statement is 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.

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.

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021

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.

Library Capital Project Fund – the library capital project fund accounts for the activity pertaining to the construction/renovation of the Town of Meredith library.

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 Funds – are held in the custody of the Trustees of Trust Funds and are used to account for resources held in trust for use by the Town. These can include legal trusts for which the interest on the corpus provides funds for the Town’s cemetery operations.

All the governmental funds not meeting the criteria established for major funds are presented in the other governmental column of the fund financial statements. The Town reports 11 nonmajor governmental funds.

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. 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 belong to the primary government. 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, 2021

- 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 reflect quoted prices (unadjusted) in active markets for identical assets or liabilities that the Town has the ability to access at the measurement date. Directly held marketable equity securities would be examples of Level 1 investments.

Level 2 – Inputs are other than quoted prices that are observable for the assets or liabilities, either directly or indirectly, including inputs in markets that are not considered to be active. Because they most often are priced on the basis of transactions involving similar but not identical securities or do not trade with sufficient frequency, certain directly held fixed income securities are categorized in Level 2. All of the Town's holdings in U.S. government obligations and corporate bonds would be examples of Level 2 investments.

Level 3 – Inputs are significant unobservable inputs.

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 include property, plant, and equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets (i.e., easements) which are reported in the governmental activities column in the government-wide financial statements. The accounting and reporting treatment applied to capital assets associated with a fund are determined by the fund's measurement focus. General capital assets are assets of the Town as a whole. When purchased, such assets are recorded as expenditures in a governmental fund and capitalized as assets in the government-wide Statement of Net Position.

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021

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 carried at historical cost or estimated historical cost. When the cost of the capital assets cannot be determined from available records, estimated historical cost is used. Donated capital assets received on or prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value.

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital assets of the Town are depreciated or amortized using the straight-line method over the following estimated useful lives:

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

1-G 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 in accordance with RSA 76:15-a, *Semi-Annual Collection of Taxes in certain Towns and Cities*. Warrants for the year were issued on June 6, 2021 and December 14, 2021, and due on July 6, 2021 and January 14, 2022. Interest accrues at a rate of 8% on bills outstanding after the due date and 14% on tax liens outstanding. The Town placed a lien on all outstanding taxes from 2020 on May 12, 2021.

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 at year-end. The property taxes collected by the Town include taxes levied for the State of New Hampshire, Inter-lakes 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, 2021 utilized in the setting of the tax rate was as follows:

For the New Hampshire education tax	\$ 2,315,022,057
For all other taxes	\$ 2,330,415,957

The tax rates and amounts assessed for the year ended December 31, 2021 were as follows:

	<u>Per \$1,000 of Assessed Valuation</u>	<u>Property Taxes Assessed</u>
Municipal portion	\$ 3.85	\$ 8,974,489
School portion:		
State of New Hampshire	1.83	4,239,607
Local	6.77	15,777,100
County portion	0.98	2,278,119
Precinct portions:		
Maple Ridge Road	2.02	6,010
Total	<u>\$ 15.45</u>	<u>\$31,275,325</u>

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021

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, 2021.

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. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the Town after the measurement date but before the end of the Town's reporting period.

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.

1-K 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 and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the bond premium or discount.

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 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-L 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-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 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.

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1-N Postemployment Benefits Other Than Pensions

The Town maintains two separate other postemployment benefit plans (OPEB), 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 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.

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 and Town Manager through the budgetary process.

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

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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 regular general fund operating 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 during the period reported. These estimates include assessing the collectability of taxes receivables and 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 water, sewer, and conservation funds. Except as reconciled below, the budget was adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP).

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.

State statutes require balanced budgets but provide for the use of beginning unassigned fund balance to achieve that end. For the fiscal year 2021, \$1,575,000 of the beginning general fund unassigned fund balance was applied for this purpose.

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 governmental fund which had a budget.

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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)	\$ 13,529,354
Adjustment:	
Basis difference:	
GASB Statement No. 54:	
To record miscellaneous income of the blended funds	78,684
To eliminate transfers between general and blended funds	(445,881)
Change in deferred tax revenue relating to 60-day revenue recognition recognized as revenue on the GAAP basis, but not on the budgetary basis	48,987
Per Exhibit C-3 (GAAP basis)	<u>\$ 13,211,144</u>
Expenditures and other financing uses:	
Per Exhibit D (budgetary basis)	\$ 13,711,658
Adjustment:	
Basis differences:	
Encumbrances, beginning	472,818
Encumbrances, ending	(405,751)
GASB Statement No. 54:	
To record expenditures of the blended funds during the year	14,758
To eliminate transfers between general and blended funds	9,905
To recognize transfer between blended expendable trust and general fund	(310,000)
Per Exhibit C-3 (GAAP basis)	<u>\$ 13,493,388</u>

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 \$23,251,198 and the bank balances totaled \$23,112,993. Petty cash totaled \$900.

Cash and cash equivalents reconciliation:

Cash per Statement of Net Position (Exhibit A)	\$ 22,163,033
Cash per Statement of Fiduciary Net Position - Fiduciary Fund (Exhibit E-1)	1,089,065
Total cash and cash equivalents	<u>\$ 23,252,098</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. Since 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.

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The Town has the following recurring fair value measurements and maturities as of December 31, 2021:

	Valuation		
	Measurement Method	Fair Value	1-5 Years
Investments type:			
Certificates of deposit	Level 1	\$ -	\$ 2,581,622
Convertible bonds	Level 1	15,041	-
Common stock	Level 1	397,210	-
Corporate bonds	Level 2	366,478	-
Equity exchange traded funds	Level 1	256,483	-
Equity mutual funds - international	Level 1	60,722	-
Fixed income exchange traded fund:	Level 2	33,030	-
Fixed income mutual funds	Level 2	79,007	-
International equity	Level 1	21,333	-
American depository	Level 2	20,049	-
U.S. Government agency bonds	Level 2	842,083	-
U.S. Treasury bonds	Level 2	20,878	-
Total fair value		<u>\$ 2,112,314</u>	<u>\$ 2,581,622</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.

Investment reconciliation:

Investments per Statement of Net Position (Exhibit A)	\$ 4,483,348
Investments per Statement of Fiduciary Net Position - Fiduciary Funds (Exhibit E-1)	211,520
Total investments	<u>\$ 4,694,868</u>

NOTE 5 – TAXES RECEIVABLE

Taxes receivable represent the amount of current and prior year taxes which have not been collected as of December 31, 2021. 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 2021	\$7,341,272	\$7,341,272
Unredeemed (under tax lien):		
Levy of 2020	127,439	127,439
Levy of 2019	65,929	65,929
Levies of 2018 and prior	13,459	13,459
Land use change tax	640	640
Less: allowance for estimated uncollectible taxes	(30,000) *	-
Net taxes receivable	<u>\$7,518,739</u>	<u>\$7,548,739</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 accrual basis of accounting (Exhibits A and B).

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NOTE 6 – OTHER RECEIVABLES

Receivables at December 31, 2021, consisted of accounts (billings for police details, water, sewer, ambulance, and other user charges). 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 in the fiduciary funds represent property taxes collected on behalf of the Inter-Lakes 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, 2021 is as follows:

	Balance, beginning	Additions	Deletions	Balance, ending
At cost:				
Not being depreciated:				
Land	\$11,178,977	\$ -	\$ -	\$11,178,977
Intangible assets	1,143,098	-	-	1,143,098
Construction in progress	3,701,078	2,782,483	-	6,483,561
Total capital assets not being depreciated	<u>16,023,153</u>	<u>2,782,483</u>	<u>-</u>	<u>18,805,636</u>
Being depreciated:				
Land improvements	862,644	-	-	862,644
Monument	92,000	-	-	92,000
Buildings and building improvements	22,194,521	12,300	(862,212)	21,344,609
Equipment	3,453,257	120,113	(401,031)	3,172,339
Vehicles	5,854,259	19,349	(82,400)	5,791,208
Infrastructure	4,952,783	-	-	4,952,783
Total capital assets being depreciated	<u>37,409,464</u>	<u>151,762</u>	<u>(1,345,643)</u>	<u>36,215,583</u>
Total all capital assets	<u>53,432,617</u>	<u>2,934,245</u>	<u>(1,345,643)</u>	<u>55,021,219</u>
Less accumulated depreciation:				
Land improvements	(53,502)	(25,643)	-	(79,145)
Monument	(60,000)	(4,000)	-	(64,000)
Buildings and building improvements	(7,070,420)	(333,853)	313,131	(7,091,142)
Equipment	(2,623,030)	(182,368)	401,031	(2,404,367)
Vehicles	(3,771,745)	(394,003)	73,200	(4,092,548)
Infrastructure	(446,853)	(33,019)	-	(479,872)
Total accumulated depreciation	<u>(14,025,550)</u>	<u>(972,886)</u>	<u>787,362</u>	<u>(14,211,074)</u>
Net book value, capital assets being depreciated	<u>23,383,914</u>	<u>(821,124)</u>	<u>(558,281)</u>	<u>22,004,509</u>
Net book value, all capital assets	<u>\$39,407,067</u>	<u>\$1,961,359</u>	<u>\$ (558,281)</u>	<u>\$40,810,145</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	\$ 53,642
Public safety	361,577
Highways and streets	222,403
Sanitation	126,230
Conservation	50
Culture and recreation	125,595
Water distribution and treatment	83,389
Total depreciation expense	<u>\$ 972,886</u>

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NOTE 8 – INTERFUND TRANSFERS

The composition of interfund transfers for the year ended December 31, 2021 is as follows:

	Transfers In:		
	Library		
	Capital Project Fund	Nonmajor Funds	Total
Transfers out:			
General fund	\$ -	\$ 16,526	\$ 16,526
Nonmajor funds	77,000	52,192	129,192
Total	\$ 77,000	\$ 68,718	\$ 145,718

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.

NOTE 9 – INTERGOVERNMENTAL PAYABLES

Amounts due to other governments of \$10,035,891 at December 31, 2021 consist of the following:

	Governmental	Governmental	Fiduciary
	Activities	Fund General	Funds
Balance due to the New Hampshire Retirement System	\$ 126,420	\$ 126,420	\$ -
Property taxes due to the custodial funds ¹	9,900,707	9,900,707	-
Property taxes due to the Interlakes School District ²	-	-	9,900,707
Other intergovernmental payables	8,764	8,764	-
Total	\$ 10,035,891	\$ 10,035,891	\$ 9,900,707

1. Property taxes due to the custodial funds represent amounts collected by the Town on behalf of the Inter-Lakes School District and are reported as a component of general fund cash at year-end.
2. Property taxes due to the Inter-Lakes 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 of at December 31, 2021 consist of amounts related to pensions totaling \$1,028,805 and amounts related to OPEB totaling \$75,360. For further discussion on these amounts, see Note 12 and 13, respectively.

Deferred inflows of resources are as follows:

	Exhibit A	Exhibit C-1
Prepaid property taxes	\$ 52,943	\$ 52,943
ARPA grant proceeds received in advance of eligible expenditures	337,938	337,938
Deferred property taxes not collected within 60 days of fiscal year-end	-	174,938
Amounts related to pensions (see Note 12)	2,222,141	-
Amounts related to other postemployment benefits (see Note 13)	5,456	-
Total deferred inflows of resources	\$2,618,478	\$ 565,819

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NOTE 11 – LONG-TERM LIABILITIES

Changes in the Town’s long-term liabilities consisted of the following for the year ended December 31, 2021:

	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021	Due Within One Year	Due In More Than One Year
Bonds payable:						
Direct placements	\$ 11,291,325	\$ -	\$ (896,825)	\$ 10,394,500	\$ 904,000	\$ 9,490,500
Premium	1,842,210	-	(127,198)	1,715,012	127,198	1,587,814
Total bonds payable	13,133,535	-	(1,024,023)	12,109,512	1,031,198	11,078,314
Compensated absences	521,576	60,206	-	581,782	49,875	531,907
Accrued landfill postclosure care costs	60,000	-	(6,000)	54,000	6,000	48,000
Net pension liability	9,277,256	-	(2,980,491)	6,296,765	-	6,296,765
Net other postemployment benefits	1,996,258	22,377	(43,588)	1,975,047	-	1,975,047
Total long-term liabilities	<u>\$ 24,988,625</u>	<u>\$ 82,583</u>	<u>\$ (4,054,102)</u>	<u>\$ 21,017,106</u>	<u>\$ 1,087,073</u>	<u>\$ 19,930,033</u>

Long-term bonds are comprised of the following:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding December 31, 2021	Current Portion
Bonds payable:						
Direct placements:						
Community center	\$ 3,500,000	2005	2025	3.75-4.20	\$ 700,000	\$ 175,000
Refinancing bond	\$ 1,007,150	2012	2027	2.49	465,000	69,000
DPW project bond	6,437,275	2020	2035	1.36	6,009,700	430,000
Library project bond	3,448,050	2020	2035	1.37	3,219,800	230,000
					<u>10,394,500</u>	<u>904,000</u>
Bond premium					<u>1,715,012</u>	<u>127,198</u>
Total					<u>\$ 12,109,512</u>	<u>\$ 1,031,198</u>

The annual requirements to amortize all general obligation bonds outstanding as of December 31, 2021, including interest payments, are as follows:

Fiscal Year Ending December 31,	Bonds - Direct Placements		
	Principal	Interest	Total
2022	\$ 904,000	\$ 441,674	\$ 1,345,674
2023	906,500	398,079	1,304,579
2024	910,000	353,670	1,263,670
2025	914,000	308,909	1,222,909
2026	743,000	263,950	1,006,950
2027-2031	3,387,000	783,660	4,170,660
2032-2035	2,630,000	144,466	2,774,466
Totals	<u>\$ 10,394,500</u>	<u>\$ 2,694,408</u>	<u>\$ 13,088,908</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.

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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 the year. The estimated liability for landfill postclosure care costs has a balance of \$54,000 as of December 31, 2021. The estimated total current cost of the landfill postclosure care (\$54,000) 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, 2021. 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 a 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 (employee and teacher) members are required to contribute 7% of earnable compensation and Group II (police and fire) members contribute 11.55% and 11.80% respectively. For the period of January 1, 2021 to June 30, 2021, the Town contributed 24.77% for police, 26.43% for fire and 10.88% for other employees. For the period of July 1, 2021 to December 31, 2021 the Town contributed 30.67% for police, 29.78% for fire and 13.75% for other employees. The contribution requirement for the fiscal year 2021 was \$414,148, which was paid in full.

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Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At December 31, 2021 the Town reported a liability of \$6,296,765 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, 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, 2021, the Town’s proportion was 0.14% which was a decrease of 0.01% from its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the Town recognized pension expense of \$311,673. At December 31, 2021 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	\$ 13,410	\$ 395,157
Changes in assumptions	657,662	-
Net difference between projected and actual investment earnings on pension plan investments	-	1,761,061
Differences between expected and actual experience	176,319	65,923
Contributions subsequent to the measurement date	181,414	-
Total	\$ 1,028,805	\$ 2,222,141

The \$181,414 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, 2022. 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,	
2022	\$ (350,522)
2023	(193,617)
2024	(230,237)
2025	(600,374)
Totals	\$ (1,374,750)

Actuarial Assumptions – The collective total pension liability was based on the following assumptions:

Inflation:	2.0%
Salary increases:	5.6% 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 Healthy 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, 2020, valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2016 – 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 geometric real rates of return for each asset class:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return <u>2021</u>
Large Cap Equities	22.50%	6.46%
Small/Mid Cap Equities	7.50%	1.14%
Total domestic equity	30.00%	
Int'l Equities (unhedged)	14.00%	5.53%
Emerging Int'l Equities	6.00%	2.37%
Total international equity	20.00%	
Core US Fixed Income	25.00%	3.60%
Total fixed income	25.00%	
Private equity	10.00%	8.85%
Private debt	5.00%	7.25%
Total alternative investments	15.00%	
Real estate	10.00%	6.60%
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, 2021	\$ 9,005,095	\$ 6,296,765	\$ 4,037,576

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

13-A New Hampshire Retirement System (NHRS)

Plan Description – The New Hampshire Retirement System (NHRS or the System) is a public employee retirement system which administers a cost-sharing multiple-employer other postemployment benefit (OPEB) plan. For additional system information, please refer to the 2021 Annual Comprehensive Financial Report, which can be found on the system’s website at www.nhrs.org.

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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 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 2021 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 2018, 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, 2021 to June 30, 2021, the Town contributed 3.66% for police and fire, and 0.29% for other employees. For the period of July 1, 2021 to December 31, 2021, the Town contributed 3.21% for police and fire, and 0.31% for other employees. The contribution requirement for the fiscal year 2021 was \$25,043, which was paid in full.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB – At December 31, 2021, the Town reported a liability of \$427,039 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2020. 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, 2021, the Town’s proportion was 0.11% which was the same as its proportion measured as of June 30, 2020.

For the year ended December 31, 2021, the Town recognized OPEB expense of \$8,903. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Outflows of Resources	Inflows of Resources
Changes in proportion	\$ -	\$ 33
Net difference between projected and actual investment earnings on OPEB plan investments	-	5,334
Differences between expected and actual experience	-	89
Contributions subsequent to the measurement date	75,360	-
Total	<u>\$ 75,360</u>	<u>\$ 5,456</u>

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The \$75,360 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending December 31,	
2022	\$ (1,342)
2023	(1,121)
2024	(1,256)
2025	(1,737)
Totals	<u>\$ (5,456)</u>

Actuarial Assumptions – The collective total OPEB liability was based on the following actuarial assumptions:

Inflation:	2.0%
Salary increases:	5.6 % average, including inflation
Wage inflation:	2.75% (2.25% for Teachers)
Investment rate of return:	6.75% net of OPEB plan investment expense, including inflation for determining solvency contributions

Mortality rates were based on the Pub-2010 Healthy 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, 2020 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2016 - 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 geometric real rates of return for each asset class:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return 2021
Large Cap Equities	22.50%	6.46%
Small/Mid Cap Equities	7.50%	1.14%
Total domestic equity	30.00%	
Int'l Equities (unhedged)	14.00%	5.53%
Emerging Int'l Equities	6.00%	2.37%
Total international equity	20.00%	
Core US Fixed Income	25.00%	3.60%
Total fixed income	25.00%	
Private equity	10.00%	8.85%
Private debt	5.00%	7.25%
Total alternative investments	15.00%	
Real estate	10.00%	6.60%
Total	100.00%	

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Discount Rate – The discount rate used to measure the total OPEB liability as of June 30, 2021 was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made under the current statutes RSA 100-A:16 and 100-A:53. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

Sensitivity of the 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, 2021	\$ 464,225	\$ 427,039	\$ 394,685

Sensitivity of the Town’s Proportionate Share of the OPEB Liability to Changes in the Healthcare Cost Trend Assumption – GASB No.75 requires the sensitivity of the OPEB liability to the healthcare cost trend assumption. Since the medical subsidy benefits are fixed stipends, there is no sensitivity to changes in the healthcare cost trend assumption.

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.

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.

Employees Covered by Benefit Terms – At December 31, 2021, there were 66 active employees covered by the benefit terms.

Total OPEB Liability – The Town’s total OPEB liability of \$1,548,008 was measured as of December 31, 2021 and was determined by an actuarial valuation of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability of \$1,548,008 in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate:	2.25%
Healthcare Cost Trend Rates:	
Current Year Trend	7.50%
Second Year Trend	7.00%
Decrement	0.50%
Ultimate Trend	4.50%
Year Ultimate Trend is Reached	2028
Salary Increases:	2.75%

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The discount rate was based on the index provided by *Bond Buyer 20-Bond General Obligation Index* based on the 20-year AA municipal bond rate as of December 31, 2021.

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

Changes in the Total OPEB Liability

	December 31,	
	2020	2021
OPEB liability, beginning of year	\$ 1,475,315	\$ 1,525,631
Changes for the year:		
Service cost	64,107	61,147
Interest	50,185	33,640
Assumption changes and difference between actual and expected experience	(63,976)	(72,410)
OPEB liability, end of year	\$ 1,525,631	\$ 1,548,008

Sensitivity of the Town's OPEB Liability to Changes in the Discount Rate – The December 31, 2021 actuarial valuation was prepared using a discount rate of 2.25%. If the discount rate were 1% higher than what was used the OPEB liability would decrease to \$1,439,241. If the discount rate were 1% lower than what was used the OPEB liability would increase to \$1,665,948.

	Discount Rate		
	1% Decrease	Baseline 2.25%	1% Increase
Total OPEB Liability	\$ 1,665,948	\$ 1,548,008	\$ 1,439,241

Sensitivity of the Town's OPEB Liability to Changes in the Healthcare Cost Trend Rates – The December 31, 2021 actuarial valuation was prepared using an initial trend rate of 7.50%. If the trend rate were 1% higher than what was used the OPEB liability would increase to \$1,721,672. If the trend rate were 1% lower than what was used the OPEB liability would decrease to \$1,399,239.

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline 7.50%	1% Increase
Total OPEB Liability	\$ 1,399,239	\$ 1,548,008	\$ 1,721,672

OPEB Expense – For the year ended December 31, 2021, the Town recognized OPEB expense of \$22,377.

NOTE 14 – COMMITMENTS

The Town has active construction projects as of December 31, 2021. At year-end, the Town's commitments with contractors for specific projects are as follows:

	Spent to Date	Remaining Commitment
Capital Project Program		
Library project	\$ 4,766,882	\$ 40,132
DPW project	1,759,249	4,319,599
Total construction commitments	\$ 6,526,131	\$ 4,359,731

TOWN OF MEREDITH, NEW HAMPSHIRE
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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, 2021 and are as follows:

General fund:	
General government	\$ 18,233
Public safety	73,557
Highways and streets	25,138
Sanitation	2,800
Culture and recreation	94,188
Capital outlay	191,835
Total encumbrances	<u>\$ 405,751</u>

NOTE 16 – GOVERNMENTAL ACTIVITIES AND FIDUCIARY FUNDS NET POSITION

Net position reported on the governmental activities and fiduciary funds Statements of Net Position at December 31, 2021 include the following:

	<u>Governmental Activities</u>	<u>Fiduciary Funds</u>
Net investment in capital assets:		
Net book value, all capital assets	\$ 40,810,145	\$ -
Less:		
General obligation bonds payable	(10,394,500)	-
Unamortized bond premiums	(1,715,012)	-
Amount of debt related to unspent proceeds	4,661,754	-
Total net investment in capital assets	<u>33,362,387</u>	<u>-</u>
Restricted net position:		
Perpetual care - nonexpendable	195,966	-
Perpetual care - income balance	1,087,450	-
DPW Project	4,661,754	-
Library Project	47,356	-
Library	112,819	-
Water	2,471,512	-
Sewer	2,293,107	-
DARE	532	-
Community Center	231,521	-
Cable Improvements	371,780	-
Grants and donations	742,986	-
Escrows	-	151,744
School trust funds	-	1,064,061
Total restricted net position	<u>12,216,783</u>	<u>1,215,805</u>
Unrestricted	(4,653,753)	-
Total net position	<u>\$ 40,925,417</u>	<u>\$ 1,215,805</u>

TOWN OF MEREDITH, NEW HAMPSHIRE
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NOTE 17 – GOVERNMENTAL FUND BALANCES

Governmental fund balances reported on the fund financial statements at December 31, 2021 include the following:

	General Fund	DPW Project Fund	Library Project Fund	Nonmajor Funds	Total Governmental Funds
Nonspendable:					
Tax decded property	\$ 73,905	\$ -	\$ -	\$ -	\$ 73,905
Permanent fund - principal balance	-	-	-	195,966	195,966
Total nonspendable fund balance	<u>73,905</u>	<u>-</u>	<u>-</u>	<u>195,966</u>	<u>269,871</u>
Restricted:					
Permanent - income balance	-	-	-	1,087,450	1,087,450
Special revenue:					
Library	-	-	-	112,819	112,819
Water	-	-	-	2,471,512	2,471,512
Sewer	-	-	-	2,293,107	2,293,107
DARE	-	-	-	532	532
Community center	-	-	-	231,521	231,521
Cable improvements	-	-	-	371,780	371,780
Grants and donations	742,986	-	-	-	742,986
Capital projects	-	4,661,754	47,356	-	4,709,110
Total restricted fund balance	<u>742,986</u>	<u>4,661,754</u>	<u>47,356</u>	<u>6,568,721</u>	<u>12,020,817</u>
Committed:					
Expendable trust	3,200,245	-	-	-	3,200,245
Special revenue:					
Conservation	-	-	-	181,901	181,901
Shep Brown Boat Basic	-	-	-	80,430	80,430
Total committed fund balance	<u>3,200,245</u>	<u>-</u>	<u>-</u>	<u>262,331</u>	<u>3,462,576</u>
Assigned:					
Encumbrances	405,751	-	-	-	405,751
Non-encumbrance	12,008	-	-	-	12,008
Total assigned fund balance	<u>417,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>417,759</u>
Unassigned	<u>6,109,815</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,109,815</u>
Total governmental fund balances	<u>\$ 10,544,710</u>	<u>\$ 4,661,754</u>	<u>\$ 47,356</u>	<u>\$ 7,027,018</u>	<u>\$ 22,280,838</u>

NOTE 18 – 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 2021, 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, 2021 to December 31, 2021 by Primex³, which retained \$1,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and \$200,000 of each property loss. 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 2021 the Town paid \$132,203 and \$186,072 respectively, to Primex for property, liability, and worker's compensation. At this time, Primex³ foresees no likelihood of any additional assessment for this or any prior year.

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
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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 19 – COVID-19

As a result of the spread of COVID-19, Coronavirus, economic uncertainties continue. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

The Town was allotted a total of \$675,876 in federal funding from the American Rescue Plan Act (ARPA) in 2021. A total of \$337,938 or 50% of the funding was received in 2021. The remainder is expected to be received in 2022. Eligible uses of these funds include pandemic response or its negative impacts, workforce/personnel, including payroll and hazard/premium pay, provision of government services to the extent of reduced revenue and necessary water, sewer, and broadband investment. For the year ended December 31, 2021 the Town spent none of the funds received. The remaining funds are included in deferred inflows of resources until eligible expenditures have been made.

The full extent of the financial impact cannot be determined as of the date of the financial statements.

NOTE 20 – TAX ABATEMENTS

Governmental Accounting Standards Board Statement No. 77, *Tax Abatement Disclosures*, 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.

The Town had no such agreements for the year ended December 31, 2021.

NOTE 21 – 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 January 17, 2023, the date the December 31, 2021 financial statements were available to be issued, and the following occurred that requires recognition or disclosure:

Warrant Articles were approved at the March 2022 annual meeting which utilize unassigned fund balance as of December 31, 2021. The total value of the use of fund balance is \$686,885.

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, 2021
Unaudited

Fiscal year-end	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021
Measurement date	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Town's proportion of the net pension liability	0.16%	0.16%	0.16%	0.16%	0.17%	0.15%	0.15%	0.15%	0.14%
Town's proportionate share of the net pension liability	\$ 6,963,683	\$ 6,055,994	\$ 6,314,857	\$ 8,322,979	\$ 8,193,577	\$ 7,194,350	\$ 7,226,488	\$ 9,277,256	\$ 6,296,765
Town's covered payroll (as of the measurement date)	\$ 3,819,212	\$ 3,877,355	\$ 3,955,335	\$ 4,093,348	\$ 4,349,014	\$ 4,313,061	\$ 4,452,757	\$ 4,452,757	\$ 4,504,559
Town's proportionate share of the net pension liability as a percentage of its covered payroll	182.33%	156.19%	159.65%	203.33%	188.40%	166.80%	162.29%	208.35%	139.79%
Plan fiduciary net position as a percentage of the total pension liability	59.81%	66.32%	65.47%	58.30%	62.66%	64.73%	65.59%	58.72%	72.22%

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, 2021
Unaudited

Fiscal year-end	December 31, 2013	December 31, 2014	December 31, 2015	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021
Measurement date	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Contractually required contribution	\$ 402,331	\$ 523,421	\$ 534,784	\$ 560,457	\$ 610,343	\$ 631,489	\$ 653,587	\$ 644,348	\$ 414,148
Contributions in relation to the contractually required contributions	(402,331)	(523,421)	(534,784)	(560,457)	(610,343)	(631,489)	(653,587)	(644,348)	(414,148)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll (as of the fiscal year-end)	\$ 3,819,212	\$ 3,877,355	\$ 3,955,335	\$ 4,093,348	\$ 4,349,014	\$ 4,313,061	\$ 4,452,757	\$ 4,512,315	\$ 4,572,761
Contributions as a percentage of covered payroll	10.53%	13.50%	13.52%	13.69%	14.03%	14.64%	14.68%	14.28%	9.06%

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION –
PENSION LIABILITY
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021

***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, 2021. 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, 2021
Unaudited

Fiscal year-end	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021
Measurement date	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Town's proportion of the net OPEB liability	0.09%	0.09%	0.12%	0.12%	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
Town's covered payroll (as of the measurement date)	\$ 4,093,348	\$ 4,349,014	\$ 4,313,061	\$ 4,452,757	\$ 4,452,757	\$ 4,504,559
Town's proportionate share of the net OPEB liability as a percentage of its covered payroll	10.12%	9.46%	12.65%	11.96%	10.57%	9.48%
Plan fiduciary net position as a percentage of the total OPEB liability	5.21%	7.91%	7.53%	7.75%	7.74%	11.06%

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, 2021
Unaudited

Fiscal year-end	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021
Measurement date	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Contractually required contribution	\$ 49,743	\$ 53,347	\$ 52,717	\$ 55,452	\$ 49,908	\$ 25,043
Contributions in relation to the contractually required contribution	(49,743)	(53,347)	(52,717)	(55,452)	(49,908)	(25,043)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll (as of the fiscal year end)	\$ 4,093,348	\$ 4,349,014	\$ 4,313,061	\$ 4,452,757	\$ 4,512,315	\$ 4,572,761
Contributions as a percentage of covered payroll	1.22%	1.23%	1.22%	1.25%	1.11%	0.55%

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, 2021

	December 31,			
	2018	2019	2020	2021
OPEB liability, beginning of year	\$ 855,002	\$ 1,405,138	\$ 1,475,315	\$ 1,525,631
Changes for the year:				
Service cost	47,678	58,059	64,107	61,147
Interest	30,663	60,137	50,185	33,640
Assumption changes and difference between actual and expected experience	494,623	(48,019)	(63,976)	(72,410)
Benefit payments	(22,828)	-	-	-
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>
Covered payroll	<u>\$ 4,208,311</u>	<u>\$ 4,582,605</u>	<u>\$ 4,113,940</u>	<u>\$ 4,215,440</u>
Total OPEB liability as a percentage of covered payroll	33.39%	32.19%	37.08%	36.72%

TOWN OF MEREDITH, NEW HAMPSHIRE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –
OTHER POSTEMPLOYMENT BENEFIT LIABILITY
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2021

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, 2021. 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 – The discount rate changed from 2.12% to 2.25%.

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, 2021. 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, 2021

	Estimated	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 8,624,526	\$ 8,728,809	\$ 104,283
Land use change	71,200	18,300	(52,900)
Yield	2,700	7,921	5,221
Timber	-	66,397	66,397
Payment in lieu of taxes	122,545	85,959	(36,586)
Interest and penalties on taxes	218,750	100,522	(118,228)
Total from taxes	<u>9,039,721</u>	<u>9,007,908</u>	<u>(31,813)</u>
Licenses, permits, and fees:			
Motor vehicle permit fees	1,800,000	1,935,138	135,138
Building permits	65,701	75,212	9,511
Other	91,295	87,249	(4,046)
Total from licenses, permits, and fees	<u>1,956,996</u>	<u>2,097,599</u>	<u>140,603</u>
Intergovernmental:			
State:			
Meals and rooms distribution	470,284	470,284	-
Highway block grant	208,694	208,640	(54)
State and federal forest land reimbursement	152	152	-
Other	9,495	24,513	15,018
Total from intergovernmental	<u>688,625</u>	<u>703,589</u>	<u>14,964</u>
Charges for services:			
Income from departments	<u>800,000</u>	<u>957,434</u>	<u>157,434</u>
Miscellaneous:			
Sale of municipal property	80,907	228,633	147,726
Interest on investments	42,000	68,324	26,324
Other	159,057	19,986	(139,071)
Total from miscellaneous	<u>281,964</u>	<u>316,943</u>	<u>34,979</u>
Other financing sources:			
Transfers in	<u>378,786</u>	<u>445,881</u>	<u>67,095</u>
Total revenues and other financing sources	13,146,092	<u>\$ 13,529,354</u>	<u>\$ 383,262</u>
Unassigned fund balance used to reduce tax rate	1,575,000		
Total revenues, other financing sources, and use of fund balance	<u>\$ 14,721,092</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, 2021

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ -	\$ 205,072	\$ 211,605	\$ 638	\$ (7,171)
Election and registration	-	146,478	134,445	-	12,033
Financial administration	-	390,828	305,124	-	85,704
Revaluation of property	-	228,172	216,211	-	11,961
Legal	-	30,000	46,717	-	(16,717)
Personnel administration	-	2,846,434	2,414,492	-	431,942
Planning and zoning	-	355,431	340,558	7,741	7,132
General government buildings	-	334,801	318,034	9,854	6,913
Cemeteries	-	59,046	51,720	-	7,326
Insurance, not otherwise allocated	-	283,806	293,110	-	(9,304)
Advertising and regional associations	-	235,303	223,444	-	11,859
Other	5,508	929,443	859,622	-	75,329
Total general government	<u>5,508</u>	<u>6,044,814</u>	<u>5,415,082</u>	<u>18,233</u>	<u>617,007</u>
Public safety:					
Police	18,244	1,460,607	1,452,001	8,866	17,984
Ambulance	-	298,427	359,953	-	(61,526)
Fire	39,849	409,903	384,166	64,691	895
Other	-	93,358	93,358	-	-
Total public safety	<u>58,093</u>	<u>2,262,295</u>	<u>2,289,478</u>	<u>73,557</u>	<u>(42,647)</u>
Highways and streets:					
Administration	-	1,002,810	952,316	-	50,494
Highways and streets	69,576	1,234,495	1,178,174	25,138	100,759
Total highways and streets	<u>69,576</u>	<u>2,237,305</u>	<u>2,130,490</u>	<u>25,138</u>	<u>151,253</u>
Sanitation:					
Administration	-	265,620	264,834	-	786
Solid waste collection	-	145,681	146,156	-	(475)
Solid waste disposal	-	370,000	370,559	2,800	(3,359)
Total sanitation	<u>-</u>	<u>781,301</u>	<u>781,549</u>	<u>2,800</u>	<u>(3,048)</u>
Welfare:					
Administration and direct assistance	-	60,000	29,077	-	30,923
Culture and recreation:					
Parks and recreation	6,060	761,251	613,070	92,188	62,053
Library	18,000	490,210	506,623	2,000	(413)
Total culture and recreation	<u>24,060</u>	<u>1,251,461</u>	<u>1,119,693</u>	<u>94,188</u>	<u>61,640</u>
Debt service:					
Principal of long-term debt	-	896,825	896,825	-	-
Interest on long-term debt	-	488,305	502,830	-	(14,525)
Interest on tax anticipation notes	-	10,000	-	-	10,000
Total debt service	<u>-</u>	<u>1,395,130</u>	<u>1,399,655</u>	<u>-</u>	<u>(4,525)</u>
Capital outlay	315,581	378,786	297,080	191,835	205,452
Other financing uses:					
Transfers out	-	310,000	316,621	-	(6,621)
Total appropriations, expenditures, other financing uses, and encumbrances	<u>\$ 472,818</u>	<u>\$ 14,721,092</u>	<u>\$ 13,778,725</u>	<u>\$ 405,751</u>	<u>\$ 1,009,434</u>

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, 2021

Unassigned fund balance, beginning (Non-GAAP Budgetary Basis)	\$ 6,470,770
Changes:	
Unassigned fund balance used to reduce 2021 tax rate	(1,575,000)
2021 Budget summary:	
Revenue surplus (Schedule 1)	\$ 383,262
Unexpended balance of appropriations (Schedule 2)	<u>1,009,434</u>
2021 Budget surplus	1,392,696
Increase in nonspendable fund balance	(31,040)
Decrease in restricted fund balance	<u>1,701</u>
Unassigned fund balance, ending (Non-GAAP Budgetary Basis)	6,259,127
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	(174,938)
Deficit balance of the blended funds	(4,374)
Elimination of the allowance for uncollectible taxes	<u>30,000</u>
Unassigned fund balance, ending, GAAP basis (Exhibit C-1)	<u><u>\$ 6,109,815</u></u>

See Independent Auditor's Report.

SCHEDULE 4
TOWN OF MEREDITH, NEW HAMPSHIRE
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2021

Special Revenue Funds					
	Sewer	Water	Public Library	DARE	Conservation
ASSETS					
Cash and cash equivalents	\$ 2,268,691	\$ 2,201,995	\$ 112,819	\$ 532	\$ 181,901
Investments	-	252,761	-	-	-
Accounts receivable	24,416	16,756	-	-	-
Total assets	<u>\$ 2,293,107</u>	<u>\$ 2,471,512</u>	<u>\$ 112,819</u>	<u>\$ 532</u>	<u>\$ 181,901</u>
FUND BALANCES					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	2,293,107	2,471,512	112,819	532	-
Committed	-	-	-	-	181,901
Total fund balances	<u>2,293,107</u>	<u>2,471,512</u>	<u>112,819</u>	<u>532</u>	<u>181,901</u>
Total fund balances	<u>\$ 2,293,107</u>	<u>\$ 2,471,512</u>	<u>\$ 112,819</u>	<u>\$ 532</u>	<u>\$ 181,901</u>

Special Revenue Funds			Capital Project Fund	Permanent Funds		Total
Cable Improvements	Community Center	Shep Brown Boat Basin	Landfill Closure	Town	Library	
\$ 371,780	\$ 68,513	\$ 80,430	\$ -	\$ 71,677	\$ 50,910	\$ 5,409,248
-	163,008	-	-	191,373	969,456	1,576,598
-	-	-	-	-	-	41,172
<u>\$ 371,780</u>	<u>\$ 231,521</u>	<u>\$ 80,430</u>	<u>\$ -</u>	<u>\$ 263,050</u>	<u>\$ 1,020,366</u>	<u>\$ 7,027,018</u>
\$ -	\$ -	\$ -	\$ -	\$ 195,966	\$ -	\$ 195,966
371,780	231,521	-	-	67,084	1,020,366	6,568,721
-	-	80,430	-	-	-	262,331
<u>371,780</u>	<u>231,521</u>	<u>80,430</u>	<u>-</u>	<u>263,050</u>	<u>1,020,366</u>	<u>7,027,018</u>
<u>\$ 371,780</u>	<u>\$ 231,521</u>	<u>\$ 80,430</u>	<u>\$ -</u>	<u>\$ 263,050</u>	<u>\$ 1,020,366</u>	<u>\$ 7,027,018</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, 2021

	Special Revenue Funds				
	Sewer	Water	Public Library	DARE	Conservation
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 99,120
Licenses and permits	-	-	-	-	-
Charges for services	1,085,309	764,984	-	-	-
Miscellaneous	-	32,341	79,632	-	9,886
Total revenues	<u>1,085,309</u>	<u>797,325</u>	<u>79,632</u>	<u>-</u>	<u>109,006</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Water distribution and treatment	-	654,028	-	-	-
Sanitation	769,380	-	-	-	-
Culture and recreation	-	-	60,104	-	-
Conservation	-	-	-	-	25,355
Total expenditures	<u>769,380</u>	<u>654,028</u>	<u>60,104</u>	<u>-</u>	<u>25,355</u>
Excess (deficiency) of revenues over (under) expenditures	<u>315,929</u>	<u>143,297</u>	<u>19,528</u>	<u>-</u>	<u>83,651</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	62,097	-	-
Transfers out	(40,257)	(26,838)	-	-	-
Total other financing sources (uses)	<u>(40,257)</u>	<u>(26,838)</u>	<u>62,097</u>	<u>-</u>	<u>-</u>
Net change in fund balances	275,672	116,459	81,625	-	83,651
Fund balances, beginning	2,017,435	2,355,053	31,194	532	98,250
Fund balances, ending	<u>\$ 2,293,107</u>	<u>\$ 2,471,512</u>	<u>\$ 112,819</u>	<u>\$ 532</u>	<u>\$ 181,901</u>

Special Revenue Funds			Capital Project Fund	Permanent Funds		Total
Cable Improvements	Community Center	Shep Brown Boat Basin	Landfill Closure	Town	Library	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,120
86,244	-	-	-	-	-	86,244
-	-	-	-	-	-	1,850,293
-	21,907	2,360	-	22,623	75,955	244,704
<u>86,244</u>	<u>21,907</u>	<u>2,360</u>	<u>-</u>	<u>22,623</u>	<u>75,955</u>	<u>2,280,361</u>
39,045	-	-	-	4,759	-	43,804
-	-	-	-	-	-	654,028
-	-	-	6,621	-	-	776,001
-	-	-	-	-	-	60,104
-	-	-	-	-	-	25,355
<u>39,045</u>	<u>-</u>	<u>-</u>	<u>6,621</u>	<u>4,759</u>	<u>-</u>	<u>1,559,292</u>
47,199	21,907	2,360	(6,621)	17,864	75,955	721,069
-	-	-	6,621	-	-	68,718
-	-	-	-	-	(62,097)	(129,192)
-	-	-	<u>6,621</u>	<u>-</u>	<u>(62,097)</u>	<u>(60,474)</u>
47,199	21,907	2,360	-	17,864	13,858	660,595
324,581	209,614	78,070	-	245,186	1,006,508	6,366,423
<u>\$ 371,780</u>	<u>\$231,521</u>	<u>\$80,430</u>	<u>\$ -</u>	<u>\$ 263,050</u>	<u>\$ 1,020,366</u>	<u>\$ 7,027,018</u>

SCHEDULE 6
TOWN OF MEREDITH, NEW HAMPSHIRE
Custodial Funds
Combining Schedule of Fiduciary Net Position
December 31, 2021

	Custodial Funds				Total
	Taxes	Trust Funds	Engineering Escrows	Town Clerk Fees State Portion	
ASSETS					
Cash and cash equivalents	\$ -	\$ 863,668	\$ 221,230	\$ -	\$ 1,084,898
Investments	-	200,393	-	-	200,393
Accounts receivable	-	-	31,897	-	31,897
Intergovernmental receivables	9,900,707	-	-	-	9,900,707
Total assets	<u>9,900,707</u>	<u>1,064,061</u>	<u>253,127</u>	<u>-</u>	<u>11,217,895</u>
LIABILITIES AND NET POSITION					
Due to school district	9,900,707	-	-	-	9,900,707
Escrow payable	-	-	116,677	-	116,677
Total liabilities	<u>9,900,707</u>	<u>-</u>	<u>116,677</u>	<u>-</u>	<u>10,017,384</u>
NET POSITION					
Restricted	<u>\$ -</u>	<u>\$ 1,064,061</u>	<u>\$ 136,450</u>	<u>\$ -</u>	<u>\$ 1,200,511</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, 2021

	Custodial Funds				Total
	Taxes	Trust Funds	Engineering Escrows	Town Clerk Fees State Portion	
Additions:					
Contributions	\$ -	\$ 370,000	\$ 37,156	\$ -	\$ 407,156
Investment earnings	-	7,426	-	-	7,426
Change in fair market value (unrealized loss)	-	(119,259)	-	-	(119,259)
Tax collections for other governments	22,300,836	-	-	-	22,300,836
Collections of motor vehicle fees for State	-	-	-	625,746	625,746
Total additions	<u>22,300,836</u>	<u>258,167</u>	<u>37,156</u>	<u>625,746</u>	<u>23,221,905</u>
Deductions:					
Administrative expenses	-	1,386	-	-	1,386
Payments of taxes to other governments	22,300,836	-	-	-	22,300,836
Payments for escrow purposes	-	-	31,538	-	31,538
Payments of motor vehicle fees for State	-	-	-	625,746	625,746
Total deductions	<u>22,300,836</u>	<u>1,386</u>	<u>31,538</u>	<u>625,746</u>	<u>22,959,506</u>
Change in net position	-	256,781	5,618	-	262,399
Net position, beginning	-	807,280	130,832	-	938,112
Net position, ending	<u>\$ -</u>	<u>\$ 1,064,061</u>	<u>\$ 136,450</u>	<u>\$ -</u>	<u>\$ 1,200,511</u>

See Independent Auditor's Report.