

**TOWN OF BOSCAWEN,  
NEW HAMPSHIRE**

**ANNUAL FINANCIAL REPORT**

**AS OF AND FOR THE FISCAL YEAR ENDED  
DECEMBER 31, 2022**

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**ANNUAL FINANCIAL REPORT**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**TABLE OF CONTENTS**

	<b><u>PAGES</u></b>
<b>INDEPENDENT AUDITOR'S REPORT .....</b>	<b>1 - 3</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>Government-wide Financial Statements</b>	
A Statement of Net Position .....	4
B Statement of Activities .....	5
<b>Fund Financial Statements</b>	
<i>Governmental Funds</i>	
C-1 Balance Sheet .....	6
C-2 Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position.....	7
C-3 Statement of Revenues, Expenditures, and Changes in Fund Balances.....	8
C-4 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds to the Statement of Activities .....	9
<i>Budgetary Comparison Information</i>	
D Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) – General Fund .....	10
<i>Fiduciary Funds</i>	
E-1 Statement of Fiduciary Net Position.....	11
E-2 Statement of Changes in Fiduciary Net Position .....	12
<b>NOTES TO THE BASIC FINANCIAL STATEMENTS .....</b>	<b>13 - 38</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
F Schedule of the Town's Proportionate Share of Net Pension Liability .....	39
G Schedule of Town Contributions – Pensions .....	40
<b>NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION - PENSION LIABILITY .....</b>	<b>41</b>
H Schedule of the Town's Proportionate Share of Net Other Postemployment Benefits Liability .....	42
I Schedule of Town Contributions – Other Postemployment Benefits .....	43
J Schedule of Changes in the Town's Total Other Postemployment Benefits Liability and Related Ratios .....	44
<b>NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - OTHER POSTEMPLOYMENT BENEFITS LIABILITY .....</b>	<b>45</b>
<b>COMBINING AND INDIVIDUAL FUND SCHEDULES</b>	
<b>Governmental Funds</b>	
<i>Major General Fund</i>	
1 Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis).....	46
2 Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis) .....	47 - 48
3 Schedule of Changes in Unassigned Fund Balance.....	49
<i>Nonmajor Governmental Funds</i>	
4 Combining Balance Sheet .....	50
5 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances.....	51
<b>Fiduciary Funds</b>	
<i>Custodial Funds</i>	
6 Combining Schedule of Fiduciary Net Position .....	52
7 Combining Schedule of Changes in Fiduciary Net Position .....	53



# **PLODZIK & SANDERSON**

*Professional Association/Certified Public Accountants*

193 North Main Street • Concord • New Hampshire • 03301-5063 • 603-225-6996 • FAX 603-224-1380

## ***INDEPENDENT AUDITOR'S REPORT***

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the major fund, and aggregate remaining fund information of the Town of Boscawen as of and for the year ended December 31, 2022, 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, business-type activities, the major fund, and aggregate remaining fund information of the Town of Boscawen, as of December 31, 2022, and the respective changes in financial position and where applicable, cash flows thereof, 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 Boscawen 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 Boscawen'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 Boscawen'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 Boscawen***  
***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 Boscawen'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 Boscawen'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.

***Change in Accounting Principle***

As discussed in Note 2-C to the financial statements, in fiscal year 2022 the Town adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

**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:

- 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.

**Management's Discussion and Analysis** – Management has omitted a 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 opinion on the basic financial statements is not affected by the missing information.

**Supplementary Information** – Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Boscawen's basic financial statements. The accompanying 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

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

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.

September 26, 2023  
Concord, New Hampshire

*Plodzik & Sanderson*  
*Professional Association*

## ***BASIC FINANCIAL STATEMENTS***

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

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 5,528,889
Investments	1,385,252
Taxes receivables (net)	534,170
Account receivables (net)	176,326
Intergovernmental receivable	216,573
Tax deeded property, subject to resale	8,975
Capital assets:	
Land and construction in progress	1,394,514
Other capital assets, net of depreciation	8,159,766
Total assets	<u>17,404,465</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Amounts related to pensions	540,500
Amounts related to other postemployment benefits	2,358,175
Total deferred outflows of resources	<u>2,898,675</u>
<b>LIABILITIES</b>	
Accounts payable	124,853
Accrued interest payable	9,649
Intergovernmental payable	2,239,172
Long-term liabilities:	
Due within one year	90,839
Due in more than one year	13,044,096
Total liabilities	<u>15,508,609</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - property taxes	3,225
Unavailable revenue - grants	307,869
Unavailable revenue - donations	4,956
Unavailable revenue - drug forfeiture	2,522
Amounts related to pensions	61,757
Amounts related to other postemployment benefits	1,779,980
Total deferred inflows of resources	<u>2,160,309</u>
<b>NET POSITION</b>	
Net investment in capital assets	9,021,280
Restricted	466,702
Unrestricted	<u>(6,853,760)</u>
Total net position	<u>\$ 2,634,222</u>

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

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

		Program Revenues		Net (Expense)
		Charges	Operating	Revenue and
		for	Grants and	Change In
	Expenses	Services	Contributions	Net Position
General government	\$ 3,274,571	\$ 13,530	\$ 702,128	\$ (2,558,913)
Public safety	1,256,242	24,712	50,000	(1,181,530)
Highways and streets	631,908	-	135,226	(496,682)
Sanitation	784,504	287,734	7,995	(488,775)
Health	8,680	-	-	(8,680)
Welfare	47,224	90	-	(47,134)
Culture and recreation	273,048	9,399	-	(263,649)
Conservation	9,927	-	300	(9,627)
Economic development	3,000	-	-	(3,000)
Interest on long-term debt	28,803	-	-	(28,803)
Total governmental activities	<u>\$ 6,317,907</u>	<u>\$ 335,465</u>	<u>\$ 895,649</u>	<u>(5,086,793)</u>
General revenues:				
Taxes:				
Property				3,355,887
Other				330,619
Motor vehicle permit fees				764,656
Licenses and other fees				60,158
Grants and contributions not restricted to specific programs				347,698
Unrestricted investment earnings				19,136
Miscellaneous				204,337
Total general revenues				<u>5,082,491</u>
Value of donated capital assets received				176,428
Change in net position				172,126
Net position, beginning, as restated (see Note 19)				2,462,096
Net position, ending				<u>\$ 2,634,222</u>

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

**EXHIBIT C-1**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Governmental Funds**  
**Balance Sheet**  
**December 31, 2022**

	General	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 4,182,628	\$ 1,044,089	\$ 5,226,717
Investments	-	663,138	663,138
Receivables, net of allowance for uncollectible:			
Taxes	544,170	-	544,170
Accounts	141,092	35,234	176,326
Intergovernmental receivable	56,673	-	56,673
Interfund receivable	8,739	76,326	85,065
Tax deeded property, subject to resale	8,975	-	8,975
Restricted assets:			
Cash and cash equivalents	302,172	-	302,172
Investments	722,114	-	722,114
Total assets	<u>\$ 5,966,563</u>	<u>\$ 1,818,787</u>	<u>\$ 7,785,350</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 124,853	\$ -	\$ 124,853
Intergovernmental payable	2,239,172	-	2,239,172
Interfund payable	76,326	8,739	85,065
Total liabilities	<u>2,440,351</u>	<u>8,739</u>	<u>2,449,090</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	106,077	-	106,077
Unavailable revenue - grants	133,381	174,488	307,869
Unavailable revenue - donations	4,956	-	4,956
Unavailable revenue - drug forfeiture	2,522	-	2,522
Total deferred inflows of resources	<u>246,936</u>	<u>174,488</u>	<u>421,424</u>
<b>FUND BALANCES</b>			
Nonspendable	8,975	311,917	320,892
Restricted	118,340	684,742	803,082
Committed	1,475,160	638,901	2,114,061
Assigned	306,879	-	306,879
Unassigned	1,369,922	-	1,369,922
Total fund balances	<u>3,279,276</u>	<u>1,635,560</u>	<u>4,914,836</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,966,563</u>	<u>\$ 1,818,787</u>	<u>\$ 7,785,350</u>

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

**EXHIBIT C-2**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position**  
**December 31, 2022**

Amounts reported for governmental activities in the Statement of Net Position are different because:		
Total fund balances of governmental funds (Exhibit C-1)		\$ 4,914,836
Receivables from the State of New Hampshire to offset debt payments that are not due in the current period, and therefore are not reported in the governmental funds.		159,900
Capital assets used in governmental activities are not current financial resources, therefore, are not reported in the governmental funds.		
Cost	\$ 16,990,456	
Less accumulated depreciation	<u>(7,436,176)</u>	
		9,554,280
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	\$ 540,500	
Deferred inflows of resources related to pensions	(61,757)	
Deferred outflows of resources related to OPEB	2,358,175	
Deferred inflows of resources related to OPEB	<u>(1,779,980)</u>	
		1,056,938
Interfund receivables and payables between governmental funds are eliminated on the Statement of Net Position.		
Receivables	\$ (85,065)	
Payables	<u>85,065</u>	
		-
Property taxes not collected within 60 days of fiscal year-end are not available to pay for current period expenditures, and therefore are deferred in the governmental funds.		
Deferred property taxes	\$ 102,852	
Allowance for uncollectible taxes	<u>(10,000)</u>	
		92,852
Interest on long-term debt is not accrued in governmental funds.		
Accrued interest payable		(9,649)
Long-term liabilities that are not due and payable in the current period, therefore, are not reported in the governmental funds.		
Bonds	\$ 533,000	
Compensated absences	26,685	
Accrued landfill postclosure care costs	1,996,000	
Net pension liability	2,502,543	
Other postemployment benefits	<u>8,076,707</u>	
		<u>(13,134,935)</u>
Net position of governmental activities (Exhibit A)		<u>\$ 2,634,222</u>

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

**EXHIBIT C-3**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended December 31, 2022**

	General	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
Taxes	\$ 3,671,475	\$ 29,890	\$ 3,701,365
Licenses and permits	782,214	42,600	824,814
Intergovernmental	1,042,434	233,088	1,275,522
Charges for services	37,657	297,808	335,465
Miscellaneous	199,569	9,729	209,298
Total revenues	<u>5,733,349</u>	<u>613,115</u>	<u>6,346,464</u>
<b>EXPENDITURES</b>			
Current:			
General government	1,840,194	178,413	2,018,607
Public safety	1,082,835	104,174	1,187,009
Highways and streets	565,811	-	565,811
Sanitation	240,983	327,521	568,504
Health	8,680	-	8,680
Welfare	64,866	22,138	87,004
Culture and recreation	268,923	-	268,923
Conservation	3,280	6,647	9,927
Economic development	3,000	-	3,000
Debt service:			
Principal	120,000	-	120,000
Interest	30,850	-	30,850
Capital outlay	835,896	-	835,896
Total expenditures	<u>5,065,318</u>	<u>638,893</u>	<u>5,704,211</u>
Excess (deficiency) of revenues over (under) expenditures	<u>668,031</u>	<u>(25,778)</u>	<u>642,253</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	31,004	48,000	79,004
Transfers out	(48,000)	(31,004)	(79,004)
Total other financing sources (uses)	<u>(16,996)</u>	<u>16,996</u>	<u>-</u>
Net change in fund balances	651,035	(8,782)	642,253
Fund balances, beginning	2,628,241	1,644,342	4,272,583
Fund balances, ending	<u>\$ 3,279,276</u>	<u>\$ 1,635,560</u>	<u>\$ 4,914,836</u>

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

**EXHIBIT C-4**  
**TOWN OF BOSCAWEN, 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, 2022*

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

Net change in fund balances of governmental funds (Exhibit C-3)		\$ 642,253
Governmental funds report capital outlays as expenditures, while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. Depreciation expense exceeded capital outlay expenditures in the current year, as follows:		
Capitalized capital outlay	\$ 635,769	
Depreciation expense	<u>(384,584)</u>	251,185
Transfers in and out between governmental funds are eliminated on the Statement of Activities.		
Transfers in	\$ (79,004)	
Transfers out	<u>79,004</u>	-
Some revenue reported in the governmental funds results from long-term receivables previously recorded in the Statement of Activities.		(18,000)
Revenue in the Statement of Activities that does not provide current financial resources are not reported as revenue in the governmental funds.		
Change in deferred tax revenue		(14,859)
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.		
Repayment of bond principal		120,000
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	\$ 2,047	
Decrease in compensated absences payable	15,138	
Increase in accrued landfill postclosure care costs	(216,000)	
Net change in net pension liability, and deferred outflows and inflows of resources related to pensions	18,675	
Net change in net other postemployment benefits liability and deferred outflows and inflows of resources related to other postemployment benefits	<u>(628,313)</u>	(808,453)
Change in net position of governmental activities (Exhibit B)		<u>\$ 172,126</u>

**EXHIBIT D**  
**TOWN OF BOSCAWEN, 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, 2022**

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 3,585,889	\$ 3,585,889	\$ 3,656,616	\$ 70,727
Licenses and permits	625,500	625,500	782,214	156,714
Intergovernmental	528,102	1,028,853	1,041,934	13,081
Charges for services	26,075	26,075	36,697	10,622
Miscellaneous	72,200	72,200	75,537	3,337
Total revenues	4,837,766	5,338,517	5,592,998	254,481
<b>EXPENDITURES</b>				
Current:				
General government	1,924,162	1,924,162	1,796,206	127,956
Public safety	1,134,063	1,134,063	1,086,835	47,228
Highways and streets	629,154	629,154	609,479	19,675
Sanitation	266,853	266,853	231,694	35,159
Health	9,080	9,080	8,680	400
Welfare	64,476	64,476	64,866	(390)
Culture and recreation	146,853	146,853	142,958	3,895
Conservation	2,200	2,200	3,280	(1,080)
Economic development	2,250	2,250	2,250	-
Debt service:				
Principal	120,000	120,000	120,000	-
Interest	30,850	30,850	30,850	-
Capital outlay	209,630	906,707	935,396	(28,689)
Total expenditures	4,539,571	5,236,648	5,032,494	204,154
Excess of revenues over expenditures	298,195	101,869	560,504	458,635
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	10,000	206,326	237,330	31,004
Transfers out	(341,195)	(341,195)	(315,200)	25,995
Total other financing sources (uses)	(331,195)	(134,869)	(77,870)	56,999
Net change in fund balances	\$ (33,000)	\$ (33,000)	482,634	\$ 515,634
Decrease in nonspendable fund balance			33,667	
Decrease in committed fund balance			13,975	
Unassigned fund balance, beginning			932,498	
Unassigned fund balance, ending			\$ 1,462,774	

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

**EXHIBIT E-1**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Fiduciary Funds**  
**Statement of Fiduciary Net Position**  
**December 31, 2022**

	Private Purpose Trust Funds	All Custodial Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 1,291	\$ 120,636
Intergovernmental receivable	-	2,189,548
Total assets	<u>1,291</u>	<u>2,310,184</u>
<b>LIABILITIES</b>		
Intergovernmental payables:		
School	<u>-</u>	<u>2,189,548</u>
<b>NET POSITION</b>		
Restricted	<u>\$ 1,291</u>	<u>\$ 120,636</u>

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

**EXHIBIT E-2**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Fiduciary Funds**  
**Statement of Changes in Fiduciary Net Position**  
**For the Fiscal Year Ended December 31, 2022**

	Private Purpose Trust Funds	All Custodial Funds
<b>ADDITIONS</b>		
Contributions	\$ -	\$ 49,180
Investment earnings	-	229
Tax collections for other governments	-	5,810,804
Fee collections for other governments	-	253,594
Total additions	-	6,113,807
<b>DEDUCTIONS</b>		
Administrative expenses	129	-
Payments of taxes to other governments	-	5,810,804
Payments of motor vehicle fees to State	-	253,594
Payments for escrow purposes	-	42,369
Total deductions	129	6,106,767
Net increase in fiduciary net position	(129)	7,040
Net position, beginning	1,420	113,596
Net position, ending	\$ 1,291	\$ 120,636

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

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

	<b><u>NOTE</u></b>
<b>Summary of Significant Accounting Policies .....</b>	<b>1</b>
Reporting Entity .....	1-A
Basis of Accounting and Measurement Focus.....	1-B
Cash and Cash Equivalents.....	1-C
Restricted Assets.....	1-D
Investments.....	1-E
Receivables.....	1-F
Capital Assets .....	1-G
Interfund Activities.....	1-H
Property Taxes.....	1-I
Accounts Payable .....	1-J
Deferred Outflows/Inflows of Resources .....	1-K
Compensated Absences .....	1-L
Long-term Obligations .....	1-M
Defined Benefit Pension Plan .....	1-N
Postemployment Benefits Other Than Pensions (OPEB) .....	1-O
Net Position/Fund Balances.....	1-P
Use of Estimates .....	1-Q
Material Change in Fund Classification .....	1-R
<b>Stewardship, Compliance, and Accountability .....</b>	<b>2</b>
Budgetary Information.....	2-A
Budgetary Reconciliation to GAAP Basis .....	2-B
Accounting Change .....	2-C

***DETAILED NOTES ON ALL FUNDS***

<b>Cash and Cash Equivalents .....</b>	<b>3</b>
<b>Restricted Assets .....</b>	<b>4</b>
<b>Investments .....</b>	<b>5</b>
<b>Taxes Receivable .....</b>	<b>6</b>
<b>Other Receivables.....</b>	<b>7</b>
<b>Capital Assets.....</b>	<b>8</b>
<b>Interfund Balances and Transfers .....</b>	<b>9</b>
<b>Intergovernmental Payables.....</b>	<b>10</b>
<b>Deferred Outflows/Inflows of Resources.....</b>	<b>11</b>
<b>Long-term Liabilities .....</b>	<b>12</b>
<b>Defined Benefit Pension Plan .....</b>	<b>13</b>
<b>Postemployment Benefits Other Than Pensions (OPEB) .....</b>	<b>14</b>
New Hampshire Retirement System (NHRS).....	14-A
Town of Boscawen Retiree Health Benefit Program .....	14-B
<b>State Aid to Water Pollution Projects.....</b>	<b>15</b>
<b>Encumbrances .....</b>	<b>16</b>
<b>Governmental and Fiduciary Funds Net Position .....</b>	<b>17</b>
<b>Governmental Fund Balances .....</b>	<b>18</b>

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

<b>Prior Period Adjustments.....</b>	<b>19</b>
<b>Risk Management.....</b>	<b>20</b>
<b>Cafeteria Benefit Plan .....</b>	<b>21</b>
<b>Tax Abatements.....</b>	<b>22</b>
<b>COVID-19 .....</b>	<b>23</b>
<b>Contingent Liabilities.....</b>	<b>24</b>
<b>Subsequent Events.....</b>	<b>25</b>

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town of Boscawen, 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 Boscawen is a municipal corporation governed by an elected 3-member Board of Selectmen. 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 BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

The Town reports the following major governmental fund:

**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, 1913 Library, Old Home Day, and expendable trust funds are consolidated in the general fund.

Additionally, the Town reports the following fund types:

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

**Permanent Fund** – is used to record activity of legal trusts for which the interest on the corpus provides funds for the 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 ten 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 (assets equal liabilities) and do not involve measurement of results of operations. These funds are accounted for on a spending, or “economic resources” measurement focus and the accrual basis of accounting.

The Town also reports the following fiduciary funds:

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

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

***1-C Cash and Cash Equivalents***

The Town considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Deposits with financial institutions consist primarily of demand deposits, and savings accounts.

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 Restricted Assets***

Certain Town assets are classified as restricted assets because their use is restricted by statutory limitation.

***1-E 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,
- 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.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

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.

**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.

**Level 3** – Inputs are significant unobservable inputs, using assumptions in determining the fair value of investments and derivative instruments.

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-F 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-G Capital Assets***

Capital assets are reported in the applicable governmental activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation, if received on or before June 15, 2015. Donated capital assets received after June 15, 2015 are recorded at acquisition value. The Town has established a threshold of \$5,000 or more and an estimate useful life in excess of one year for capitalization of depreciable assets.

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

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

	<u>Years</u>
<b>Capital Asset Classes:</b>	
Buildings and building improvements	20-50
Equipment and vehicles	5-20
Infrastructure	20-50

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**1-H Interfund Activities**

Interfund activities are reported as follows:

**Interfund Receivables and Payables** – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds” (i.e., the current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Interfund receivables and payables between funds are eliminated in the Statement of Net Position.

**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-I Property Taxes**

Property tax billings occur semi-annually and are based on the assessed inventory values as of April 1 of each year. Warrants for the year were issued on May 12, 2022 and November 21, 2022, and due on July 6, 2022 and December 27, 2022. For any regular property taxes issued, the interest accrues at a rate of 8% on bills outstanding after the due date and 14% on tax liens outstanding.

Property tax receivables are recognized on the levy or lien date, which is the date the tax warrant is issued. Current year property tax receivables represent taxes levied but not remitted to the Town at December 31, 2022 and unpaid taxes. The succeeding year property tax receivable represent taxes certified by the Town to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. Although the succeeding year property tax receivable have been recorded, the related revenue is reported as a deferred inflow of resources in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

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, Merrimack Valley School District, and Merrimack County, which are remitted to these entities as required by law.

The Town net assessed valuation as of April 1, 2022 utilized in the setting of the tax rate was as follows:

Total assessment valuation with utilities	\$ 301,650,673
Total assessment valuation without utilities	\$ 291,373,773

The tax rates and amounts assessed for the year ended December 31, 2022 were as follows:

	Per \$1,000 of Assessed Valuation	Property Taxes Assessed
Municipal portion	\$11.66	\$ 3,517,547
School portion:		
State of New Hampshire	\$1.34	390,991
Local	\$15.45	4,660,865
County portion	\$2.52	758,948
Total	<u>\$30.97</u>	<u>\$ 9,328,351</u>

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

***1-J 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, 2022.

***1-K Deferred Outflows/Inflows of Resources***

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

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

***1-L Compensated Absences***

General leave for the Town includes vacation, sick, and retirement stipend 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 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.

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

**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-N 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.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

***1-O Postemployment Benefits Other Than Pensions (OPEB)***

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

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

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

***1-P 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.

**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 through the budgetary process.

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

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

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.

**Minimum Balance** – The Town shall achieve and maintain an unassigned fund balance of 8% of the general fund's annual budget including Town, School, and County appropriations.

**Target Balance** – The Town shall work towards maintaining a target unassigned fund balance of at least 12% of the general fund's annual budget including Town, School, and County payments.

***1-Q Use of Estimates***

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses/expenditures during the period reported. These estimates include assessing the collectability of receivables, the useful lives of 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 closure and 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.

***1-R Material Change in Fund Classification***

The accompanying financial statements reflect a change in classification from the prior year. Specifically, the sewer fund which accounts for the activities related to the operation of the sewer treatment plant, pumping station, and sewer lines did not qualify as a major fund for the current fiscal year. As such it was reclassified to the nonmajor governmental funds.

***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. Except as reconciled below, the budget was adopted on a basis consistent with US generally accepted accounting principles.

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

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

State statutes require balanced budgets but provide for the use of beginning unassigned fund balance to achieve that end. For the fiscal year 2022, none of the beginning general fund unassigned fund balance was applied for this purpose and \$33,000 was voted from unassigned fund balance as a contingency.

***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 each major governmental fund which had a budget.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

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)	\$ 5,830,328
Adjustments:	
Basis differences:	
GASB Statement No. 54:	
To record miscellaneous income of the blended funds	125,492
To eliminate transfers between blended funds	(206,326)
Change in deferred tax revenue relating to 60-day revenue recognition	
recognized as revenue on the GAAP basis, but not on the budgetary basis	14,859
Per Exhibit C-3 (GAAP basis)	<u>\$ 5,764,353</u>
Expenditures and other financing uses:	
Per Exhibit D (budgetary basis)	\$ 5,347,694
Adjustments:	
Basis differences:	
Encumbrances, beginning	128,162
Encumbrances, ending	(306,879)
GASB Statement No. 54:	
To record expenditures of the blended funds during the year	211,541
To eliminate transfers between general and blended funds	(267,200)
Per Exhibit C-3 (GAAP basis)	<u>\$ 5,113,318</u>

**2-C Accounting Change**

Governmental Accounting Standards Board Statement No. 87, *Leases*, was implemented during fiscal year 2022. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Town as assess all potential agreements that may be applicable for reporting under GASB Statement No. 87 and have determined that none of the agreements have met the requirements of the pronouncement.

**DETAILED NOTES ON ALL FUNDS**

**NOTE 3 – CASH AND CASH EQUIVALENTS**

The Town's deposits and certificates of deposit 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 \$5,650,816 and the bank balances totaled \$6,532,342. Petty cash totaled \$1,817 The Town held \$626,582 in certificates of deposit at various banks at year-end.

Cash per Statement of Net Position (Exhibit A)	\$ 5,528,889
Cash per Statement of Fiduciary Net Position (Exhibit E-1)	121,927
Total cash and cash equivalents	<u>\$ 5,650,816</u>

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**NOTE 4 – RESTRICTED ASSETS**

Cash and investments are classified as restricted for the following purposes:

Cash and cash equivalents:	
General fund:	
Library	\$ 52,863
1913 Library	17,946
Old Home Day	28,539
Capital reserve funds	202,824
Total restricted cash and cash equivalents	<u>302,172</u>
Investments:	
General fund:	
Library	18,992
Capital reserve funds	703,122
Total restricted investments	<u>722,114</u>
Total restricted assets	<u>\$ 1,024,286</u>

**NOTE 5 – INVESTMENTS**

Note 1-E describes statutory requirements covering the investment of the Town funds. The Town holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the Town's mission, the Town determines that the disclosures related to these investments only need to be disaggregated by major type. The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Town has the following recurring fair value measurements and maturities as of December 31, 2022:

	Valuation Measurement Method	Reported Balance	1-5 Years	Exempt from Disclosure
Investments type:				
Certificates of deposit	Level 1	\$ 523,300	\$ 523,300	\$ -
Equity exchange traded funds	Level 1	258,621	-	258,621
Equity mutual funds	Level 1	174,373	-	174,373
Fixed income exchange traded funds	Level 2	428,958	-	428,958
Total fair value		<u>\$ 1,385,252</u>	<u>\$ 523,300</u>	<u>\$ 861,952</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.

**Custodial Credit Risk** – This is the risk that in the event of the failure of the counterparty (e.g., broker/dealer) to honor a transaction, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have custodial credit risk policies for investments.

**Concentration of Credit Risk** – The Town places no limit on the amount it may invest in any one issuer. More than 5% of the Town's investments are in certificate of deposits, fixed income exchange traded funds, and equity exchange traded funds. These investments are 42%, 29%, and 29%, respectively, of the Town's total investments.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**NOTE 6 – TAXES RECEIVABLE**

Taxes receivable represent the amount of current and prior year taxes which have not been collected as of December 31, 2022. The amount has been reduced by an allowance for an estimated uncollectible amount of \$10,000. Taxes receivable by year are as follows:

	As reported on:	
	Exhibit A	Exhibit C-1
Property:		
Levy of 2022	\$ 403,982	\$ 403,982
Unredeemed (under tax lien):		
Levy of 2021	72,988	72,988
Levy of 2020 and prior	50,553	50,553
Yield	13,522	13,522
Land use change	3,004	3,004
Jeopardy	121	121
Less: allowance for estimated uncollectible taxes	(10,000) *	-
Net taxes receivable	<u>\$ 534,170</u>	<u>\$ 544,170</u>

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

**NOTE 7 – OTHER RECEIVABLES**

Receivables at December 31, 2022, consisted of accounts (billings for police details, sewer, and other user charges) and intergovernmental amounts arising from grants. Receivables are recorded on the Town's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

Receivables as of December 31, 2022 for the Town's individual major fund and nonmajor funds in the aggregate including applicable allowances for uncollectible accounts are as follows:

	Governmental Activities	Governmental Funds			Fiduciary Funds
		General	Nonmajor	Total	
Receivables:					
Accounts	\$ 176,326	\$ 141,092	\$ 35,234	\$ 176,326	\$ -
Intergovernmental	216,573 <sup>1</sup>	56,673	-	56,673	2,189,548 <sup>2</sup>
Net total receivables	<u>\$ 392,899</u>	<u>\$ 197,765</u>	<u>\$ 35,234</u>	<u>\$ 232,999</u>	<u>\$ 2,189,548</u>

<sup>1</sup> Governmental Activities - intergovernmental receivable which represents State Aid for projects, see additional information in Note 15.

<sup>2</sup> Fiduciary Funds - intergovernmental receivables represent property taxes collected on behalf of the Merrimack Valley 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 10.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**NOTE 8 – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2022 is as follows:

	Balance, beginning (as restated)	Additions	Balance, ending
At cost:			
Not being depreciated:			
Land	\$ 1,394,514	\$ -	\$ 1,394,514
Being depreciated:			
Buildings and building improvements	3,693,903	87,200	3,781,103
Equipment and vehicles	2,867,415	449,513	3,316,928
Infrastructure	8,398,855	99,056	8,497,911
Total capital assets being depreciated	14,960,173	635,769	15,595,942
Total all capital assets	16,354,687	635,769	16,990,456
Less accumulated depreciation:			
Buildings and building improvements	(2,466,942)	(91,978)	(2,558,920)
Equipment and vehicles	(1,839,674)	(159,541)	(1,999,215)
Infrastructure	(2,744,976)	(133,065)	(2,878,041)
Total accumulated depreciation	(7,051,592)	(384,584)	(7,436,176)
Net book value, capital assets being depreciated	7,908,581	251,185	8,159,766
Net book value, all governmental activities capital assets	\$ 9,303,095	\$ 251,185	\$ 9,554,280

Depreciation 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	\$ 76,739
Public safety	101,213
Highways and streets	182,745
Welfare	3,420
Culture and recreation	4,125
Capital Outlay	16,342
Total depreciation expense	<u>\$ 384,584</u>

**NOTE 9 – INTERFUND BALANCES AND TRANSFERS**

**Interfund Balances** - The composition of interfund balances as of December 31, 2022 is as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor	\$ 8,739
Nonmajor	General	76,326
		<u>\$ 85,065</u>

The outstanding balances among funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**Interfund Transfers** - The composition of interfund transfers for the year ended December 31, 2022 is as follows:

	Transfers In:		
	General Fund	Nonmajor Fund	Total
Transfers out:			
General fund	\$ -	\$ 48,000	\$ 48,000
Nonmajor funds	31,004	-	31,004
Total	<u>\$ 31,004</u>	<u>\$ 48,000</u>	<u>\$ 79,004</u>

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

**NOTE 10 – INTERGOVERNMENTAL PAYABLES**

Amounts due to other governments at December 31, 2022 consist of the following:

	Governmental Fund	Fidciary Funds
	General	
Property taxes due to the custodial funds	\$ 2,189,548 <sup>3</sup>	\$ -
Taxes due to the Merrimack Valley School District	-	2,189,548 <sup>4</sup>
Balance due to Penacook Rescue Squad	49,096	-
Balance due to others	528	-
Total intergovernmental payables due	<u>\$ 2,239,172</u>	<u>\$ 2,189,548</u>

<sup>3</sup>. Property taxes due to the custodial fund represent amounts collected by the Town on behalf of Merrimack Valley School District and are reported as a component of general fund cash at year-end.

<sup>4</sup>. Property taxes due to the Merrimack Valley 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 11 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

Deferred outflows of resources of at December 31, 2022 consist of amounts related to pensions totaling \$540,500 and amounts related to OPEB totaling \$2,358,175. For further discussion on these amounts, see Note 13 and 14, respectively.

Deferred inflows of resources are as follows:

	Government-wide	Governmental Funds		
		General	Nonmajor	Total
Deferred property taxes not collected within 60 days of fiscal year-end	\$ -	\$ 102,852	\$ -	\$ 102,852
Property taxes collected in advance	3,225	3,225	-	3,225
Unavailable revenue - donations	4,956	4,956	-	4,956
Unavailable revenue - ARPA	174,488	-	174,488	174,488
Unavailable revenue - highway block grant	72,836	72,836	-	72,836
Unavailable revenue - bridge grant	58,164	58,164	-	58,164
Unavailable revenue - other grants	2,381	2,381	-	2,381
Drug forfeiture funds received in advance of eligible expenditures being made	2,522	2,522	-	2,522
Amounts related to pensions, see Note 13	61,757	-	-	-
Amounts related to OPEB, see Note 14	1,779,980	-	-	-
Total deferred inflows of resources	<u>\$ 2,160,309</u>	<u>\$ 246,936</u>	<u>\$ 174,488</u>	<u>\$ 421,424</u>

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**NOTE 12 – LONG-TERM LIABILITIES**

Changes in the Town's long-term liabilities consisted of the following for the year ended December 31, 2022:

	Balance January 1, 2022	Additions	Reductions	Balance December 31, 2022	Due Within One Year	Due In More Than One Year
Bond payable:						
Direct placement	\$ 653,000	\$ -	\$ (120,000)	\$ 533,000	\$ 59,000	\$ 474,000
Compensated absences	41,823	-	(15,138)	26,685	5,839	20,846
Accrued landfill closure and postclosure care costs	1,780,000	242,000	(26,000)	1,996,000	26,000	1,970,000
Net pension liability	1,843,444	659,099	-	2,502,543	-	2,502,543
Net other postemployment benefits	7,691,564	385,457	(314)	8,076,707	-	8,076,707
Total long-term liabilities	<u>\$ 12,009,831</u>	<u>\$ 1,286,556</u>	<u>\$ (161,452)</u>	<u>\$ 13,134,935</u>	<u>\$ 90,839</u>	<u>\$ 13,044,096</u>

The long-term bond is comprised of the following:

	Original Amount	Issue Date	Maturity Date	Interest Rate %	Outstanding at December 31, 2022	Current Portion
Bond payable:						
Direct placement:						
Refunding bonds	\$ 1,182,175	2012	2031	2.0-5.0%	<u>\$ 533,000</u>	<u>\$ 59,000</u>

The annual requirements to amortize all general obligation bond outstanding as of December 31, 2022, including interest payments, are as follows:

Fiscal Year Ending December 31,	Bond - Direct Placement		
	Principal	Interest	Total
2023	\$ 59,000	\$ 25,450	\$ 84,450
2024	59,000	22,500	81,500
2025	60,000	19,550	79,550
2026	60,000	16,550	76,550
2027	60,000	13,550	73,550
2028-2031	235,000	29,300	264,300
Totals	<u>\$ 533,000</u>	<u>\$ 126,900</u>	<u>\$ 659,900</u>

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

**Accrued Landfill Closure and Postclosure Care Costs** – 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 closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used through the end of the year. The estimated liability for landfill closure and postclosure care costs has a balance of \$1,996,000 as of December 31, 2022, which is based on 90% usage (filled) of the landfill. It is estimated that an additional \$1,796,400 will be recognized as closure and postclosure care costs between the date of the Balance Sheet and the date the landfill is expected to be filled to capacity. The estimated total current cost of the landfill closure and postclosure care 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, 2022. However, the actual cost of closure and postclosure care may be higher or lower due to inflation, changes in technology, or changes in landfill laws and regulations.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**NOTE 13 – DEFINED BENEFIT PENSION PLAN**

**Plan Description** – The New Hampshire Retirement System (NHRS or the System) is a public employee retirement system that administers one cost-sharing multiple-employer defined benefit pension plan (Pension Plan), a component unit of the State of New Hampshire, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* – an amendment of GASB Statement No. 25. The Pension Plan was established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The Pension Plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State are eligible and required to participate in the Pension Plan. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

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

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

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

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

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

**Contributions** – The System is financed by contributions from both the employees and the Town. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. Group I members are required to contribute 7% of earnable compensation and group II members (police and fire) are required to contribute 11.55% and 11.80% respectively. For fiscal year 2022, the Town contributed 30.67% for police, 29.78% for fire and 13.75% for other employees. The contribution requirement for the fiscal year 2022 was \$267,498, which was paid in full.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At December 31, 2022 the Town reported a liability of \$2,502,543 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 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, 2022, the Town's proportion was 0.04% which was the same as of its proportion measured as of June 30, 2021.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

For the year ended December 31, 2022, the Town recognized pension expense of \$255,324. At December 31, 2022 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	\$ 118,902	\$ 52,150
Changes in assumptions	133,115	-
Net difference between projected and actual investment earnings on pension plan investments	94,843	-
Differences between expected and actual experience	46,968	9,607
Contributions subsequent to the measurement date	146,672	-
Total	<u>\$ 540,500</u>	<u>\$ 61,757</u>

The \$146,672 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, 2023. 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,	
2023	\$ 114,124
2024	106,739
2025	(37,638)
2026	148,846
2027	-
Thereafter	-
Totals	<u>\$ 332,071</u>

**Actuarial Assumptions** – The collective total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2021, using the following actuarial assumptions which, accordingly, apply to 2022 measurements:

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

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

The actuarial assumptions used in the June 30, 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.

**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.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

Following is a table presenting target allocations and long-term rates of return for 2022:

Asset Class	Target Allocation	30 Year Geometric Return
Broad US Equity (1)	30.00%	7.60%
Global Ex-US Equity (2)	20.00%	7.90%
Total public equity	50.00%	
Real Estate Equity	10.00%	6.60%
Private Equity	10.00%	8.85%
Total private market equity	20.00%	
Private Debt	5.00%	7.25%
Core U.S. Fixed Income (3)	25.00%	3.60%
Inflation	0.00%	2.25%
Total	100.00%	7.30%

**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, 2022	\$ 3,357,782	\$ 2,502,543	\$ 1,791,491

**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 14 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**14-A New Hampshire Retirement System (NHRS)**

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

**Benefits Provided** – Benefit amounts and eligibility requirements for the OPEB Plan are set by state law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The four membership types are Group II, Police Officers and Firefighters; Group I, Teachers; Group I, Political Subdivision Employees; and Group I, State Employees. The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree,

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

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 2022 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 2022, 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 fiscal year 2022, the Town contributed 3.21% for police and fire, and 0.31% for other employees. The contribution requirement for the fiscal year 2022 was \$18,803 (*should be only the medical subsidy amount*), which was paid in full.

**OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB** – At December 31, 2022, the Town reported a liability of \$156,785 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 an actuarial valuation as of June 30, 2021. 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, 2022, the Town's proportion was 0.04% which was the same as its proportion measured as of June 30, 2021.

For the year ended December 31, 2022, the Town recognized OPEB expense of \$14,658. 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 Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings on OPEB plan investments	\$ 428	\$ -
Contributions subsequent to the measurement date	10,497	-
Total	<u>\$ 10,925</u>	<u>\$ -</u>

The \$10,497 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, 2023.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL 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,	
2023	\$ 71
2024	19
2025	(169)
2026	507
Thereafter	-
Totals	<u>\$ 428</u>

**Actuarial Assumptions** – The total OPEB liability in this report is based on an actuarial valuation performed as of June 30, 2021 and a measurement date of June 30, 2022. The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Price inflation:	2.0% per year
Wage inflation:	2.75% (2.25% for teachers)
Salary increases:	5.4% average, including inflation
Investment rate of return:	6.75% net of OPEB plan investment expense, including inflation
Health care trend rate:	Not applicable, given that the benefits are fixed stipends

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

The actuarial assumptions used in the June 30, 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.

**Long-term Rates of Return** – The long-term expected rate of return on OPEB plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation. Following is a table presenting target allocations and long-term rates of return for 2022:

Asset Class	Target Allocation	30 Year Geometric Return
Broad US Equity (1)	30.00%	7.60%
Global Ex-US Equity (2)	20.00%	7.90%
Total public equity	<u>50.00%</u>	
Real Estate Equity	10.00%	6.60%
Private Equity	10.00%	8.85%
Total private market equity	<u>20.00%</u>	
Private Debt	5.00%	7.25%
Core U.S. Fixed Income (3)	<u>25.00%</u>	
Inflation	0.00%	2.25%
Total	<u>100.00%</u>	7.30%

**Discount Rate** – The discount rate used to measure the total OPEB liability as of June 30, 2022 was 6.75%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made under the current statute RSA 100-A:16 and that plan member contributions will be made under RSA 100-A:16. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

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

Actuarial Valuation Date	1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
June 30, 2022	\$ 170,217	\$ 156,785	\$ 145,087

**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.

**14-B Town of Boscawen Retiree Health Benefit Program**

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

**Benefits Provided** – The Town provides postemployment healthcare benefits for certain eligible retirees. The benefits are provided through the Counties self-funded insurance plan that is administered by HealthTrust.

**Employees Covered by Benefit Terms** – At January 1, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	7
Active employees	20
Total participants covered by OPEB plan	<u>27</u>

**Total OPEB Liability** – The Town's total OPEB liability of \$7,919,922 was measured as of January 1, 2021 and was determined by an actuarial valuation of that date.

**Actuarial Assumptions and Other Inputs** – The total OPEB liability of \$7,919,922 in the January 1, 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:	2.06%
Healthcare Cost Trend Rates:	
Current Year Trend	7.00%
Ultimate Trend	4.04%
Year Ultimate Trend is Reached	2083
Salary Increases:	3.00%

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 Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 and Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021 fully generational.

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**Changes in the Total OPEB Liability**

	December 31,	
	2021	2022
OPEB liability beginning of year	\$ 7,157,165	\$ 7,534,465
Changes for the year:		
Service cost	330,579	337,389
Interest	146,453	154,118
Plan change	(537,344)	-
Assumption changes and difference between actual and expected experience	541,521	-
Benefit payments	(103,909)	(106,050)
OPEB liability end of year	<u>\$ 7,534,465</u>	<u>\$ 7,919,922</u>

**Sensitivity of the Town's OPEB Liability to Changes in the Discount Rate** – The January 1, 2021 actuarial valuation was prepared using a discount rate of 2.06%. If the discount rate were 1% higher than what was used the OPEB liability would decrease to \$6,494,382 or by 21.95%. If the discount rate were 1% lower than what was used the OPEB liability would increase to \$9,760,740 or by 18.86%.

	Discount Rate		
	1% Decrease	Baseline 2.06%	1% Increase
Total OPEB Liability	<u>\$ 9,760,740</u>	<u>\$ 7,919,922</u>	<u>\$ 6,494,382</u>

**Sensitivity of the Town's OPEB Liability to Changes in the Healthcare Cost Trend Rates** – The January 1, 2021 actuarial valuation was prepared using an initial trend rate of 7%. If the trend rate were 1% higher than what was used the OPEB liability would increase to \$10,269,364 or by 22.88%. If the trend rate were 1% lower than what was used the OPEB liability would decrease to \$6,175,822 or by 28.24%.

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline (7.00%)	1% Increase
Total OPEB Liability	<u>\$ 6,175,822</u>	<u>\$ 7,919,922</u>	<u>\$ 10,269,364</u>

**OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB** – For the year ended December 31, 2022, the Town recognized OPEB expense of \$739,204. 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 Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 1,963,697	\$ 21,138
Differences between expected and actual experience	383,553	1,758,842
Total	<u>\$ 2,347,250</u>	<u>\$ 1,779,980</u>

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,	
2023	\$ 247,697
2024	247,697
2025	247,697
2026	279,146
2027	(454,967)
Thereafter	-
Totals	<u>\$ 567,270</u>

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**NOTE 15 – STATE AID TO WATER POLLUTION PROJECTS**

The Town is due to receive from the State of New Hampshire the following amounts in the form of state aid to water pollution projects:

Bond Issued	Amount
C-732	\$ 81,900
C-733	78,000
Total	<u>\$ 159,900</u>

Under New Hampshire RSA Chapter 486, the Town receives from the State of New Hampshire a percentage of the annual amortization charges on the original costs resulting from the acquisition and construction of sewage disposal facilities. At December 31, 2022 the Town is due to receive the following annual amounts to offset debt payments:

Fiscal Year Ending December 31,	Amount
2023	\$ 17,700
2024	17,700
2025	18,000
2026	18,000
2027	18,000
2028-2031	70,500
Totals	<u>\$ 159,900</u>

**NOTE 16 - ENCUMBRANCES**

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at December 31, 2022 are as follows:

General fund:	
General government	\$ 73,188
Public safety	4,000
Highways and streets	121,635
Sanitation	4,000
Economic development	2,000
Capital outlay	102,056
Total encumbrances	<u>\$ 306,879</u>

**NOTE 17 – GOVERNMENTAL ACTIVITIES AND FIDUCIARY FUNDS NET POSITION**

Governmental activities and fiduciary fund net position reported on the Statements of Net Position at December 31, 2022 include the following:

	Government-wide Financial Statements	
	Governmental Activities	Fiduciary Funds
Net investment in capital assets:		
Net book value, all capital assets	\$ 9,554,280	\$ -
Less:		
General obligation bonds payable	(533,000)	-
Total net investment in capital assets	<u>9,021,280</u>	<u>-</u>

(Continued)

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

*Governmental activities and fiduciary funds net position continued:*

	Government-wide Financial Statements	
	Governmental Activities	Fiduciary Funds
Restricted net position:		
Perpetual care - nonexpendable	311,917	-
Perpetual care - expendable	23,791	-
Impact fees	12,654	-
Library	71,855	-
1913 Library	17,946	-
Old Home Day	28,539	-
Individuals, organizations, and other governments	-	121,927
Total restricted net position	466,702	121,927
Unrestricted	(6,853,760)	-
Total net position	<u>\$ 2,634,222</u>	<u>\$ 121,927</u>

**NOTE 18 – GOVERNMENTAL FUND BALANCES**

Governmental fund balances reported on the fund financial statements at December 31, 2022 include the following:

	General Fund	Nonmajor Funds	Total Governmental Funds
<b>Nonspendable:</b>			
Tax deeded property	\$ 8,975	\$ -	\$ 8,975
Permanent fund - principal balance	-	311,917	311,917
Total nonspendable fund balance	<u>8,975</u>	<u>311,917</u>	<u>320,892</u>
<b>Restricted:</b>			
Library	71,855	-	71,855
1913 Library	17,946	-	17,946
Old Home Day	28,539	-	28,539
ARPA	-	728	728
Permanent fund - income balance	-	23,791	23,791
Sanitation	-	647,569	647,569
Impact fees	-	12,654	12,654
Total restricted fund balance	<u>118,340</u>	<u>684,742</u>	<u>803,082</u>
<b>Committed:</b>			
Expendable trusts	890,872	-	890,872
Nonlapsing appropriations	584,288	-	584,288
General government	-	25,028	25,028
Public safety	-	15,334	15,334
Conservation	-	116,703	116,703
Sanitation	-	51,064	51,064
Town forest	-	17,398	17,398
Construction debris	-	413,374	413,374
Total committed fund balance	<u>1,475,160</u>	<u>638,901</u>	<u>2,114,061</u>
<b>Assigned:</b>			
Encumbrances	306,879	-	306,879
<b>Unassigned</b>	<u>1,369,922</u>	<u>-</u>	<u>1,369,922</u>
Total governmental fund balances	<u>\$ 3,279,276</u>	<u>\$ 1,635,560</u>	<u>\$ 4,914,836</u>

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**NOTE 19 – PRIOR PERIOD ADJUSTMENT**

Net position at January 1, 2022 was restated to give retroactive effect to the following prior period adjustment:

	Government-wide Statements
To record infrastructure and other assets and accumulated depreciation not previously recorded	\$ 2,845,566
Net position, as previously reported	(383,470)
Net position, as restated	<u>\$ 2,462,096</u>

**NOTE 20 – 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 2022, the Town was a member of the New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs.

The New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from January 1, 2022 to December 31, 2022 by Primex<sup>3</sup>, which retained \$2,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and for each property loss it is based upon the Town's property schedule on file with Primex<sup>3</sup>. 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 Primex<sup>3</sup> to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. In fiscal year 2022 the Town paid \$49,544 and \$21,116 respectively, to Primex for property, liability, and worker's compensation. At this time, Primex<sup>3</sup> foresees no likelihood of any additional assessment for this or any prior year.

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

**NOTE 21 – CAFETERIA BENEFIT PLAN**

Effective June 3, 2003 the Town implemented a cafeteria benefit plan pursuant to Section 125 of the IRS code. Under this plan, eligible employees may direct a contribution, made by the Town, into any combination of the following benefit categories:

1. Medical Insurance Premium Account;
2. Out of Pocket Medical Spending Account; or
3. Dependent Care Spending Account

In addition to directing the Town's contribution to the above categories, eligible employees may elect to contribute pre-tax dollars to these categories. Under no circumstances may an employee direct more than \$5,000 annually into the into the medical spending account. This cap applies to both Town contributions and employee pre-tax contributions.

All regular full-time and part-time employees employed on a regular and continuous basis, including certain contractual employees, are eligible to participate in this plan. Temporary and casual employees are not eligible. The plan year adopted by the Town begins on January 1 and ends on December 31. To obtain reimbursement of expenses incurred within a plan year within the spending accounts (items 2 and 3 above), employees must submit claims within 90 days of the end of the plan year or separation of service from the Town, whichever occurs first. Funds unclaimed after 90 days of the close of the plan year are then remitted to the Town.

**NOTE 22 – TAX ABATEMENTS**

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

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

**NOTE 23 – 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 \$421,481 in federal funding from the American Rescue Plan Act (ARPA), which was received in two equal payments. The first payment of \$210,740 was received in 2021 and the second payment of \$210,471 was received in 2022. Eligible uses of these funds include pandemic response or its negative impacts, workforce/personnel, including payroll and hazard/premium pay, provisions of government services to the extent of reduced revenue and necessary water, sewer and broadband investment. For the year ended December 31, 2022 the Town spent \$233,088 in ARPA funds. A total of \$13,905 was spent in 2021. The remaining \$174,488 is included as a deferred inflow of resources and will be recognized at a future date as eligible expenditures are incurred.

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

**NOTE 24 – CONTINGENT LIABILITIES**

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

**NOTE 25 – 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 September 26, 2023, the date the December 31, 2022 financial statements were available to be issued, and the following events occurred that requires recognition or disclosure:

At the annual town meeting held on March 25, 2023, the Town residents approved Warrant Article #5 authorizing the issuance of a \$6,500,000 bond for replacing the sanitary sewer lines in the area of Park Street, Oak Street, Prospect Street, Lower Queen Street, Chandler Street, and North Main Street.

At the same meeting Town residents also approved Warrant Article #23 authorizing the use of December 31, 2022 surplus totaling \$33,000 to establish a Contingency Fund.

***REQUIRED SUPPLEMENTARY INFORMATION***

**EXHIBIT F**  
**TOWN OF BOSCAWEN, 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, 2022*  
**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	December 31, 2022
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	June 30, 2022
Town's:										
Proportion of the net pension liability	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
Proportionate share of the net pension liability	\$ 1,671,982	\$ 1,429,825	\$ 1,511,403	\$ 1,997,920	\$ 2,149,162	\$ 2,010,796	\$ 1,982,503	\$ 2,759,271	\$ 1,843,444	\$ 2,502,543
Covered payroll (as of the measurement date)	\$ 861,053	\$ 991,204	\$ 883,245	\$ 878,967	\$ 978,302	\$ 1,064,501	\$ 1,080,286	\$ 1,204,028	\$ 1,186,703	\$ 1,243,144
Proportionate share of the net pension liability as a percentage of its covered payroll	194.18%	144.25%	171.12%	227.30%	219.68%	188.90%	183.52%	229.17%	155.34%	201.31%
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%	65.12%

**EXHIBIT G**  
**TOWN OF BOSCAWEN, 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, 2022*  
*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	December 31, 2022
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	June 30, 2022
Contractually required contribution	\$ 96,600	\$ 123,580	\$ 127,996	\$ 134,537	\$ 160,092	\$ 176,499	\$ 179,304	\$ 191,644	\$ 223,880	\$ 267,498
Contributions in relation to the contractually required contributions	(96,600)	(123,580)	(127,996)	(134,537)	(160,092)	(176,499)	(179,304)	(191,644)	(223,880)	(267,498)
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll (as of the fiscal year end date)	\$ 861,053	\$ 991,204	\$ 883,245	\$ 878,967	\$ 978,302	\$ 1,064,501	\$ 1,080,286	\$ 1,204,028	\$ 1,205,839	\$ 1,323,106
Contributions as a percentage of covered payroll	11.22%	12.47%	14.49%	15.31%	16.36%	16.58%	16.60%	15.92%	18.57%	20.22%

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION –**  
**PENSION LIABILITY**  
**FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

***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*** – Salary increases changed to 5.4% from 5.6% in 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](http://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, 2022. 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 BOSCAWEN, NEW HAMPSHIRE**  
*Schedule of the Town's Proportionate Share of the Net Other Postemployment Benefits Liability*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended December 31, 2022*  
**Unaudited**

Fiscal year-end	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Measurement date	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Town's proportion of the net OPEB liability	0.03%	0.03%	0.04%	0.04%	0.04%	0.04%	0.04%
Town's proportionate share of the net OPEB liability	\$ 121,105	\$ 138,373	\$ 198,694	\$ 190,712	\$ 180,667	\$ 157,099	\$ 156,785
Town's covered payroll (as of measurement date)	\$ 878,967	\$ 978,302	\$ 1,064,501	\$ 1,080,286	\$ 1,204,028	\$ 1,186,703	\$ 1,243,144
Town's proportionate share of the net OPEB liability asa a percentage of its covered payroll	13.78%	14.14%	18.67%	17.65%	15.01%	13.24%	12.61%
Plan fiduciary net position asa a perecenatage of the total OPEB liability	5.21%	7.91%	7.53%	7.75%	7.74%	11.06%	10.64%

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

**EXHIBIT I**  
**TOWN OF BOSCAWEN, 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, 2022*  
**Unaudited**

Fiscal year-end	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022
Measurement date	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Contractually required contribution	\$ 14,536	\$ 17,937	\$ 19,196	\$ 19,852	\$ 19,159	\$ 18,141	\$ 18,803
Contributions in relation to the contractually required contribution	(14,536)	(17,937)	(19,196)	(19,852)	(19,159)	(18,141)	(18,803)
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's covered payroll	\$ 878,967	\$ 978,302	\$ 1,064,501	\$ 1,080,286	\$ 1,204,028	\$ 1,205,839	\$ 1,323,106
Contributions as a percentage of covered payroll	1.65%	1.83%	1.80%	1.84%	1.59%	1.50%	1.42%

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

**EXHIBIT J**  
**TOWN OF BOSCAWEN, 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, 2022**  
**Unaudited**

	December 31,					
	2017	2018	2019	2020	2021	2022
OPEB liability, beginning of year	\$ 2,590,544	\$ 2,991,790	\$ 3,399,576	\$ 6,526,002	\$ 7,157,165	\$ 7,534,465
Changes for the year:						
Service cost	251,277	256,309	507,136	521,031	330,579	337,389
Interest	97,096	112,347	161,398	177,884	146,453	154,118
Plan change	-	-	-	-	(537,344)	-
Assumption changes and difference between actual and expected experience	96,592	78,447	2,523,837	-	541,521	-
Benefit payments	(43,719)	(39,317)	(65,945)	(67,752)	(103,909)	(106,050)
OPEB liability, end of year	<u>\$ 2,991,790</u>	<u>\$ 3,399,576</u>	<u>\$ 6,526,002</u>	<u>\$ 7,157,165</u>	<u>\$ 7,534,465</u>	<u>\$ 7,919,922</u>
Covered payroll (as of the measurement date)	<u>\$ 841,776</u>	<u>\$ 858,612</u>	<u>\$ 1,083,792</u>	<u>\$ 1,105,468</u>	<u>\$ 979,274</u>	<u>\$ 1,008,652</u>
Total OPEB liability as a percentage of covered payroll	355.41%	395.94%	602.15%	647.43%	769.39%	785.20%

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

**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –**  
**OTHER POSTEMPLOYMENT BENEFIT LIABILITY**  
**FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2022**

***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*** – Salary increases changed to 5.4% from 5.6% in 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](http://www.nhrs.org).

As required by GASB Statement No. 75, Exhibits H, I, and J represent the actuarial determined costs associated with the Town's other postemployment benefits at December 31, 2022. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

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

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

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

As required by GASB Statement No. 75, Exhibit J represents the actuarial determined costs associated with the Town's other postemployment benefits at December 31, 2022. 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 BOSCAWEN, NEW HAMPSHIRE**  
**Major General Fund**  
*Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)*  
**For the Fiscal Year Ended December 31, 2022**

	Estimated	Actual	Variance Positive (Negative)
Taxes:			
Property	\$ 3,399,678	\$ 3,355,887	\$ (43,791)
Yield	5,834	34,541	28,707
Excavation	8,777	8,777	-
Payment in lieu of taxes	129,600	217,280	87,680
Interest and penalties on taxes	42,000	40,131	(1,869)
Total from taxes	<u>3,585,889</u>	<u>3,656,616</u>	<u>70,727</u>
Licenses, permits, and fees:			
Motor vehicle permit fees	610,000	764,656	154,656
Other	15,500	17,558	2,058
Total from licenses, permits, and fees	<u>625,500</u>	<u>782,214</u>	<u>156,714</u>
Intergovernmental:			
State:			
Meals and rooms distribution	347,306	347,306	-
Highway block grant	85,808	85,476	(332)
Water pollution grants	25,995	25,995	-
State and federal forest land reimbursement	392	392	-
Other	10,851	10,852	1
Federal:			
FEMA	49,750	49,750	-
Other	508,751	522,163	13,412
Total from intergovernmental	<u>1,028,853</u>	<u>1,041,934</u>	<u>13,081</u>
Charges for services:			
Income from departments	26,000	36,607	10,607
Other	75	90	15
Total from charges for services	<u>26,075</u>	<u>36,697</u>	<u>10,622</u>
Miscellaneous:			
Sale of municipal property	56,000	40,361	(15,639)
Interest on investments	7,100	15,508	8,408
Other	9,100	19,668	10,568
Total from miscellaneous	<u>72,200</u>	<u>75,537</u>	<u>3,337</u>
Other financing sources:			
Transfers in	<u>206,326</u>	<u>237,330</u>	<u>31,004</u>
Total revenues and other financing sources	<u>5,544,843</u>	<u>\$ 5,830,328</u>	<u>\$ 285,485</u>
Amounts voted from fund balance	<u>33,000</u>		
Total revenues, other financing sources, and use of fund balance	<u>\$ 5,577,843</u>		

See Independent Auditor's Report.

**SCHEDULE 2**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Major General Fund**  
*Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)*  
*For the Fiscal Year Ended December 31, 2022*

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
General government:					
Executive	\$ -	\$ 190,132	\$ 185,721	\$ -	\$ 4,411
Election and registration	-	106,577	98,413	-	8,164
Financial administration	-	171,161	166,512	-	4,649
Revaluation of property	29,350	77,242	58,216	43,980	4,396
Legal	-	45,000	44,912	-	88
Personnel administration	-	918,122	881,548	-	36,574
Planning and zoning	2,250	137,980	124,782	3,000	12,448
General government buildings	-	202,927	153,619	-	49,308
Cemeteries	-	3,000	1,875	-	1,125
Insurance, not otherwise allocated	-	39,021	39,020	-	1
Other	-	33,000	-	26,208	6,792
Total general government	31,600	1,924,162	1,754,618	73,188	127,956
Public safety:					
Police	-	673,812	649,413	-	24,399
Ambulance	-	231,660	231,660	-	-
Fire	-	209,417	191,577	-	17,840
Building inspection	-	3,600	1,470	-	2,130
Emergency management	-	15,574	8,715	4,000	2,859
Total public safety	-	1,134,063	1,082,835	4,000	47,228
Highways and streets:					
Highways and streets	76,167	599,354	542,486	121,635	11,400
Street lighting	-	24,000	19,738	-	4,262
Other	1,800	5,800	3,587	-	4,013
Total highways and streets	77,967	629,154	565,811	121,635	19,675
Sanitation:					
Solid waste disposal	5,289	235,853	210,782	4,000	26,360
Solid waste clean-up	-	23,000	22,091	-	909
Other	8,000	8,000	8,110	-	7,890
Total sanitation	13,289	266,853	240,983	4,000	35,159
Health:					
Administration	-	8,480	8,080	-	400
Pest control	-	500	500	-	-
Health agencies	-	100	100	-	-
Total health	-	9,080	8,680	-	400
Welfare:					
Administration and direct assistance	-	56,376	56,676	-	(300)
Intergovernmental welfare payments	-	8,100	8,100	-	-
Vendor payments and other	-	-	90	-	(90)
Total welfare	-	64,476	64,866	-	(390)
Culture and recreation:					
Parks and recreation	-	28,000	24,332	-	3,668
Library	-	106,603	106,603	-	-
Patriotic purposes	-	5,750	5,523	-	227
Other	-	6,500	6,500	-	-
Total culture and recreation	-	146,853	142,958	-	3,895

(Continued)

See Independent Auditor's Report.

**SCHEDULE 2 (Continued)**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Major General Fund**  
*Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)*  
**For the Fiscal Year Ended December 31, 2022**

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Conservation	-	2,200	3,280	-	(1,080)
Economic development	2,750	2,250	3,000	2,000	-
Debt service:					
Principal of long-term debt	-	120,000	120,000	-	-
Interest on long-term debt	-	30,850	30,850	-	-
Total debt service	-	150,850	150,850	-	-
Capital outlay	2,556	906,707	835,896	102,056	(28,689)
Other financing uses:					
Transfers out	-	341,195	315,200	-	25,995
Total appropriations, expenditures, other financing uses, and encumbrances	\$ 128,162	\$ 5,577,843	\$ 5,168,977	\$ 306,879	\$ 230,149

See Independent Auditor's Report.

**SCHEDULE 3**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Major General Fund**  
**Schedule of Changes in Unassigned Fund Balance**  
**For the Fiscal Year Ended December 31, 2022**

Unassigned fund balance, beginning (Non-GAAP Budgetary Basis)		\$ 932,498
Changes:		
Amounts voted from fund balance		(33,000)
2022 Budget summary:		
Revenue surplus surplus (Schedule 1)	\$ 285,485	
Unexpended balance of appropriations (Schedule 2)	<u>230,149</u>	
2022 Budget surplus		515,634
Decrease in nonspendable fund balance		33,667
Decrease in committed fund balance		<u>13,975</u>
Unassigned fund balance, ending (Non-GAAP Budgetary Basis)		1,462,774
<b>Reconciliation on Non-GAAP Budgetary Basis to GAAP Basis</b>		
To record deferred property taxes not collected within 60 days of the fiscal year-end, not recognized on a budgetary basis		(102,852)
Elimination of the allowance for uncollectible taxes		<u>10,000</u>
Unassigned fund balance, ending, GAAP basis (Exhibit C-1)		<u><u>\$ 1,369,922</u></u>

See Independent Auditor's Report.

**SCHEDULE 4**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2022**

	Special Revenue Funds				
	Conservation Commission	Recycling	Town Forest	Construction Debris	Building Inspector
<b>ASSETS</b>					
Cash and cash equivalents	\$ 81,673	\$ 51,039	\$ 17,398	\$ 228,125	\$ 31,424
Investments	-	-	-	184,959	-
Accounts receivable	-	25	-	290	-
Interfund receivable	35,030	-	-	-	-
Total assets	<u>\$ 116,703</u>	<u>\$ 51,064</u>	<u>\$ 17,398</u>	<u>\$ 413,374</u>	<u>\$ 31,424</u>
<b>LIABILITIES</b>					
Interfund payable	\$ -	\$ -	\$ -	\$ -	\$ 6,396
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue - grants	-	-	-	-	-
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	116,703	51,064	17,398	413,374	25,028
Total fund balances	<u>116,703</u>	<u>51,064</u>	<u>17,398</u>	<u>413,374</u>	<u>25,028</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 116,703</u>	<u>\$ 51,064</u>	<u>\$ 17,398</u>	<u>\$ 413,374</u>	<u>\$ 31,424</u>

Special Revenue Funds					
Police Special Detail	ARPA	Town Impact Fees	Sewer	Permanent Fund	Total
\$ 13,402	\$ 177,559	\$ 12,654	\$ 253,938	\$ 176,877	\$ 1,044,089
-	-	-	319,348	158,831	663,138
1,932	-	-	32,987	-	35,234
-	-	-	41,296	-	76,326
<u>\$ 15,334</u>	<u>\$ 177,559</u>	<u>\$ 12,654</u>	<u>\$ 647,569</u>	<u>\$ 335,708</u>	<u>\$ 1,818,787</u>
<u>\$ -</u>	<u>\$ 2,343</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,739</u>
<u>-</u>	<u>174,488</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>174,488</u>
-	-	-	-	311,917	311,917
-	728	12,654	647,569	23,791	684,742
15,334	-	-	-	-	638,901
<u>15,334</u>	<u>728</u>	<u>12,654</u>	<u>647,569</u>	<u>335,708</u>	<u>1,635,560</u>
<u>\$ 15,334</u>	<u>\$ 177,559</u>	<u>\$ 12,654</u>	<u>\$ 647,569</u>	<u>\$ 335,708</u>	<u>\$ 1,818,787</u>

See Independent Auditor's Report.

**SCHEDULE 5**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
**Nonmajor Governmental Funds**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Fiscal Year Ended December 31, 2022**

	Special Revenue Funds				
	Conservation Commission	Recycling	Town Forest	Construction Debris	Building Inspector
<b>REVENUES</b>					
Taxes	\$ 29,890	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	42,600
Intergovernmental	-	-	-	-	-
Charges for services	-	30,933	-	36,324	-
Miscellaneous	141	210	23	840	90
Total revenues	30,031	31,143	23	37,164	42,690
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	41,350
Sanitation	-	17,914	-	2,152	-
Welfare	-	-	-	-	-
Conservation	1,257	-	5,390	-	-
Total expenditures	1,257	17,914	5,390	2,152	41,350
Excess (deficiency) of revenues over (under) expenditures	28,774	13,229	(5,367)	35,012	1,340
<b>OTHER FINANCING USES</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(4,689)
Total other financing sources (uses)	-	-	-	-	(4,689)
Net change in fund balances	28,774	13,229	(5,367)	35,012	(3,349)
Fund balances, beginning, as restated (see Note 19)	87,929	37,835	22,765	378,362	28,377
Fund balances, ending	\$ 116,703	\$ 51,064	\$ 17,398	\$ 413,374	\$ 25,028

Police Special Detail	ARPA	Town Impact Fees	Sewer	Permanent Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,890
-	-	-	-	-	42,600
-	233,088	-	-	-	233,088
21,405	-	-	209,146	-	297,808
19	624	5,643	1,339	800	9,729
21,424	233,712	5,643	210,485	800	613,115
-	147,331	5,622	-	25,460	178,413
10,515	52,309	-	-	-	104,174
-	11,310	-	296,145	-	327,521
-	22,138	-	-	-	22,138
-	-	-	-	-	6,647
10,515	233,088	5,622	296,145	25,460	638,893
10,909	624	21	(85,660)	(24,660)	(25,778)
-	-	-	48,000	-	48,000
(6,190)	-	-	(20,125)	-	(31,004)
(6,190)	-	-	27,875	-	16,996
4,719	624	21	(57,785)	(24,660)	(8,782)
10,615	104	12,633	705,354	360,368	1,644,342
\$ 15,334	\$ 728	\$ 12,654	\$ 647,569	\$ 335,708	\$ 1,635,560

See Independent Auditor's Report.

**SCHEDULE 6**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
*Combining Schedule of Custodial Funds Fiduciary Net Position*  
**December 31, 2022**

	Custodial Funds				Total
	Taxes	School	Town	State	
		Impact Fees	Escrow	Town Clerk Fees	
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 48,512	\$ 72,124	\$ -	\$ 120,636
Intergovernmental receivables	2,189,548	-	-	-	2,189,548
Total assets	<u>2,189,548</u>	<u>48,512</u>	<u>72,124</u>	<u>-</u>	<u>2,310,184</u>
<b>LIABILITIES</b>					
Intergovernmental payables:					
School	2,189,548	-	-	-	2,189,548
<b>NET POSITION</b>					
Restricted	<u>\$ -</u>	<u>\$ 48,512</u>	<u>\$ 72,124</u>	<u>\$ -</u>	<u>\$ 120,636</u>

See Independent Auditor's Report.

**SCHEDULE 7**  
**TOWN OF BOSCAWEN, NEW HAMPSHIRE**  
*Combining Schedule of Custodial Funds Changes in Fiduciary Net Position*  
*For the Fiscal Year Ended December 31, 2022*

	Custodial Funds				Total
	Taxes	School Impact Fees	Town Escrow	State Town Clerk Fees	
<b>Additions:</b>					
Contributions	\$ -	\$ 16,124	\$ 33,056	\$ -	\$ 49,180
Investment earnings	-	92	137	-	229
Tax collections for other governments	5,810,804	-	-	-	5,810,804
Fee collections for other governments	-	-	-	253,594	253,594
Total additions	<u>5,810,804</u>	<u>16,216</u>	<u>33,193</u>	<u>253,594</u>	<u>6,113,807</u>
<b>Deductions:</b>					
Payments of taxes to other governments	5,810,804	-	-	-	5,810,804
Payments of motor vehicle fees to State	-	-	-	253,594	253,594
Payments for escrow purposes	-	6,045	36,324	-	42,369
Total deductions	<u>5,810,804</u>	<u>6,045</u>	<u>36,324</u>	<u>253,594</u>	<u>6,106,767</u>
Net increase in fiduciary net position	-	10,171	(3,131)	-	7,040
Net position, beginning	-	38,341	75,255	-	113,596
Net position, ending	<u>\$ -</u>	<u>\$ 48,512</u>	<u>\$ 72,124</u>	<u>\$ -</u>	<u>\$ 120,636</u>