

TOWN OF ALSTEAD, NEW HAMPSHIRE

Financial Statements

December 31, 2022

and

Independent Auditor's Report

**TOWN OF ALSTEAD, NEW HAMPSHIRE
FINANCIAL STATEMENTS
December 31, 2022**

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FINANCIAL STATEMENTS
December 31, 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Selectmen
Town of Alstead, New Hampshire

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Alstead, New Hampshire (the Town), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town of Alstead, New Hampshire's basic financial statements as listed in the table of contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Adverse
General Fund	Unmodified
Permanent Funds	Unmodified
Aggregate Remaining Fund Information	Unmodified

Adverse Opinion on Governmental Activities

In our opinion, because of the significance of the matters discussed in the Basis for Adverse and Unmodified Opinions section of our report, the financial statements referred to above do not present fairly the financial position of the governmental activities of the Town of Alstead, New Hampshire, as of December 31, 2022, or the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Each Major Fund and Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Town of Alstead, New Hampshire, as of December 31, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse and Unmodified 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 Alstead, New Hampshire, 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 adverse and unmodified audit opinions.

Matters Giving Rise to Adverse Opinion on Governmental Activities

As discussed in Note 2 to the financial statements, management has not recorded a liability, deferred outflows of resources, or deferred inflows of resources for the Town of Alstead, New Hampshire's single employer other postemployment benefits plan in governmental activities and, accordingly, has not recorded an expense for the current period change in that liability. Accounting principles generally accepted in the United States of America require that other postemployment benefits attributable to employee services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee be accrued as liabilities and expenses as employees earn the rights to the benefits, which would increase the deferred outflows of resources, liabilities, and deferred inflows of resources, reduce the net position, and change the expenses of the governmental activities. Additionally, management has not recorded capital assets, including general infrastructure assets, in governmental activities and, accordingly, has not recorded depreciation expense on those assets. Accounting principles generally accepted in the United States of America require that those capital assets, including general infrastructure assets, be capitalized, and depreciated, which would increase the assets, net position, and expenses of the governmental activities. The amount by which these departures would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, and expenses of the governmental activities is not reasonably determinable.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Alstead, New Hampshire'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.

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 Alstead, New Hampshire'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 Alstead, New Hampshire'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 budgetary comparison information, schedule of changes in the Town's proportionate share of the net OPEB liability, schedule of Town OPEB contributions, schedule of changes in the Town's proportionate share of the net pension liability, and schedule of Town pension contributions be presented to supplement the basic financial statements. 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Alstead, New Hampshire's basic financial statements. The combining nonmajor governmental fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the

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 nonmajor governmental fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Vashon Clukay & Company PC

Manchester, New Hampshire
January 30, 2024

EXHIBIT A
TOWN OF ALSTEAD, NEW HAMPSHIRE
Statement of Net Position
December 31, 2022

	Governmental <u>Activities</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 982,676
Investments	2,420,630
Taxes receivable, net	445,538
Accounts receivable, net	7,591
Due from other governments	<u>38,672</u>
Total Current Assets	<u>3,895,107</u>
Total Assets	<u>3,895,107</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to OPEB	2,227
Deferred outflows of resources related to pension	<u>69,448</u>
Total Deferred Outflows of Resources	<u>71,675</u>
LIABILITIES	
Current Liabilities:	
Accounts payable	95,525
Accrued liabilities	15,649
Advance from grantors	<u>127,272</u>
Total Current Liabilities	<u>238,446</u>
Noncurrent Liabilities:	
OPEB liability	33,267
Net pension liability	<u>350,906</u>
Total Noncurrent Liabilities	<u>384,173</u>
Total Liabilities	<u>622,619</u>
DEFERRED INFLOWS OF RESOURCES	
Property taxes collected in advance	2,987
Deferred inflows of resources related to pension	<u>14,377</u>
Total Deferred Inflows of Resources	<u>17,364</u>
NET POSITION	
Restricted	1,192,814
Unrestricted	<u>2,133,985</u>
Total Net Position	<u>\$ 3,326,799</u>

See accompanying notes to the basic financial statements

EXHIBIT B
TOWN OF ALSTEAD, NEW HAMPSHIRE
Statement of Activities
For the Year Ended December 31, 2022

Functions/Programs	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities:					
General government	\$ 631,419	\$ 1,586			\$ (629,833)
Public safety	359,176	48,499	\$ 57,998	\$ 38,672	(214,007)
Highways and streets	524,852		176,433	45,033	(303,386)
Sanitation	203,133	89,966			(113,167)
Health and welfare	18,183				(18,183)
Culture and recreation	154,914				(154,914)
Conservation	11,471				(11,471)
Capital outlay	164,902				(164,902)
Total governmental activities	<u>\$ 2,068,050</u>	<u>\$ 140,051</u>	<u>\$ 234,431</u>	<u>\$ 83,705</u>	<u>(1,609,863)</u>
General revenues:					
Property and other taxes					1,250,629
Licenses and permits					368,515
Grants and contributions:					
Rooms and meals tax distribution					163,372
Interest and investment income (losses)					(219,700)
Miscellaneous					214,764
Contributions to permanent fund principal					<u>2,380</u>
Total general revenues and contributions to permanent fund principal					<u>1,779,960</u>
Change in net position					170,097
Net Position at beginning of year					<u>3,156,702</u>
Net Position at end of year					<u>\$ 3,326,799</u>

See accompanying notes to the basic financial statements

EXHIBIT C
TOWN OF ALSTEAD, NEW HAMPSHIRE
Balance Sheet
Governmental Funds
December 31, 2022

	General <u>Fund</u>	Permanent <u>Funds</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
ASSETS				
Cash and cash equivalents	\$ 906,469	\$ 1,302	\$ 74,905	\$ 982,676
Investments	1,551,696	729,842	139,092	2,420,630
Taxes receivable, net	445,538			445,538
Accounts receivable, net	7,591			7,591
Due from other governments	38,672			38,672
Due from other funds	19,776		2,000	21,776
Total Assets	<u>2,969,742</u>	<u>731,144</u>	<u>215,997</u>	<u>3,916,883</u>
DEFERRED OUTFLOWS OF RESOURCES				
Total Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 2,969,742</u>	<u>\$ 731,144</u>	<u>\$ 215,997</u>	<u>\$ 3,916,883</u>
LIABILITIES				
Accounts payable	\$ 95,525			\$ 95,525
Accrued liabilities	15,649			15,649
Due to other funds	2,000	\$ 19,776		21,776
Advance from grantors	127,272			127,272
Total Liabilities	<u>240,446</u>	<u>19,776</u>	<u>\$ -</u>	<u>260,222</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes collected in advance	2,987			2,987
Uncollected property taxes	101,317			101,317
Total Deferred Inflows of Resources	<u>104,304</u>	<u>-</u>	<u>-</u>	<u>104,304</u>
FUND BALANCES				
Nonspendable		625,479		625,479
Restricted	465,713	85,889	15,733	567,335
Committed	1,371,025		200,264	1,571,289
Assigned	403,575			403,575
Unassigned	384,679			384,679
Total Fund Balances	<u>2,624,992</u>	<u>711,368</u>	<u>215,997</u>	<u>3,552,357</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,969,742</u>	<u>\$ 731,144</u>	<u>\$ 215,997</u>	<u>\$ 3,916,883</u>

See accompanying notes to the basic financial statements

EXHIBIT C-1
TOWN OF ALSTEAD, NEW HAMPSHIRE
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2022

Total Fund Balances - Governmental Funds (Exhibit C)	\$ 3,552,357
Amounts reported for governmental activities in the statement of net position are different because:	
Property taxes are recognized on an accrual basis in the statement of net position, not the modified accrual basis.	101,317
Deferred outflows of resources and deferred inflows of resources that do not require or provide the use of current financial resources are not reported within the funds.	
Deferred outflows of resources related to OPEB	2,227
Deferred outflows of resources related to pension	69,448
Deferred inflows of resources related to pension	(14,377)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Long-term liabilities at year end consist of:	
OPEB liability	(33,267)
Net pension liability	<u>(350,906)</u>
Net Position of Governmental Activities (Exhibit A)	<u>\$ 3,326,799</u>

See accompanying notes to the basic financial statements

EXHIBIT D
TOWN OF ALSTEAD, NEW HAMPSHIRE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2022

	<u>General Fund</u>	<u>Permanent Funds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Taxes	\$ 1,313,738		\$ 2,000	\$ 1,315,738
Licenses and permits	368,515			368,515
Intergovernmental	481,508			481,508
Charges for services	140,051			140,051
Interest and investment income (loss)	(122,715)	\$ (86,684)	(10,301)	(219,700)
Miscellaneous	163,555	2,380	51,209	217,144
Total Revenues	<u>2,344,652</u>	<u>(84,304)</u>	<u>42,908</u>	<u>2,303,256</u>
Expenditures:				
Current operations:				
General government	625,854	5,315	250	631,419
Public safety	352,576			352,576
Highways and streets	524,852			524,852
Sanitation	203,133			203,133
Health and welfare	18,183			18,183
Culture and recreation	88,766		66,148	154,914
Conservation	1,134		10,337	11,471
Capital outlay	164,902			164,902
Total Expenditures	<u>1,979,400</u>	<u>5,315</u>	<u>76,735</u>	<u>2,061,450</u>
Excess of revenues over (under) expenditures	<u>365,252</u>	<u>(89,619)</u>	<u>(33,827)</u>	<u>241,806</u>
Other financing sources (uses):				
Transfers in	19,776			19,776
Transfers out		(19,776)		(19,776)
Total Other financing sources (uses)	<u>19,776</u>	<u>(19,776)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	385,028	(109,395)	(33,827)	241,806
Fund Balances at beginning of year	<u>2,239,964</u>	<u>820,763</u>	<u>249,824</u>	<u>3,310,551</u>
Fund Balances at end of year	<u>\$ 2,624,992</u>	<u>\$ 711,368</u>	<u>\$ 215,997</u>	<u>\$ 3,552,357</u>

See accompanying notes to the basic financial statements

EXHIBIT D-1
TOWN OF ALSTEAD, NEW HAMPSHIRE
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2022

Net Change in Fund Balances - Governmental Funds (Exhibit D)	\$ 241,806
Amounts reported for governmental activities in the statement of activities are different because:	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(65,109)
Governmental funds report OPEB and pension contributions as expenditures. However, in the statement of activities, OPEB and pension expense reflects the change in the OPEB liability and net pension liability and related deferred outflows and inflows of resources, and does not require the use of current financial resources. This is the amount by which OPEB and pension expense differed from OPEB and pension contributions in the current period.	
Net changes in OPEB	1,429
Net changes in pension	<u>(8,029)</u>
Change in Net Position of Governmental Activities (Exhibit B)	<u>\$ 170,097</u>

See accompanying notes to the basic financial statements

EXHIBIT E
TOWN OF ALSTEAD, NEW HAMPSHIRE
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2022

	Custodial <u>Funds</u>
ASSETS	
Cash and cash equivalents	\$ 1,054,193
Investments	54,683
Taxes receivable	<u>619,562</u>
Total Assets	<u>1,728,438</u>
LIABILITIES	
Due to other governments	<u>1,673,755</u>
Total Liabilities	<u>1,673,755</u>
NET POSITION	
Restricted for:	
School district	24,920
Others	<u>29,763</u>
Total Net Position	<u>\$ 54,683</u>

See accompanying notes to the basic financial statements

EXHIBIT F
TOWN OF ALSTEAD, NEW HAMPSHIRE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2022

	Custodial Funds
ADDITIONS:	
Investment earnings:	
Interest income	\$ 1,219
Net change in fair value of investments	<u>(8,788)</u>
Total Investment earnings (losses)	<u>(7,569)</u>
Property tax collections for other governments	3,602,955
Motor vehicle fee collections for other governments	138,796
Miscellaneous	<u>3,900</u>
Total Additions	<u>3,738,082</u>
DEDUCTIONS:	
Beneficiary payments to individuals	4,025
Beneficiary payments to other governments	19,700
Payments of property tax to other governments	3,602,955
Payments of motor vehicle fees to other governments	<u>138,796</u>
Total Deductions	<u>3,765,476</u>
Change in net position	(27,394)
Net Position at beginning of year	<u>82,077</u>
Net Position at end of year	<u>\$ 54,683</u>

See accompanying notes to the basic financial statements

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended December 31, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Alstead, New Hampshire conform to accounting principles generally accepted in the United States of America for local governmental units, except as indicated hereinafter. The following is a summary of significant accounting policies.

Financial Reporting Entity

The Town of Alstead, New Hampshire (the “Town”) was incorporated in 1763 and operates under the Town Meeting/Board of Selectmen form of government and performs local governmental functions authorized by State law.

The financial statements include those of the various departments governed by the Board of Selectmen and other elected officials with financial responsibility. The Town has no other separate organizational units, which meet criteria for inclusion in the financial statements as defined by the Governmental Accounting Standards Board (GASB).

Basis of Presentation

The Town’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

1. Government-Wide Financial Statements:

The statement of net position and statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the Town at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Town’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Town. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Town.

2. Fund Financial Statements:

During the year, the Town segregates transactions related to certain Town functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Town at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The fiduciary funds are reported by type.

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

Fund Accounting

The Town uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Town employs the use of two categories of funds: governmental and fiduciary.

1. Governmental Funds:

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is reported as fund balance. The following are the Town's major governmental funds:

The *General Fund* is the main operating fund of the Town and is used to account for all financial resources except those required to be accounted for in another fund.

The *Permanent Funds* are held in the custody of the Trustees of Trust Funds and are used to account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

2. Fiduciary Funds:

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is comprised solely of custodial funds. Custodial funds are held and administered by the Town for the benefit of others; therefore, custodial fund assets are not available to support the Town's own programs. The Town's custodial funds consist of property taxes collected on behalf of the Fall Mountain Regional School District and Cheshire County, motor vehicle fees collected on behalf of the State of New Hampshire, and the capital reserve fund and scholarship monies of the Fall Mountain Regional School District, which are held by the Town in accordance with State law.

Measurement Focus

1. Government-Wide Financial Statements:

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operation of the Town are included on the Statement of Net Position.

2. Fund Financial Statements:

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The fiduciary funds are reported using the economic resources measurement focus.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures.

1. Revenues – Exchange and Non-exchange Transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Town, available means expected to be received within sixty days of year end.

Non-exchange transactions, in which the Town receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied (see Note 10). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the Town must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Town on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes, charges for services, and interest on investments.

Licenses and permits and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

Grants and entitlements received before the eligibility requirements are met are recorded as advances from grantors. On governmental fund financial statements, taxes receivable that will not be collected within the available period have been reported as deferred inflows of resources.

2. Expenses/Expenditures:

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization are not recognized in governmental funds.

Budgetary Data

The Town's budget represents functional appropriations as authorized by annual or special Town meetings. The Selectmen may transfer funds between operating categories as they deem necessary. The Town adopts its budget under State regulations, which differ somewhat from accounting principles generally accepted in the United States of America in that the focus is on the entire governmental unit rather than on the basis of fund types.

State law requires balanced budgets but permits the use of beginning fund balance to reduce the property tax rate. For the year ended December 31, 2022, the Town did not apply any of its unappropriated fund balance to reduce taxes.

Investments

Investments are stated at their fair value in all funds. Certificates of deposits with a maturity of greater than ninety days from the date of issuance are included in investments.

Taxes Receivable

Taxes levied during the current year and prior and uncollected at December 31, 2022 are recorded as receivables net of reserves for estimated uncollectibles of \$10,000.

Accounts Receivable

Charges for services billed during the current year and prior and uncollected at December 31, 2022 are recorded as receivables net of reserve for estimated uncollectibles of \$17,723 within the General Fund.

Accrued Liabilities and Long-Term Obligations

Except for the obligation for certain other post-employment benefits (see Note 2), all payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current resources, are reported as obligations of the funds. General obligation bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net 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 (NHRS) OPEB Plan and additions to/deductions from NHRS's fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, NHRS recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

reported at fair value, except for non-registered commingled funds valued at net asset value (NAV) as a practical expedient to estimate fair value.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Hampshire Retirement System (NHRS) and additions to/deductions from NHRS's fiduciary net position have been determined on the same basis as they are reported by NHRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

Net Position

Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not included in the restricted components of net position.

The Town's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance Policy

The Town has segregated fund balance into five classifications: Nonspendable, Restricted, Committed, Assigned, and Unassigned. These components of fund balance are defined as follows:

- ***Nonspendable Fund Balance:*** Amounts that are not in a spendable form or are required to be maintained intact.
- ***Restricted Fund Balance:*** Amounts constrained to specific purposes by their providers through constitutional provisions or by enabling legislation. Restrictions may be changed or lifted only upon the consent of the external resource provider or enabling legislation.
- ***Committed Fund Balance:*** Amounts constrained to specific purposes by a government itself using its highest level of decision-making authority (Annual Town Meeting). Commitments may be changed or lifted only by the governing body taking the same formal action that imposed the constraint originally. The governing body's action must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.
- ***Assigned Fund Balance:*** Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- ***Unassigned Fund Balance:*** Amounts that are not obligated or specifically designated and is available for any purpose; these amounts are reported only in the General Fund, except for any deficit fund balance of another governmental fund.

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

Spending Prioritizations

In instances when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, restricted fund balance is considered to have been spent first. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications may be applied, committed resources are to be applied first, followed by assigned and unassigned. The Town has not adopted a minimum fund balance policy.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

NOTE 2—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Capital Assets

The Town has not implemented the capital asset provisions of GASB Statement No. 34, *Basic Financial Statements & Management's Discussion and Analysis for State and Local Governments* (GASBS 34). GASBS 34 requires governments to report all capital assets, including infrastructure assets, in the government-wide statement of net position and, generally, report depreciation expense in the statement of activities. These provisions of GASBS 34 were required to be implemented by the Town during the year ended December 31, 2004.

Other Postemployment Benefits

The Town did not implement the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (GASBS 75) as it pertains to its single-employer OPEB plan. GASBS 75 requires governments to account for certain other postemployment benefits (OPEB), primarily healthcare, on an accrual basis rather than on a pay-as-you-go basis. The provisions of GASBS 75 were required to be implemented by the Town during the year ended December 31, 2018. The Town has only implemented the provisions of GASBS 75 as it pertains to its cost-sharing multiple-employer defined benefit OPEB plan (see Note 5).

NOTE 3—CHANGE IN ACCOUNTING PRINCIPLE

During the year ended December 31, 2022, the Town implemented GASB Statement No. 87, *Leases*. Under GASB Statement No. 87, a lease liability and an intangible right to use asset is recognized for leasing arrangements where the Town is the lessee.

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

The Town has entered into various rental agreements as lessee for buildings and equipment. Management has determined that the effect of implementing GASB Statement No. 87 related to these leases is immaterial to its financial statements.

NOTE 4—DEPOSITS AND INVESTMENTS

Deposits and investments as of December 31, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 982,676
Investments	2,420,630
Statement of Fiduciary Net Position:	
Cash and cash equivalents	1,054,193
Investments	<u>54,683</u>
	<u>\$ 4,512,182</u>

Deposits and investments as of December 31, 2022 consist of the following:

Cash on hand	\$ 1,551
Deposits with financial institutions	2,088,977
Investments	<u>2,421,654</u>
Total deposits and investments	<u>\$ 4,512,182</u>

The Town limits its investment of excess governmental funds, as authorized by state statutes, to obligations of the US Government, the New Hampshire Public Deposit Investment Pool, and savings bank deposits of banks incorporated under the laws of the State of New Hampshire or in any bank on the State Treasurer’s approved list. Responsibility for the investments of the expendable trust funds, permanent funds, and custodial funds is with the Trustees of Trust Funds. The Trustees of Trust Funds have employed professional banking assistance in accordance with New Hampshire State law (RSA 31:38a), and limit investments according to the prudent investor rule (RSA 31:25d).

Interest Rate Risk

Interest rate risk 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’s investment policy regarding interest rate risk for the governmental funds limits investments to those with a maturity of twelve months or less. The Trustees of Trust Funds manage exposure to interest rate risk by maintaining a broadly diversified portfolio, including equity investments and fixed income investments with an average maturity of 5 to 10 years.

Information about the sensitivity of the fair values of the Town’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of investments by maturity:

Investment Type	Fair Value	Remaining Maturity (In Years)		
		0-1 Years	1-5 Years	> 5 Years
Fixed income mutual funds	<u>\$ 1,865,573</u>	<u>\$ -</u>	<u>\$ 1,441,383</u>	<u>\$ 424,190</u>

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Town’s investment policy regarding credit risk for the governmental funds restricts investments to apply the “prudent person” standard in the context of managing an overall portfolio of investments. The investment policy of the Trustees of Trust Funds states that all investments should be undertaken in a manner that seeks to preserve capital.

The following is the actual rating at year end for each investment type:

<u>Investment Type</u>	<u>Fair Value</u>	Ratings as of
		<u>Year End</u> <u>Unrated</u>
Fixed income mutual funds	\$ 1,865,573	\$ 1,865,573
Money market funds	21,108	21,108
	<u>\$ 1,886,681</u>	<u>\$ 1,886,681</u>

Custodial Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Town’s deposits may not be returned. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Town’s investment policy regarding custodial credit risk for the governmental funds requires collateralization of deposits with financial institutions. The Trustees of Trust Funds policy states that its investments shall be broadly diversified to minimize the risk of loss. The Trustees shall also use prudence in the selection of securities.

Of the Town’s deposits with financial institutions at year end, \$1,370,281 was insured to the fullest extent allowable by the Federal Deposit Insurance Corporation (FDIC). Additionally, as of December 31, 2022, deposits with financial institutions of \$846,540 were uninsured and uncollateralized.

As of December 31, 2022, Town investments in the following investment types were held by the same counterparty that was used to buy the securities.

<u>Investment Type</u>	Reported <u>Amount</u>
Fixed income mutual funds	\$ 1,865,573
Equity mutual funds	534,973
Money market funds	21,108
	<u>\$ 2,421,654</u>

Fair Value Measurement of Investments

The Town categorizes the fair value measurements of its investments within the fair value hierarchy established by accounting principles generally accepted in the United States. The fair value hierarchy categorizes the inputs to valuation techniques used for fair value measurement into three levels as follows (in order of priority):

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

- Level 1 Inputs - Inputs that reflect quoted prices (unadjusted) in active markets for identical assets or liabilities that the Town has the ability to access at the measurement date.
- Level 2 Inputs - Inputs other than quoted prices that are observable for assets or liabilities either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 Inputs - Significant unobservable inputs.

As of December 31, 2022, the Town’s investments measured at fair value, by type, were as follows:

<u>Investment Type</u>	<u>Fair Value Measurements Using:</u>			<u>Totals</u>
	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>	
Fixed income mutual funds	\$ 1,865,573			\$ 1,865,573
Equity mutual funds	534,973			534,973
	<u>\$ 2,400,546</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,400,546</u>

Fixed income mutual funds and equity mutual funds classified as Level 1 are valued using unadjusted quoted prices in active markets for those securities. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

NOTE 5—OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The New Hampshire Retirement System (NHRS) administers a cost-sharing multiple-employer other postemployment benefit plan (OPEB Plan). The OPEB Plan provides a medical insurance subsidy to qualified retired members.

The NHRS issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report may be obtained by writing to New Hampshire Retirement System at 54 Regional Drive, Concord, New Hampshire 03301 or from their website at www.nhrs.org.

The OPEB Plan is divided into four membership types. 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 is closed to new entrants.

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 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.

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

Group I benefits are based on creditable service, age and retirement date. Group II benefits are based on hire date, age and creditable service. Medical subsidy rates established by RSA 100-A:52 II are dependent upon whether retirees are eligible for Medicare. Retirees not eligible for Medicare may receive a maximum medical subsidy of \$375.56 for a single person plan and \$751.12 for a two-person plan. Retirees eligible for Medicare may receive a maximum medical subsidy of \$236.84 for a single person plan and \$473.68 for a two-person plan.

Funding Policy

Per RSA-100-A:16, contribution rates are established and may be amended by the New Hampshire State legislature and are determined by the NHRS Board of Trustees based on an actuarial valuation. The Town’s contribution rate for the covered payroll of police officers was 3.21% for the year ended December 31, 2022. Contributions to the OPEB plan for the Town were \$3,894 for the year ended December 31, 2022. Employees are not required to contribute to the OPEB plan.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2022, the Town reported a liability of \$33,267 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by a roll forward of the actuarial valuation from June 30, 2021. The Town’s proportion of the net OPEB liability was based on actual contributions by the Town during the relevant fiscal year relative to the actual contributions of all participating plan members, excluding contributions to separately finance specific liabilities of individual employers or NHRS. At June 30, 2022, the Town’s proportion was approximately 0.0088 percent, which was an increase of 0.0003 percentage points from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Town recognized OPEB expense of \$2,465. At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Net difference between projected and actual earnings on OPEB plan investments	\$ 91	
Town contributions subsequent to the measurement date	<u>2,136</u>	
Totals	<u>\$ 2,227</u>	<u>\$ -</u>

The net amount of deferred outflows of resources and deferred inflows of resources related to OPEB is reflected as an increase to unrestricted net position in the amount \$2,227. The Town reported \$2,136 as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net OPEB liability in the measurement period ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense for the measurement periods as follows:

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

<u>June 30,</u>		
2023	\$	15
2024		4
2025		(36)
2026		108
	<u>\$</u>	<u>91</u>

Actuarial Assumptions

The total OPEB liability was determined by a roll forward of the actuarial valuation as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.00%
Wage inflation	2.75% (2.25% for Teachers)
Salary increases	5.40%, average, including inflation
Investment rate of return	6.75% per year, 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, adjusted 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, 2021 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 – June 30, 2019.

The long-term expected rate of return on OPEB Plan investments 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 rates 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Public equity	50%	7.60-7.90%
Private market equity	20%	6.60-8.85%
Private debt	5%	7.25%
Fixed income	25%	3.60%
Total	<u>100%</u>	

The discount rate used to measure the collective OPEB liability as of June 30, 2022 was 6.75%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made under the current statutes RSA 100-A:16 and RSA 100-A:53. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to make all projected future benefit payments of

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

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 Net OPEB Liability to Changes in the Discount Rate

The following presents the Town’s proportionate share of the net OPEB liability calculated using the discount rate of 6.75 percent, as well as what the Town’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the single discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB liability	\$ 36,117	\$ 33,267	\$ 30,785

NOTE 6—DEFINED BENEFIT PENSION PLAN

Plan Description

The Town contributes to the New Hampshire Retirement System (NHRS), a public employee retirement system that administers a single cost-sharing multiple-employer defined benefit pension plan. The plan provides service, disability, death and vested retirement allowances to plan members and beneficiaries. Benefit provisions are established and may be amended by the New Hampshire State legislature.

The NHRS issues a publicly available financial report that includes financial statements and required supplementary information for NHRS. That report may be obtained by writing to New Hampshire Retirement System at 54 Regional Drive, Concord, New Hampshire 03301 or from their website at www.nhrs.org.

Substantially all full-time state and local employees, public school teachers, permanent firefighters and permanent police officers within the State are eligible and required to participate in the Pension Plan.

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.

Benefits Provided

Benefit formulas and eligibility requirements for the pension plan are set by State law (RSA 100-A).

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 a benefit multiplier depending on vesting status as of January 1, 2012. The maximum retirement allowance for Group II members vested by January 1, 2012 (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 January 1, 2012 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:

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

<u>Years of Creditable Service as of</u> <u>January 1, 2012</u>	<u>Minimum Age</u>	<u>Minimum</u> <u>Service</u>	<u>Benefit</u> <u>Multiplier</u>
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%

Funding Policy

Covered police officers are required to contribute 11.55% of their covered salary. The Town is required to contribute at an actuarially determined rate. The Town's contribution rate for the covered payroll of police officers was 30.67% for the year ended December 31, 2022. The Town contributed 100% of the employer cost for police officers of the Town.

Per RSA-100-A:16, plan member contribution rates are established and may be amended by the New Hampshire State legislature and employer contribution rates are determined by the NHRS Board of Trustees based on an actuarial valuation. The Town's pension contributions to the NHRS for the year ended December 31, 2022 were \$37,209.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the Town reported a liability of \$350,906 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by a roll forward of the actuarial valuation from June 30, 2021. The Town's proportion of the net pension liability was based on actual contributions by the Town during the relevant fiscal year relative to the actual contributions of all participating plan members, excluding contributions to separately finance specific liabilities of individual employers or NHRS. At June 30, 2022, the Town's proportion was approximately 0.0061 percent, which was an increase of 0.0001 percentage points from its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Town recognized pension expense of \$45,239. At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Differences between expected and actual experience	\$ 6,586	\$ 1,347
Change in assumptions	18,665	
Net difference between projected and actual investment earnings on pension plan investments	13,299	
Changes in proportion and differences between Town contributions and proportionate share of contributions	10,487	13,030
Town contributions subsequent to the measurement date	<u>20,411</u>	
Totals	<u>\$ 69,448</u>	<u>\$ 14,377</u>

The net amount of deferred outflows of resources and deferred inflows of resources related to pension is reflected as an increase to unrestricted net position in the amount of \$55,071. The Town reported \$20,411 as deferred outflows of resources related to pension resulting from Town contributions subsequent to the measurement date. This amount will be recognized as a reduction of the net pension liability in the measurement period ended June 30, 2023. Other amounts reported as deferred outflows of resources and inflows of resources related to pension will be recognized as pension expense in the measurement periods as follows:

<u>June 30,</u>	
2023	\$ 11,555
2024	7,905
2025	(4,086)
2026	<u>19,286</u>
	<u>\$ 34,660</u>

Actuarial Assumptions

The total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2021, using the following actuarial assumptions:

Inflation	2.00%
Wage inflation	2.75% (2.25% for Teachers)
Salary increases	5.40%, average, including inflation
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.

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2015 – June 30, 2019.

The long-term expected rate of return on pension plan investments 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 rates 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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
Public equity	50%	7.60-7.90%
Private market equity	20%	6.60-8.85%
Private debt	5%	7.25%
Fixed income	25%	3.60%
Total	<u>100%</u>	

Discount Rate

The discount rate used to measure the collective pension liability as of June 30, 2022 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 contributions are projected based on the expected payroll of current members only. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the collective pension liability.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 6.75 percent, 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 or 1-percentage-point higher than the single discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Town's proportionate share of the net pension liability	\$ 470,827	\$ 350,906	\$ 251,202

NOTE 7—INTERFUND BALANCES AND TRANSFERS

The Town maintains separate cash accounts for its governmental funds; however, most cash transactions flow through the General Fund. Interfund balances due from the Permanent Funds to the General Fund

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

represent expenditures paid from the General Fund and unreimbursed as of year-end. Interfund balances at December 31, 2022 are as follows:

		Due from		
		General	Permanent	
		<u>Fund</u>	<u>Funds</u>	<u>Totals</u>
Due to	General Fund		\$ 19,776	\$ 19,776
	Nonmajor Governmental Funds	\$ 2,000		2,000
	Totals	<u>\$ 2,000</u>	<u>\$ 19,776</u>	<u>\$ 21,776</u>

During the year ended December 31, 2022, the Town transferred \$19,776 from the Permanent Funds to the General Fund in support of Town library and cemetery operations and in accordance with the established purposes of the Permanent Funds.

NOTE 8—RESTRICTED NET POSITION

Net position of governmental activities is restricted at December 31, 2022 for specific purposes as follows:

Permanent Funds - Principal	\$ 625,479
Permanent Funds - Income	85,889
State of NH SB38 - Highway Block Grant Funding	51,130
State of NH SB401 - Highway Block Grant Funding	126,458
Cemetery donations	5,170
Police donations	10,563
Library	288,125
	<u>\$ 1,192,814</u>

NOTE 9—COMPONENTS OF FUND BALANCE

The components of the Town's fund balance for its governmental funds at December 31, 2022 are as follows:

<u>Fund Balances</u>	<u>General Fund</u>	<u>Permanent Funds</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Permanent Funds - Principal		\$ 625,479		\$ 625,479
Restricted for:				
Permanent Funds - Income		85,889		85,889
SB38 - Highway Block Grant	\$ 51,130			51,130
SB401 - Highway Block Grant	126,458			126,458
Cemetery donations			\$ 5,170	5,170
Police donations			10,563	10,563
Library	288,125			288,125

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

Committed for:			
Capital Reserves	1,336,025		1,336,025
Conservation		20,813	20,813
Vilas Pool		94,018	94,018
Historical Society		85,433	85,433
Carryforward appropriations	35,000		35,000
Assigned for:			
Subsequent year expenditures	403,575		403,575
Unassigned:			
Unassigned - General operations	384,679		384,679
	<u>\$ 2,624,992</u>	<u>\$ 711,368</u>	<u>\$ 215,997</u>
			<u>\$ 3,552,357</u>

NOTE 10—PROPERTY TAXES

Taxes are levied on the assessed valuation of all taxable real property as of the prior April 1st (\$194,089,614 as of April 1, 2022) and were due in two installments on July 11, 2022 and January 9, 2023. Taxes paid after the due dates accrue interest at 8% per annum. Property taxes are recognized as revenue on the modified accrual basis of accounting when received in cash or if available to finance current period operations (within sixty days of year-end).

Under State law, the Tax Collector obtains tax liens on properties which have unpaid taxes in the following calendar year after taxes were due for the amount of unpaid taxes, interest and costs. Priority tax liens obtained prior to April 1, 2019 accrue interest at 18% per annum, and priority tax liens obtained after April 1, 2019 accrue interest at 14% per annum. If the property is not redeemed within a two year redemption period, the property may be tax deeded to the Town.

In accordance with State law, the Town collects taxes for the Fall Mountain Regional School District and Cheshire County, both independent governmental units, which are remitted to them as required by law. The Town also collects State of New Hampshire Education taxes, which are remitted directly to the school district. Total taxes appropriated during the year for independent governmental units were \$2,973,433 and \$629,522 for the Fall Mountain Regional School District and Cheshire County, respectively. These taxes are recognized in the financial statements within the fiduciary funds only. The Town bears responsibility for uncollected taxes.

NOTE 11—RISK MANAGEMENT

The Town is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended December 31, 2022, the Town was a member of and participated in a public entity risk pool (Trust) for property and liability insurance and worker's compensation coverage. Coverage has not been significantly reduced from the prior year and settled claims have not exceeded coverage in any of the past three years.

The Trust agreements permit the Trust to make additional assessments to members should there be a deficiency in Trust assets to meet its liabilities. Accounting principles generally accepted in the United States of America require members of pools with a sharing of risk to determine whether or not such assessment is probable and, if so, a reasonable estimate of such assessment. At this time, the Trust foresees no likelihood of an additional assessment for any of the past years. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO BASIC FINANCIAL STATEMENTS (CONTINUED)
For the Year Ended December 31, 2022

These losses include an estimate of claims that have been incurred but not reported. Based on the best available information there is no liability at December 31, 2022.

Property and Liability Insurance

The Trust provides certain property and liability insurance coverage to member towns, cities, and other qualified political subdivisions of New Hampshire. As a member of the Trust, the Town shares in contributing to the cost of and receiving benefit from a self-insured pooled risk management program. The program includes a Self-Insured Retention Fund from which is paid up to \$200,000 for each and every covered property, crime and/or liability loss that exceeds \$1,000, up to an aggregate of \$1,200,000. Each property loss is subject to a \$1,000 deductible. All losses over the aggregate are covered by insurance policies.

Worker's Compensation

The Trust provides statutory worker's compensation coverage to member towns, cities, and other qualified political subdivisions of New Hampshire. The Trust is self-sustaining through annual member premiums and provides coverage for the statutorily required workers' compensation benefits and employer's liability coverage up to \$2,000,000. The program includes a Loss Fund from which is paid up to \$500,000 for each and every covered claim.

NOTE 12—COMMITMENTS AND CONTINGENCIES

Litigation

There may be various claims and suits pending against the Town, which arise in the normal course of the Town's activities. In the opinion of Town management, any potential claims against the Town which are not covered by insurance are immaterial and would not affect the financial position of the Town.

SCHEDULE 1
TOWN OF ALSTEAD, NEW HAMPSHIRE
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Budgetary Basis) - General Fund
For the Year Ended December 31, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Favorable <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 1,176,584	\$ 1,176,584	\$ 1,248,629	\$ 72,045
Licenses and permits	391,400	391,400	368,515	(22,885)
Intergovernmental	261,407	387,865	481,508	93,643
Charges for services	100,000	100,000	140,051	40,051
Interest income	3,000	3,000	4,087	1,087
Miscellaneous	122,400	122,400	122,545	145
Total Revenues	<u>2,054,791</u>	<u>2,181,249</u>	<u>2,365,335</u>	<u>184,086</u>
Expenditures:				
Current operations:				
General government	641,204	641,204	622,354	18,850
Public safety	333,473	333,473	352,576	(19,103)
Highways and streets	498,252	447,122	524,852	(77,730)
Sanitation	163,796	163,796	203,133	(39,337)
Health and welfare	27,730	27,730	18,183	9,547
Culture and recreation	56,534	56,534	65,262	(8,728)
Conservation	1,026	1,026	1,134	(108)
Capital outlay	786,000	476,000	164,902	311,098
Debt service:				
Interest and fiscal charges	500	500	-	500
Total Expenditures	<u>2,508,515</u>	<u>2,147,385</u>	<u>1,952,396</u>	<u>194,989</u>
Excess of revenues over (under) expenditures	<u>(453,724)</u>	<u>33,864</u>	<u>412,939</u>	<u>379,075</u>
Other financing sources (uses):				
Transfers in	400,000	125,000	125,966	966
Transfers out	<u>(322,500)</u>	<u>(322,500)</u>	<u>(322,500)</u>	<u>-</u>
Total Other financing sources (uses)	<u>77,500</u>	<u>(197,500)</u>	<u>(196,534)</u>	<u>966</u>
Net change in fund balance	(376,224)	(163,636)	216,405	380,041
Fund Balance at beginning of year				
- Budgetary Basis	<u>885,754</u>	<u>885,754</u>	<u>885,754</u>	<u>-</u>
Fund Balance at end of year				
- Budgetary Basis	<u>\$ 509,530</u>	<u>\$ 722,118</u>	<u>\$ 1,102,159</u>	<u>\$ 380,041</u>

See accompanying notes to the required supplementary information

SCHEDULE 2

TOWN OF ALSTEAD, NEW HAMPSHIRE

Schedule of Changes in the Town's Proportionate Share of the Net OPEB Liability

For the Year Ended December 31, 2022

Cost-Sharing Multiple Employer Plan Information Only					
<u>Measurement Period Ended</u>	<u>Town's Proportion of the Net OPEB Liability</u>	<u>Town's Proportionate Share of the Net OPEB Liability</u>	<u>Town's Covered Payroll</u>	<u>Town's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>
June 30, 2022	0.0088%	\$ 33,267	\$ 115,491	28.80%	10.64%
June 30, 2021	0.0085%	\$ 33,991	\$ 111,453	30.50%	11.06%
June 30, 2020	0.0083%	\$ 36,513	\$ 105,781	34.52%	7.74%
June 30, 2019	0.0102%	\$ 44,642	\$ 113,345	39.39%	7.75%
June 30, 2018	0.0097%	\$ 44,281	\$ 104,348	42.44%	7.53%
June 30, 2017	0.0050%	\$ 22,804	\$ 76,968	29.63%	7.91%
June 30, 2016	0.0042%	\$ 20,329	\$ 60,834	33.42%	5.21%
June 30, 2015	*	*	*	*	*
June 30, 2014	*	*	*	*	*
June 30, 2013	*	*	*	*	*

Note to Required Supplementary Schedule:

*10 Year schedule, historical information not available

Significant Actuarial Assumptions					
<u>Measurement Periods</u>	<u>Inflation</u>	<u>Salary Increases</u>	<u>Investment Rate of Return</u>	<u>Mortality Table</u>	<u>Mortality Scale</u>
June 30, 2022	2.00%	5.40%	6.75%	Pub-2010	MP-2019
June 30, 2020 - 2021	2.00%	5.60%	6.75%	Pub-2010	MP-2019
June 30, 2016 - 2019	2.50%	5.60%	7.25%	RP-2014	MP-2015

See accompanying notes to the required supplementary information

SCHEDULE 3
TOWN OF ALSTEAD, NEW HAMPSHIRE
Schedule of Town OPEB Contributions
For the Year Ended December 31, 2022

Cost-Sharing Multiple Employer Plan Information Only					
<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Town's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
December 31, 2022	\$ 3,894	\$ (3,894)	\$ -	\$ 121,322	3.21%
December 31, 2021	\$ 3,847	\$ (3,847)	\$ -	\$ 112,575	3.42%
December 31, 2020	\$ 4,179	\$ (4,179)	\$ -	\$ 114,174	3.66%
December 31, 2019	\$ 4,077	\$ (4,077)	\$ -	\$ 104,942	3.89%
December 31, 2018	\$ 4,637	\$ (4,637)	\$ -	\$ 113,086	4.10%
December 31, 2017	\$ 3,362	\$ (3,362)	\$ -	\$ 84,093	4.00%
December 31, 2016	\$ 3,041	\$ (3,041)	\$ -	\$ 79,205	3.84%
December 31, 2015	*	*	*	*	*
December 31, 2014	*	*	*	*	*
December 31, 2013	*	*	*	*	*

Note to Required Supplementary Schedule:
*10 Year schedule, historical information not available

SCHEDULE 4

TOWN OF ALSTEAD, NEW HAMPSHIRE

Schedule of Changes in the Town's Proportionate Share of the Net Pension Liability

For the Year Ended December 31, 2022

<u>For the Measurement Period Ended</u>	<u>Town's Proportion of the Net Pension Liability</u>	<u>Town's Proportionate Share of the Net Pension Liability</u>	<u>Town's Covered Payroll</u>	<u>Town's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u>
June 30, 2022	0.0061%	\$ 350,906	\$ 115,491	303.84%	65.12%
June 30, 2021	0.0060%	\$ 266,315	\$ 111,453	238.95%	72.22%
June 30, 2020	0.0059%	\$ 377,254	\$ 105,781	356.64%	58.72%
June 30, 2019	0.0066%	\$ 317,437	\$ 113,345	280.06%	65.59%
June 30, 2018	0.0063%	\$ 301,120	\$ 104,348	288.57%	64.73%
June 30, 2017	0.0047%	\$ 232,902	\$ 76,968	302.60%	62.66%
June 30, 2016	0.0040%	\$ 212,627	\$ 60,834	349.52%	58.30%
June 30, 2015	0.0052%	\$ 207,915	\$ 82,471	252.11%	65.47%
June 30, 2014	0.0059%	\$ 221,862	\$ 89,815	247.02%	66.32%
June 30, 2013	0.0040%	\$ 172,858	\$ 62,497	276.59%	59.81%

Significant Actuarial Assumptions

<u>Measurement Periods</u>	<u>Inflation</u>	<u>Salary Increases</u>	<u>Investment Rate of Return</u>	<u>Mortality Table</u>	<u>Mortality Scale</u>
June 30, 2022	2.00%	5.40%	6.75%	Pub-2010	MP-2019
June 30, 2020 - 2021	2.00%	5.60%	6.75%	Pub-2010	MP-2019
June 30, 2016 - 2019	2.50%	5.60%	7.25%	RP-2014	MP-2015
June 30, 2013 - 2015	3.00%	3.75-5.80%	7.75%	RP-2000	Scale AA

See accompanying notes to the required supplementary information

SCHEDULE 5
TOWN OF ALSTEAD, NEW HAMPSHIRE
Schedule of Town Pension Contributions
For the Year Ended December 31, 2022

<u>Year Ended</u>	<u>Contractually Required Contribution</u>	<u>Contributions in Relation to the Contractually Required Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Town's Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
December 31, 2022	\$ 37,209	\$ (37,209)	\$ -	\$ 121,322	30.67%
December 31, 2021	\$ 31,467	\$ (31,467)	\$ -	\$ 112,575	27.95%
December 31, 2020	\$ 28,281	\$ (28,281)	\$ -	\$ 114,174	24.77%
December 31, 2019	\$ 26,295	\$ (26,295)	\$ -	\$ 104,942	25.06%
December 31, 2018	\$ 28,645	\$ (28,645)	\$ -	\$ 113,086	25.33%
December 31, 2017	\$ 20,374	\$ (20,374)	\$ -	\$ 84,093	24.23%
December 31, 2016	\$ 17,853	\$ (17,853)	\$ -	\$ 79,205	22.54%
December 31, 2015	\$ 13,505	\$ (13,505)	\$ -	\$ 61,842	21.84%
December 31, 2014	\$ 20,778	\$ (20,778)	\$ -	\$ 97,321	21.35%
December 31, 2013	\$ 15,234	\$ (15,234)	\$ -	\$ 80,086	19.02%

See accompanying notes to the required supplementary information

TOWN OF ALSTEAD, NEW HAMPSHIRE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2022

NOTE 1—BUDGET TO ACTUAL RECONCILIATION

General Fund

Amounts recorded as budgetary amounts in the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis) – General Fund (Schedule 1) are reported on the basis budgeted by the Town under state regulations. Those amounts differ from those reported in conformity with accounting principles generally accepted in the United States of America in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds (Exhibit D). Property tax budgetary revenues are recognized when levied rather than when susceptible to accrual. Budgetary revenues and other financing sources and expenditures and other financing uses were adjusted for encumbrances, non-budgetary revenues and expenditures, non-budgetary transfers in, and budgetary transfers in and out, as follows:

	Revenues and Other Financing <u>Sources</u>	Expenditures and Other Financing <u>Uses</u>
Per Exhibit D	\$ 2,364,428	\$ 1,979,400
Difference in property taxes meeting susceptible to accrual criteria	(65,109)	
Encumbrances - December 31, 2021		(3,500)
Non-budgetary revenues and expenditures	85,792	(23,504)
Non-budgetary transfers in	(3,810)	
Budgetary transfers in and out	<u>110,000</u>	<u>322,500</u>
Per Schedule 1	<u>\$ 2,491,301</u>	<u>\$ 2,274,896</u>

SCHEDULE A
TOWN OF ALSTEAD, NEW HAMPSHIRE
Combining Balance Sheet
Governmental Funds - All Nonmajor Special Revenue Funds
December 31, 2022

	Conservation <u>Fund</u>	Vilas <u>Pool Fund</u>	Expendable <u>Trust Fund</u>	Cemetery Donations <u>Fund</u>	Police Donations <u>Fund</u>	Total Nonmajor Special Revenue <u>Funds</u>
ASSETS						
Cash and cash equivalents	\$ 18,813	\$ 40,359		\$ 5,170	\$ 10,563	\$ 74,905
Investments		53,659	\$ 85,433			139,092
Due from other funds	<u>2,000</u>					<u>2,000</u>
Total Assets	<u>20,813</u>	<u>94,018</u>	<u>85,433</u>	<u>5,170</u>	<u>10,563</u>	<u>215,997</u>
DEFERRED OUTFLOWS OF RESOURCES						
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 20,813</u>	<u>\$ 94,018</u>	<u>\$ 85,433</u>	<u>\$ 5,170</u>	<u>\$ 10,563</u>	<u>\$ 215,997</u>
LIABILITIES						
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DEFERRED INFLOWS OF RESOURCES						
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Restricted				5,170	10,563	15,733
Committed	<u>20,813</u>	<u>94,018</u>	<u>85,433</u>			<u>200,264</u>
Total Fund Balances	<u>20,813</u>	<u>94,018</u>	<u>85,433</u>	<u>5,170</u>	<u>10,563</u>	<u>215,997</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 20,813</u>	<u>\$ 94,018</u>	<u>\$ 85,433</u>	<u>\$ 5,170</u>	<u>\$ 10,563</u>	<u>\$ 215,997</u>

SCHEDULE B
TOWN OF ALSTEAD, NEW HAMPSHIRE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds - All Nonmajor Special Revenue Funds
For the Year Ended December 31, 2022

	<u>Conservation Fund</u>	<u>Vilas Pool Fund</u>	<u>Expendable Trust Fund</u>	<u>Cemetery Donations Fund</u>	<u>Police Donations Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues:						
Taxes	\$ 2,000					\$ 2,000
Interest and investment income (loss)	29	\$ 91	\$ (10,421)			(10,301)
Miscellaneous	251	40,245	150		\$ 10,563	51,209
Total Revenues	<u>2,280</u>	<u>40,336</u>	<u>(10,271)</u>	<u>\$ -</u>	<u>10,563</u>	<u>42,908</u>
Expenditures:						
Current operations:						
General government				250		250
Culture and recreation		65,148	1,000			66,148
Conservation	10,337					10,337
Total Expenditures	<u>10,337</u>	<u>65,148</u>	<u>1,000</u>	<u>250</u>	<u>-</u>	<u>76,735</u>
Net change in fund balances	(8,057)	(24,812)	(11,271)	(250)	10,563	(33,827)
Fund Balances at beginning of year	<u>28,870</u>	<u>118,830</u>	<u>96,704</u>	<u>5,420</u>	<u>-</u>	<u>249,824</u>
Fund Balances at end of year	<u>\$ 20,813</u>	<u>\$ 94,018</u>	<u>\$ 85,433</u>	<u>\$ 5,170</u>	<u>\$ 10,563</u>	<u>\$ 215,997</u>