

TOWN OF WARREN, NEW HAMPSHIRE

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES
WITH INDEPENDENT AUDITOR'S
REPORTS THEREON**

FOR THE YEAR ENDED DECEMBER 31, 2022

TOWN OF WARREN, NEW HAMPSHIRE
 FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2022

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor’s Report	3-5
Government Wide Financial Statements:	
Statement of Net Position	6
Statement of Activities	7
Fund Financial Statements:	
Balance Sheet – Governmental Funds	8
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	9
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	10
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	11
Statement of Fiduciary Net Position – Fiduciary Funds	12
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	13
Notes to Financial Statements	14-30
Required Supplementary Information:	
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	32
Notes to Required Supplementary Information – Budgetary Reporting	33
Comparative Schedule of Pension Obligations	34
Comparative Schedule of Other Post-Employment Benefit Obligations	35
Supplementary Information:	
Schedule of Estimated and Actual Revenues	37-38
Schedule of Appropriations, Expenditures and Encumbrances	39-41
Balance Sheet – Non-Major Governmental Funds	42
Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds	43
Statement of Changes in Assets and Liabilities – All Custodial Funds	44



Independent Auditor's Report

To the Members of the Selectboard and Management of
Town of Warren, New Hampshire

Opinions

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Warren, New Hampshire, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Warren, New Hampshire, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town, 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

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's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, and pension obligations and other post-employment benefit obligations be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion

or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The schedules of estimated and actual revenues, appropriations, expenditures, and encumbrances, and non-major funds' balance sheet and statement of revenues, expenditures, and changes in fund balances, and statement of changes in assets and liabilities – all agency funds, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Alta CPA Group, LLC

March 31, 2023

Exhibit A1
TOWN OF WARREN, NEW HAMPSHIRE
Statement of Net Position
December 31, 2022

	Primary Government Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 1,263,614
Receivables (<i>net of allowance for uncollectibles</i>)	
Taxes	822,643
Liens	196,191
Accounts	2,900
Intergovernmental receivable	40,261
Capital assets:	
Land	391,273
Buildings and other structures	462,234
Construction in progress	66,460
Vehicles & equipment	968,608
Monuments & other	20,000
Infrastructure	19,615,752
Accumulated depreciation	(7,030,503)
	16,819,433
DEFERRED OUTFLOW OF RESOURCES	
Pension related (<i>NHRS</i>)	16,994
	17,033
LIABILITIES	
Intergovernmental payable	702,077
Escrow deposits	16,700
Long-term obligations due beyond one year:	
Due within one year	
Notes payable	15,621
Capital leases payable	12,869
Due Beyond one year:	
Capital leases payable	13,489
Town share of NHRS net pension liability	150,096
Town share of NHRS OPEB liability	14,233
	925,085
DEFERRED INFLOWS OF RESOURCES	
Pension related (<i>NHRS</i>)	9,756
OPEB related (<i>NHRS</i>)	-
Unspent grants	40,261
	50,017
NET POSITION	
Net investment in capital assets	14,478,203
Restricted for:	
Special Revenue purposes	58,379
Permanent Funds:	
Nonspendable	74,332
Spendable for trust purposes	24,608
Unrestricted	1,225,842
	\$ 15,861,364

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

Exhibit A2
TOWN OF WARREN, NEW HAMPSHIRE
Statement of Activities
For the Fiscal Year Ended December 31, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities
Primary government:				
<i>Governmental activities:</i>				
General Government	\$ 346,105	\$ 668	\$ 273,569	\$ (71,868)
Public safety	148,291	30		(148,261)
Highways and streets	209,989			(209,989)
Sanitation	49,382	23,663		(25,719)
Health	127,262			(127,262)
Welfare	256			(256)
Culture and recreation	61,040			(61,040)
Interest on long-term debt	743			(743)
Depreciation-unallocated	106,886			(106,886)
	<u>\$ 1,049,954</u>	<u>\$ 24,361</u>	<u>\$ 273,569</u>	<u>(752,024)</u>
General revenues:				
Taxes:				
Property taxes, levied for general purposes				490,029
Property taxes, levied for debt services				15,945
Licenses and permits				193,347
Other local revenues				225,668
				<u>924,989</u>
Change in net position				172,965
Net position - beginning				15,688,399
Net position - ending				<u>\$ 15,861,364</u>

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

Exhibit B1
TOWN OF WARREN, NEW HAMPSHIRE
 Balance Sheet
 Governmental Funds
 December 31, 2022

	General	Capital & Noncapital Reserves	Non-major Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 471,629	\$ 637,566	\$ 154,419	\$ 1,263,614
Receivables:				
Taxes	822,643	-	-	822,643
Liens	196,191	-	-	196,191
Accounts		-	2,900	2,900
Intergovernmental	40,261		-	40,261
	<u>\$ 1,530,724</u>	<u>\$ 637,566</u>	<u>\$ 157,319</u>	<u>\$ 2,325,609</u>
LIABILITIES				
Intergovernmental payable	\$ 702,077	\$ -	\$ -	\$ 702,077
Escrow deposits	16,700		-	16,700
	<u>718,777</u>	<u>-</u>	<u>-</u>	<u>718,777</u>
DEFERRED INFLOWS				
Property taxes	260,000	-	-	260,000
Unspent grants	40,261	-	-	40,261
	<u>300,261</u>	<u>-</u>	<u>-</u>	<u>300,261</u>
FUND BALANCES				
<i>Nonspendable</i>				
Permanent fund - principal			74,332	74,332
<i>Restricted for</i>				
Permanent fund purposes			24,608	24,608
Special revenue purposes			58,379	58,379
<i>Committed for</i>				
Capital acquisitions & maintenance	-	637,566	-	637,566
Unassigned	511,686		-	511,686
	<u>511,686</u>	<u>637,566</u>	<u>157,319</u>	<u>1,306,571</u>
	<u>\$ 1,530,724</u>	<u>\$ 637,566</u>	<u>\$ 157,319</u>	<u>\$ 2,325,609</u>

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

Exhibit B2
TOWN OF WARREN, NEW HAMPSHIRE
 Reconciliation of Governmental Funds
 Balance Sheet to the Statement of Net Position
 December 31, 2022

Total Fund Balance - Governmental Funds (Exhibit B1) \$ 1,306,571

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

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

Land	\$	391,273	
Buildings and other structures		462,234	
Construction in progress		66,460	
Vehicles and equipment		968,608	
Monuments & other		20,000	
Infrastructure		19,615,752	
Accumulated depreciation		<u>(7,030,503)</u>	
			14,493,824

Receivables in the Balance Sheet that do not provide current financial resources are not recognized in the funds:

Noncurrent taxes and liens not available to pay current obligations			260,000
---------------------------------------------------------------------	--	--	---------

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

Notes payable		(15,621)	
Capital leases payable		(26,358)	
Town's share of New Hampshire Retirement System:			
Net pension liability	\$	(150,096)	
Deferred outflows of resources - Pension		16,994	
Deferred inflows of resources - Pension		(9,756)	
OPEB liability		(14,233)	
Deferred outflows of resources - OPEB		39	
Deferred inflows of resources - OPEB		<u>-</u>	
		<u>(157,052)</u>	(199,031)

Net Position of Governmental Activities (Exhibit A1) \$ 15,861,364

Exhibit B3
TOWN OF WARREN, NEW HAMPSHIRE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended December 31, 2022

	General	Capital & Noncapital Reserves	Non-major Governmental Funds	Total Governmental Funds	Net Adjustments	Accrual Basis
REVENUES						
Taxes	\$ 445,974	\$ -	\$ -	\$ 445,974	\$ 60,000	\$ 505,974
Licenses and permits	193,347	-	-	193,347		193,347
State support	264,835	-	-	264,835		264,835
Charges for services	24,361	-	-	24,361		24,361
Other local sources	144,676	60,679	20,313	225,668		225,668
	<u>1,081,927</u>	<u>60,679</u>	<u>20,313</u>	<u>1,162,919</u>	<u>60,000</u>	<u>1,222,919</u>
EXPENDITURES						
Current:						
General Government	340,442		-	340,442	5,663	346,105
Public safety	148,291		-	148,291		148,291
Highways and streets	222,265		-	222,265	(12,276)	209,989
Health	127,262		-	127,262		127,262
Welfare	256		-	256		256
Culture and recreation	6,264		54,776	61,040		61,040
Debt service						
Principal	15,200		-	15,200	(15,200)	-
Interest	743		-	743	-	743
Capital outlay	178,895		-	178,895	(178,895)	-
Depreciation - unallocated			-	-	106,886	106,886
	<u>1,089,000</u>	<u>-</u>	<u>54,776</u>	<u>1,143,776</u>	<u>(93,822)</u>	<u>1,049,954</u>
Excess of revenues over(under) expenditures	(7,073)	60,679	(34,463)	19,143	153,822	172,965
OTHER FINANCING SOURCES(USES)						
Transfers in	39,604	78,925	48,000	166,529		166,529
Transfers out	(126,925)	(39,604)	-	(166,529)		(166,529)
	<u>(87,321)</u>	<u>39,321</u>	<u>48,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(94,394)	100,000	13,537	19,143	153,822	172,965
Fund balances - beginning	606,080	537,566	143,782	1,287,428		15,688,399
Fund balances - ending	<u>\$ 511,686</u>	<u>\$ 637,566</u>	<u>\$ 157,319</u>	<u>\$ 1,306,571</u>	<u>\$ 153,822</u>	<u>\$ 15,861,364</u>

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

Exhibit B4
TOWN OF WARREN, NEW HAMPSHIRE
 Reconciliation of the Statement of Revenues,
 Expenditures, and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended December 31, 2022

Net change in fund balances - total governmental funds (Exhibit B3) \$ 19,143

Amounts reported for governmental activities in the statement of activities (Exhibit A2) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Reduce expenditures for capital outlays increasing capital assets	178,895
Increase expenditures for depreciation charges	(106,886)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Increase(decrease) in deferred inflows - taxes & liens not available for current obligations	60,000
----------------------------------------------------------------------------------------------	--------

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Reduction in Other Financing Sources for long-term debt issued	
Reduction in expenditures for principal payments on debt	15,200
Reduction in expenditures for principal payments on capital lease	12,276

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.

Town's share of New Hampshire Retirement System:

(increase)decrease in net pension liability	\$ (27,304)
Increase(decrease) in deferred outflows of resources - Pension	(10,483)
(Increase)decrease in deferred inflows of resources - Pension	30,763
(increase)decrease in net OPEB liability	1,125
Increase(decrease) in deferred outflows of resources - OPEB	39
(Increase)decrease in deferred inflows of resources - OPEB	197
	(5,663)

(Increase)decrease in compensated absences payable	(5,663)
----------------------------------------------------	---------

Internal service funds are used by management to charge the costs of fleet management and management information systems to individual funds.

The net revenue of certain activities of internal service funds is reported with governmental activities.

Change in net position of governmental activities (Exhibit A2) \$ 172,965

Exhibit B5
TOWN OF WARREN, NEW HAMPSHIRE
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2022

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 280,293
	<u>\$ 280,293</u>
LIABILITIES	
Due to other governments:	
Warren School District	\$ 278,549
South Main Street Water District	1,744
	<u>\$ 280,293</u>

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

Exhibit B9
TOWN OF WARREN, NEW HAMPSHIRE
Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 For the Fiscal Year Ended December 31, 2022

All numbers are expressed in USA Dollars

	Custodial Funds
ADDITIONS:	
New funds received	\$ 20,000
Interest and dividends	4,435
Change in net position	24,435
Net position - beginning	255,858
Net position - ending	\$ 280,293

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

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Warren is a New Hampshire Municipal Corporation governed by a three-member Selectboard and other elected officials. The financial statements of the Town have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to the governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The significant Town's accounting policies and its conformity with such principles are disclosed below. These disclosures are an integral part of the Town's financial statements.

Financial Reporting Entity

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

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, constitute all of the Town's activities.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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 considers all revenues except property taxes to be available if they are collected within 60 days of the end of the current fiscal period. A period of 180 days is used for property taxes due to large offsetting liabilities for school taxes payable, which are payable in installments though June 30, 2023. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operations of these funds are not included on the statement of net position. In fiduciary funds, a liability to the beneficiaries of the fiduciary activity is recognized when an event has occurred that compels the government al to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus. Fiduciary funds present a statement of changes in fiduciary net position, which reports additions to and deductions from private purpose trust and custodial funds.

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

The Town reports the following major governmental funds:

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

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

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

General Budget Policies – General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements that govern the Town's operations. The Town votes appropriations by official ballot in accordance with State Statutes. Appropriations are made on an annual basis for the General and all major Special Revenue Funds. Project-length financial plans are adopted for all Capital Projects. Except as reconciled below, budgets are adopted on a basis generally consistent with the modified accrual basis of accounting.

Management may transfer appropriations between operating categories as they deem necessary, but expenditures may not legally exceed budgeted appropriations in total. Unexpended balances of special articles for specific purposes may not be transferred. All annual appropriations lapse at year end unless encumbered. In the case of emergency expenditures, over-expenditures are allowed under the provisions of the Municipal Budget Law (RSA Chapter 32) if prior approval is secured from the State Department of Revenue Administration. State statutes require balanced budgets, but provide for the use of beginning unassigned fund balance to achieve that end. In the fiscal year 2022, \$21,942 of the beginning General Fund balance was applied for this purpose.

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 fund balance at December 31 and are carried forward to supplement appropriations of the subsequent year. Amounts recorded as budgetary expenditures in the *Budgetary Comparison Schedule (page 32)* are presented on the basis budgeted by the Town. The amounts differ from those reported in conformity with generally accepted accounting principles in the statement of revenues, expenditures and changes in fund balances as follows:

Expenditures and Other Financing Uses ~ Budgetary Basis (<i>see page 32</i>)	\$ 1,074,583
Adjustments:	
Encumbrances - December 31, 2021	141,342
Encumbrances - December 31, 2022	-
Expenditures and Other Financing Uses ~ GAAP Basis (<i>see page 10</i>)	\$ 1,215,925

NOTE 2 - ASSETS, LIABILITIES AND FUND EQUITY

Deposits and Investments

For financial reporting purposes, cash and equivalents include amounts in demand deposits and money market funds, as well as certificates of deposit and short-term investments with original

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 2 - ASSETS, LIABILITIES AND FUND EQUITY (CONTINUED)

Deposits and Investments (Continued)

maturities of 90 days or less. With the exception of Library and Trust Fund monies, which are held by separately elected trustees, the Town Treasurer is required by State statute to have custody of all monies belonging to the Town and shall pay out the same only upon orders of the Selectboard.

The Town Treasurer shall deposit all such monies in solvent banks in the state or in participation units in the public deposit investment pool established pursuant to RSA 383:22. Monies may be deposited in banks outside the state if such banks pledge and deliver to the state treasurer as collateral security for such deposits in value at least equal to the amount of the deposit in each case.

Whenever the Town Treasurer has an excess of monies which are not immediately needed for the purpose of expenditure, State statutes require the Treasurer, with the approval of the Selectboard, to invest the same in obligations of the United States government, in savings bank deposits of banks incorporated under the laws of the State of New Hampshire or in certificates of deposits of banks incorporated under the laws of the State of New Hampshire or in national banks located within this state or the Commonwealth of Massachusetts. Any person who directly or indirectly receives any such monies for deposit or for investment in securities of any kind shall, prior to acceptance of such monies, make available at the time of such deposit or investment an option to have such monies secured by collateral having a value at least equal to the amount of such monies. 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.

The Town Trustees are authorized by State statute to invest Trust Funds, including Capital Reserve Funds, in obligations of political subdivisions and stocks, bonds that are legal for investment by New Hampshire savings banks except mutual funds unless the mutual funds are registered with the Securities and Exchange Commission, qualified for sale in the State of New Hampshire in accordance with the New Hampshire Uniform Securities Act of the New Hampshire Secretary of State's Office, and have in their prospectus a stated investment policy that is consistent with the investment policy adopted by the Trustees of Trust Funds in accordance with RSA 35:9. The Trustees may also invest trust monies in New Hampshire credit unions and in the public deposit investment pool established pursuant to RSA 383:22. Capital Reserve monies must be kept in separate accounts and not intermingled with other monies.

With the exception of investments in the New Hampshire Public Deposit Investment Pool (the Pool), investments are stated at fair value. Under the terms of GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the Pool is considered to be a 2a7-like pool which means that it has a policy that it will, and does operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. This rule allows SEC-registered mutual funds to use amortized cost rather than market value to report net position to compute share prices if certain conditions are met. Therefore, the Town reports its investments in the Pool at amortized cost, which equals the Pool's participation unit price.

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 2 - ASSETS, LIABILITIES AND FUND EQUITY (CONTINUED)

Receivables and Revenues

Revenues for the most part are recorded when received, except for the following items for which receivables have been recorded: *Tax revenue* is recognized in the period for which the taxes were levied. However, any taxes not liened or deeded within statutory time limits and 5.0% of the remaining uncollected balances are considered in determining the allowance for uncollectible receivables.

Property tax revenues not collected within 180 days after year end are not considered an "available spendable resource" and likewise are reported as deferred inflows of resources in the governmental funds. As prescribed by law, the Tax Collector places a lien on properties for all uncollected property taxes in the following year after taxes are due. The lien on these properties has priority over other liens and accrues interest at 18% per annum.

If property is not redeemed within the 2-year redemption period, the property is tax-deeded to the Town. *Interest on deposits* is recorded as revenue in the year earned. Certain *grants* received from other governments require that eligible expenditures be made in order to recognize the revenue. Revenue for these grants is recorded for the period in which eligible expenditures are made.

Various *service charges* (Landfill, Planning & Zoning, etc.) are recorded as revenue for the period when service was provided.

Interfund Receivables and Payables

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

Inventories and Prepaid Items

Inventory in the governmental funds consists of expendable supplies held for consumption. The cost thereof has been recorded as an expenditure at the time individual inventory items were purchased. Certain payments to vendors reflect costs applicable to future reporting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an individual cost of more than \$5,000 and an initial estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance

TOWN OF WARREN, NEW HAMPSHIRE
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 2 - ASSETS, LIABILITIES AND FUND EQUITY (CONTINUED)

Capital Assets (Continued)

and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20
Public domain infrastructure	40
Light vehicles	5
Heavy vehicles	10
Office equipment	5
Computer equipment	5
Other equipment & furnishings	10

Deferred Outflows of Resources

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

Long-Term Obligations

In the *government-wide financial statements* long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the *fund financial statements*, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All benefits are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 2 - ASSETS, LIABILITIES AND FUND EQUITY (CONTINUED)

Deferred Inflows of Resources

Deferred inflows of resources arise when potential non-exchange revenue does not meet both the "measurable" and "available" criteria for recognition in the current period.

Deferred inflows also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, the deferred inflow is removed from the combined balance sheet and revenue is recognized.

Fund Equity

In the governmental fund balance sheet, fund balances are reported using a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Governmental fund balance is classified as nonspendable, restricted, committed, assigned or unassigned depending on the level of constraints. *Nonspendable fund balance* includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. *Restricted fund balance* is the amount that is restricted to specific purposes by external requirements such as those of creditors, grantors, contributors or laws and regulations or imposed by law through constitutional provisions or legally enforceable enabling legislation.

Committed fund balance is the amount that can only be used for specific purposes pursuant to constraints imposed by formal action of the Town's highest level of decision-making authority (the Selectboard and other elected officials). *Assigned fund balance* is the amount that is constrained by the Town's intent to be used for specific purposes, but is not restricted or committed. *Unassigned fund balance* is the residual classification for the general fund.

Whenever multiple classifications of resources are available for use, it is the Town's policy to use spendable, restricted, committed and assigned resources in that order first, then unassigned resources as they are needed.

Accounting Estimates

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

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 3 - CASH AND CASH EQUIVALENTS

Deposits

Throughout the fiscal year, all bank deposits were insured by Federal Depository Insurance (FDIC) or collateralized with securities held by the Town or its agent in the Town's name.

Cash Equivalents

The Town's cash equivalents during the year consisted of participation units of the *New Hampshire Public Deposit Investment Pool*. At this time, the Pool's investments are limited to short-term U.S. Treasury and U.S. Government Agency obligations, State of New Hampshire municipal obligations, certificates of deposit from AI/PI-rated banks, money market mutual funds (maximum of 20% of portfolio), overnight to 30-day repurchase agreements and reverse overnight repurchase agreements with primary dealers or dealer banks.

Concentrations of Credit and Market Risk

Financial instruments that potentially expose the Town to *credit risk* consist primarily of bank deposits and investments in participation units of the New Hampshire Public Deposit Investment Pool. It is the Town's policy to deposit monies in high quality financial institutions according to State Statutes and to limit risk by maintaining deposits within the Federal Depository Insurance Limits (FDIC) whenever possible or to require banking institutions to collateralize deposits.

The Town has not experienced any losses on its cash deposits and management believes the Town is not exposed to significant credit risk on those amounts even though significant amounts may be held by a single financial institution and are in excess of the FDIC limits. Each participation unit of the Pool is valued at one-dollar and do not fluctuate with the market values of underlying investments.

NOTE 4 - PROPERTY TAXES

The property tax year is from April 1 to March 31 and all property taxes are assessed on the inventory taken in April of that year. The 2022 property tax levy was based on a net assessed valuation as of April 1, 2022 of \$111,098,653. State Education Taxes were based on a State-wide equalized valuation of \$93,365,253. In connection with the setting of the tax rate, Town Officials, with the approval of the New Hampshire Department of Revenue Administration, establish and raise through taxation an amount for abatements and refunds of property taxes, known as overlay. This amount is reported as a reduction in tax revenue and is adjusted by management for any tax reserves at year end.

Property taxes collected by the Town include taxes levied for the State of New Hampshire, the Warren School District and Grafton County, which are remitted to these entities as required by law. The Town subscribes to the semi-annual method of tax collection provided for by RSA 76:15-a. Under this method, tax bills are sent on or around June 1 and November 1 of each year

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 4 - PROPERTY TAXES (CONTINUED)

with interest accruing at a rate of 12% on bills outstanding for more than 30 days. The June 1 billing is considered an estimate only and is one-half of the previous year's tax billing. The remaining balance of taxes due is billed in the fall after the State Department of Revenue Administration has calculated and approved the Town's tax rate for the fiscal year.

As prescribed by law, within 18 months of the date assessed, the Tax Collector places a lien on properties for all uncollected property taxes in the following year after taxes are due. The lien on these properties has priority over other liens and accrues interest at 18% per annum.

If property is not redeemed within the 2-year redemption period, the property is tax-deeded to the Town.

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

	Per \$1,000 of Assessed Valuation	Property Taxes Levied
Municipal portion	\$ 4.15	\$ 462,518
County Tax Assessment	1.41	156,956
Local School Tax Assessment	12.53	1,391,552
State Education Tax Assessment	1.10	102,538
	\$ 19.19	\$ 2,113,564

NOTE 5 - TAXES RECEIVABLE

Taxes receivable at December 31, 2022 are as follows:

<u>Uncollected Taxes</u>		
Unassigned credits	\$ (923)	
Property (<i>current year</i>)	826,880	
Property (<i>prior years</i>)	335	
Yield	1,351	
		827,643
<u>Unredeemed Taxes (<i>under tax liens</i>)</u>		
Levy of 2022	\$ 57,535	
Levy of 2020	36,712	
Prior levies	101,944	
		196,191
		1,023,834
Less: Allowance for uncollectible receivables		(5,000)
		\$ 1,018,834

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 5 - TAXES RECEIVABLE (CONTINUED)

The responsibility for the collection of taxes rests with the Town and tax amounts must be remitted to other municipal entities as requested. Any amounts due at year end are reported in these financial statements as Intergovernmental payables.

NOTE 6 - INTERGOVERNMENTAL RECEIVABLE

Amounts due from other governments as of December 31, 2022 are as follows:

	General Fund
<u>Grant Programs Fund</u>	
FEMA - Emergency Management Grant (<i>for storm damages</i>)	<u>\$ 40,261</u>

NOTE 7 - CAPITAL ASSETS

A summary of changes in fixed assets for the fiscal year ended December 31, 2022 is as follows:

	<i>Governmental Activities</i>			
	Balance			Balance
	January 1	Additions	Deductions	December 31
Land	\$ 391,273	\$ -	\$ -	\$ 391,273
Buildings & Other Structures	453,644	8,590	-	462,234
Construction in Progress	66,460	-	-	66,460
Vehicles & Equipment	968,608	-	-	968,608
Monuments & other	20,000	-	-	20,000
Infrastructure	19,445,447	170,305	-	19,615,752
	21,345,432	178,895	-	21,524,327
Less: Accumulated Depreciation	(6,923,617)	(106,886)	-	(7,030,503)
	<u>\$ 14,421,815</u>	<u>\$ 72,009</u>	<u>\$ -</u>	<u>\$ 14,493,824</u>

NOTE 8 - 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, and natural disasters. During the fiscal year, the Town was a member of the following public-entity risk pools, currently operating as a common risk management and insurance programs for member towns and school administrative units.

The *New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability* are pooled risk management programs under RSA 5-B and RSA 281-A. A coverage summary of worker's compensation and property/liability programs provided from 1/1/22 – 1/1/23 by *Primex³*, which retained \$2,000,000 of each Workers' Compensation loss, \$500,000 of each Liability loss and \$500,000 of each Property Loss is available on file at the Town

TOWN OF WARREN, NEW HAMPSHIRE
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 8 - RISK MANAGEMENT (CONTINUED)

Office. The Board has decided to retain the aggregate exposure and has allocated resources based on actuarial analysis for that purpose.

Total contributions billed for coverage period and any credits or balances due as of December 31, 2022 are as follows:

Property/Liability	\$ 14,432
Workers' Compensation	\$ 2,462

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

NOTE 9 - INTERGOVERNMENTAL PAYABLE

Payables due other governments at December 31, 2022 include:

<u>General Fund</u>	
Due to Warren School District (<i>balance of 2022-23 School District Assessment due in monthly installments through June 30, 2023</i>)	\$ <u>702,077</u>

NOTE 10 - ESCROW DEPOSITS

Agency deposits held for others at December 31, 2022 include the following:

<u>General Fund</u>	
<i>Escrow and performance deposits:</i>	
Timber tax escrow	\$ 8,628
Warren Emergency Management	1,670
Reclamation bond	1,954
Batchelder Road bond	4,448
	<u>\$ 16,700</u>

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 11 - LONG-TERM OBLIGATIONS

Changes in Long-Term Obligations

The following is a summary of the Town's general obligation long term debt transactions for the fiscal year ended December 31, 2022:

	Balance January 1, 2022	Issued	Retired	Balance December 31, 2022	Due Within One Year
Direct Borrowings					
<i>Governmental Activities:</i>					
Notes payable	\$ 30,821	\$ -	\$ 15,200	\$ 15,621	\$ 15,621
Lease Liability	38,636	-	12,278	26,358	12,869
	<u>\$ 69,457</u>	<u>\$ -</u>	<u>\$ 27,478</u>	<u>\$ 41,979</u>	<u>\$ 28,490</u>

General Long-Term Obligations Payable

Long-term obligations payable at December 31, 2022, is comprised of the following individual issues:

Description of Issue	Original Amount	Issue Date	Maturity Date	Interest Rate (%)	Outstanding December 31
<i>Governmental Activities:</i>					
Notes payable:					
Road Reconstruction	\$ 60,000	08/31/2019	08/31/2023	2.75	<u>\$ 15,621</u>
Lease Liability:					
GMC Silverado	\$ 64,489	08/13/2020	08/13/2024	4.92	<u>\$ 26,358</u>

Annual Requirements to Amortize General Obligation Debt and Leases

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

Fiscal Year Ending December 31,	General Obligation Notes		Lease Liabilities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 15,621	\$ 322	\$ 12,869	\$ 1,268	\$ 28,490	\$ 1,590
2024	-	-	13,489	649	13,489	649
	<u>\$ 15,621</u>	<u>\$ 322</u>	<u>\$ 26,358</u>	<u>\$ 1,917</u>	<u>\$ 41,979</u>	<u>\$ 2,239</u>

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

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 11 - LONG-TERM OBLIGATIONS (CONTINUED)

Bonds or Notes Authorized – Unissued

Bonds and notes authorized and unissued as of December 31, 2022 were as follows:

Authorization	Purpose	Unissued Amount
March 13, 2021 ~ Art. 3 ^a	Pine Hill Road Reconstruction	190,000
March 08, 2022 ~ Art. 3 ^b	Pine Hill Road Reconstruction	125,000

^a This article is nonlapsing until the project is complete or December 31, 2023, whichever is sooner.

^b This article is nonlapsing until the project is complete or December 31, 2024, whichever is sooner.

NOTE 12 - NEW HAMPSHIRE RETIREMENT SYSTEM COST-SHARING DEFINED BENEFIT PENSION AND
POSTEMPLOYMENT MEDICAL SUBSIDY HEALTHCARE PLANS

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

The cost-sharing defined benefit pension plan (pension plan) is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State are eligible and required to participate in the Pension Plan. Full-time employees of political subdivisions, including counties, municipalities and school districts, are also eligible to participate as a group if the governing body of the political subdivision has elected participation.

The pension plan is divided into two membership groups. By statute, Group I (employee and teacher) members contribute 7% of their salary to NHRS.

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

Currently, employer contribution rates for the period July 1, 2022 through June 30, 2023 are as follows:

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - NEW HAMPSHIRE RETIREMENT SYSTEM COST-SHARING DEFINED BENEFIT PENSION AND
POSTEMPLOYMENT MEDICAL SUBSIDY HEALTHCARE PLANS (CONTINUED)

	Pension	Medical Subsidy	Total
Group I:			
Employees	13.75%	0.31%	14.06%
Group II:			
Police	30.67%	3.21%	33.88%
Fire	29.78%	3.21%	32.99%

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

Benefit amounts and eligibility requirements for the cost-sharing multiple-employer postemployment medical subsidy plan (OPEB Plan) are set by state law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The four membership types are Group II, Police Officers and Firefighters; Group I, Teachers; Group I, Political Subdivision Employees; and group I, State Employees. The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being cared for by the retiree. If the health insurance premium amount is less than the medical subsidy amount, then only the health insurance premium amount will be paid. If the health insurance premium amount exceeds the medical subsidy amount, then the retiree or other qualified person is responsible for paying any portion that the employer does not pay.

Group I benefits are based on creditable service, age and retirement date. Group II benefits are based on hire date, age and creditable service. The OPEB plan is closed to new entrants. Maximum medical subsidy rates for the period July 1, 2022 through June 30, 2023 are 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.

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 12 - NEW HAMPSHIRE RETIREMENT SYSTEM COST-SHARING DEFINED BENEFIT PENSION AND
POSTEMPLOYMENT MEDICAL SUBSIDY HEALTHCARE PLANS (CONTINUED)

- For those qualified retirees eligible for Medicare, the amounts were \$236.84 for a single-person plan and \$473.68 for a two-person plan.

According to the requirements of GASB Statement No. 75, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, the Town recognizes their proportionate share of collective OPEB liability, deferred outflows of resources, deferred inflows of resources and OPEB expense. As provided in the reports above, collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions to the plan are recognized when legally due, based on statutory requirements.

This information along with significant assumptions and inputs for total OPEB liabilities, the NHRS's fiduciary net position and current year sources of changes to net pension liabilities are available for the plan as a whole as well as audited cost-sharing schedules by individual members in the System's Comprehensive Annual Financial Report and other annual reports are available from the NHRS located at Regional Drive ~ Concord, NH 03301-8509 or on its web site at: <https://www.nhrs.org> and <https://www.nhrs.org/employers/employer-resources/gasb/gasb-reports>.

NOTE 13 - DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources at December 31, 2022 are comprised of the following:

General Fund

Property taxes not expected to be available to meet current obligations \$ 260,000

NOTE 14 - SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

Litigation

In connection with cases pending before the *New Hampshire Board of Land and Tax Appeals*, two utility taxpayers have appealed their valuations for property tax purposes. Amounts requested could have a material effect on financial position should they result in judgments against the Town. At this time, there is no way of knowing what the outcome may be or what impact (if any) those outcomes would have. Interested parties should make inquiries of management regarding the status of this or any other matters.

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 15 - FUND BALANCE

Elements of fund balance as of December 31, 2022 were as follows:

Capital and Non-capital Reserves Fund

Restricted for capital acquisitions and maintenance

Capital Reserves:

Fire Truck	\$ 20,335
Highway Equipment	34,478
Police Cruiser	39,078
Landfill	29,089
Revaluation	115
Joseph Patch Library Improvements	3,472
Bridges	344
Town Hall	907
Highway Building	158,362
Care of Redstone Missile	8,552
Public Safety Building	116,576
Baker River Restoration	26
SCBA	20,000

General Fund Trusts (RSA 31:19-a):

Cemetery Expendable	10,468
Transfer Station	489
River Mitigation	39,242
Emergency Management	5,396
Fire Department Expendable	45,504
Old Home Day	614
Paving Fund	72,870
Community Development Fund	20,259
Major Road Projects	6,032
Veteran's Memorial	2,324
Dam Maintenance	3,034
	\$ 637,566

TOWN OF WARREN, NEW HAMPSHIRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

NOTE 15 - FUND BALANCE (CONTINUED)

Non-major Permanent Funds

Resources held by the Town Trustees at December 31, 2022 for donor-restricted purposes were as follows:

	Non- spendable Endowment	Spendable for Trust Purposes	Total
<i>Non-expendable Trusts:</i>			
Cemetery Care - Village Cemetery	\$ 57,547	\$ 19,823	\$ 77,370
Cemetery Care - Glenclyff Cemetery	6,758	490	7,248
Cemetery Care - East Warren Cemetery	3,727	2,918	6,645
Cemetery Care - Clough Cemetery	3,300	855	4,155
Veteran's Cemetery	3,000	522	3,522
	\$ 74,332	\$ 24,608	\$ 98,940

Nonmajor Special Revenue Funds

Restricted for special purposes as follows:

Joseph Patch Library	\$ 31,627
Housing Improvement Revolving Loan	9,666
Old Home Day	14,786
Friends of Parks & Recreation	2,300
Total Nonmajor Special Revenue Funds	\$ 58,379

NOTE 16 - FIDUCIARY FUNDS

Custodial Fund:

Warren School District:

Non-expendable Trust Funds:

William Little	\$ 7,794
Frank Little	1,085
Ezekiel Dow	3,895

Capital Reserve Funds:

School Improvement	141
--------------------	-----

Noncapital Reserve Funds:

Technology Fund	51,295
Special Education Reserve	111,641
School Building Maintenance	102,698
	278,549

South Main Street Water District:

South Main Street Water	1,744
	\$ 280,293

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WARREN, NEW HAMPSHIRE

Budgetary Comparison Schedule

Budget to Actual (Non-GAAP Budgetary Basis) - General Fund

For the Fiscal Year Ended December 31, 2022

	Original & Final Budget	Actual	Variance With Final Budget
REVENUES			
Taxes	\$ 465,439	\$ 445,974	\$ (19,465)
Licenses and permits	159,000	193,347	34,347
State support	110,586	264,835	154,249
Charges for services	18,000	24,361	6,361
Miscellaneous	140,722	144,676	3,954
	<u>1,027,047</u>	<u>1,081,927</u>	<u>54,880</u>
EXPENDITURES			
Current:			
General government	359,203	340,442	18,761
Public safety	121,646	148,291	(26,645)
Highways and streets	214,791	222,265	(7,474)
Sanitation	60,029	49,382	10,647
Health	127,562	127,262	300
Welfare	3,501	256	3,245
Culture and recreation	5,160	6,264	(1,104)
Conservation	1	-	1
Debt service:			
Principal	15,200	15,200	-
Interest	745	743	2
Capital outlay	314,775	37,553	277,222
	<u>1,222,613</u>	<u>947,658</u>	<u>274,955</u>
Excess of revenues over(under) expenditures	(195,566)	134,269	329,835
OTHER FINANCING SOURCES(USES)			
Transfers out	(127,033)	(126,925)	108
	<u>39,042</u>	<u>(87,321)</u>	<u>(126,363)</u>
Net change in fund balances	(156,524)	46,948	203,472
Fund balances - beginning	464,738	464,738	-
Fund balances - ending	<u>\$ 308,214</u>	<u>\$ 511,686</u>	<u>\$ 203,472</u>

See independent auditor's report and accompanying notes to financial statements.

TOWN OF WARREN, NEW HAMPSHIRE
 NOTE TO REQUIRED SUPPLEMENTARY INFORMATION – BUDGETARY REPORTING
 FOR THE YEAR ENDED DECEMBER 31, 2022

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

General Budget Policies – General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with various legal requirements that govern the Town's operations. The Town votes appropriations by official ballot in accordance with State Statutes. Appropriations are made on an annual basis for the General and all major Special Revenue Funds. Project-length financial plans are adopted for all Capital Projects. Except as reconciled below, budgets are adopted on a basis generally consistent with the modified accrual basis of accounting.

Management may transfer appropriations between operating categories as they deem necessary, but expenditures may not legally exceed budgeted appropriations in total. Unexpended balances of special articles for specific purposes may not be transferred. All annual appropriations lapse at year end unless encumbered. In the case of emergency expenditures, over-expenditures are allowed under the provisions of the Municipal Budget Law (RSA Chapter 32) if prior approval is secured from the State Department of Revenue Administration. State statutes require balanced budgets, but provide for the use of beginning unassigned fund balance to achieve that end. In the fiscal year 2022, \$21,942 of the beginning General Fund balance was applied for this purpose.

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 fund balance at December 31 and are carried forward to supplement appropriations of the subsequent year. Amounts recorded as budgetary expenditures in the *Budgetary Comparison Schedule (page 32)* are presented on the basis budgeted by the Town. The amounts differ from those reported in conformity with generally accepted accounting principles in the statement of revenues, expenditures and changes in fund balances as follows:

Expenditures and Other Financing Uses ~ Budgetary Basis (<i>see page 32</i>)	\$ 1,074,583
Adjustments:	
Encumbrances - December 31, 2021	141,342
Encumbrances - December 31, 2022	-
Expenditures and Other Financing Uses ~ GAAP Basis (<i>see page 10</i>)	\$ 1,215,925

Exhibit C2
TOWN OF WARREN, NEW HAMPSHIRE
 Comparative Schedule of Pension Obligations
 For the Fiscal Year Ended December 31, 2022

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

	Estimates based on actuarial valuation as of June 30					
	2017	2018	2019	2020	2021	2022
Proportionate share	0.00151961%	0.00296055%	0.00287535%	0.00275435%	0.00277063%	0.00261668%
Employer contribution	\$ 5,567	\$ 12,513	\$ 12,513	\$ 12,236	\$ 12,729	\$ 15,151
Net Pension Liability	\$ 74,734	\$ 142,556	\$ 138,352	\$ 176,172	\$ 122,792	\$ 150,096
Deferred outflows of resources:						
Differences between expected and actual experience	169	1,138	765	4,758	3,438	2,817
Net difference between projected and actual investment earnings on pension plan investments	-	-	-	10,896	-	5,688
Changes of assumptions	7,504	9,866	4,964	17,427	12,825	7,984
Changes in proportion and differences between employer contributions and share of contributions	53,247	91,570	64,500	37,430	11,214	505
<i>Total deferred outflows of resources</i>	<u>\$ 60,920</u>	<u>\$ 102,574</u>	<u>\$ 70,229</u>	<u>\$ 70,511</u>	<u>\$ 27,477</u>	<u>\$ 16,994</u>
Deferred inflows of resources:						
Differences between expected and actual experience	951	1,154	2,975	1,892	1,286	576
Net difference between projected and actual investment earnings on pension plan investments	952	3,299	1,130	-	34,342	-
Changes of assumptions	<i>base year</i>	-	-	-	-	-
Changes in proportion and differences between employer contributions and share of contributions	<i>base year</i>	-	3,099	6,872	4,891	9,180
<i>Total deferred inflows of resources</i>	<u>\$ 1,903</u>	<u>\$ 4,453</u>	<u>\$ 7,204</u>	<u>\$ 8,764</u>	<u>\$ 40,519</u>	<u>\$ 9,756</u>
Pension expense:						
Proportionate share of plan pension expense	7,928	14,162	17,149	26,245	9,045	15,076
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	13,355	27,069	26,256	25,089	25,092	7,099
<i>Total employer pension expense</i>	<u>\$ 21,283</u>	<u>\$ 41,231</u>	<u>\$ 43,405</u>	<u>\$ 51,334</u>	<u>\$ 34,137</u>	<u>\$ 22,175</u>

This information should be read in conjunction with the audited *Schedule of Employer Allocations* and *Schedule of Pension Amounts by Employer* presented by the NHRS. This information along with significant assumptions and inputs for total pension liabilities, the NHRS's fiduciary net position and current year sources of changes to net pension liabilities are available for the plan as a whole as well as audited cost-sharing schedules by individual members in the System's Comprehensive Annual Financial Report and other annual reports are available from the NHRS located at Regional Drive ~ Concord, NH 03301-8509 or on its web site at <https://www.nhrs.org/employers/employer-resources/gasb/gasb-reports>. As noted there in, the preparation of those reports requires management to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature and uncertainty of those estimates, actual results could differ, and the differences could be material. As of December 31, 2022, the Town has recognized all statutorily required contributions to the plan. Unless additional assessments are imposed by the NHRS Board due to insolvency or some other circumstances, all future obligations to the plan (subject to annual appropriation by the legislative body) will become due as a percentage of qualifying wages as they are paid by the Town. At this time, management understands that that the NHRS foresees no likelihood of additional assessment beyond normal contribution rates, which are established every two years by a

FY21 Audited F/stmts - Exh A1

Exhibit C3
TOWN OF WARREN, NEW HAMPSHIRE
 Comparative Schedule of Other Post Employment Benefits
 For the Fiscal Year Ended December 31, 2022

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

	Estimates based on actuarial valuation as of June 30					
	2017	2018	2019	2020	2021	2022
Proportionate share	0.00159946%	0.00457803%	0.00443729%	0.00389511%	0.00383518%	0.00376641%
Employer contribution	\$ 948	\$ 2,025	\$ 2,025	\$ 1,808	\$ 1,843	\$ 1,586
Net OPEB Liability	\$ 7,313	\$ 20,960	\$ 19,454	\$ 17,049	\$ 15,358	\$ 14,233
Deferred outflows of resources:						
Differences between expected and actual experience	-	123	-	64	-	-
Net difference between projected and actual investment earnings on OPEB plan investments						39
Changes of assumptions	-	-	-	110	-	-
Changes in proportion	2,327	2,899	-	-	-	-
<i>Total deferred outflows of resources</i>	<u>\$ 2,327</u>	<u>\$ 3,022</u>	<u>\$ -</u>	<u>\$ 174</u>	<u>\$ -</u>	<u>\$ 39</u>
Deferred inflows of resources:						
Differences between expected and actual experience	<i>base year</i>	-	34	49	3	-
Net difference between projected and actual investment earnings on OPEB plan investments	23	67	22	-	192	-
Changes of assumptions	<i>base year</i>	-	-	-	-	-
Changes in proportion	<i>base year</i>	-	69	296	2	-
<i>Total deferred inflows of resources</i>	<u>\$ 23</u>	<u>\$ 67</u>	<u>\$ 125</u>	<u>\$ 345</u>	<u>\$ 197</u>	<u>\$ -</u>
OPEB expense:						
Proportionate share of plan OPEB expense	541	1,931	1,273	1,608	731	505
Net amortization of deferred amounts from changes in proportion	5,416	13,090	2,326	(2,157)	(554)	(281)
<i>Total employer OPEB expense</i>	<u>\$ 5,957</u>	<u>\$ 15,021</u>	<u>\$ 3,599</u>	<u>\$ (549)</u>	<u>\$ 177</u>	<u>\$ 224</u>

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

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

As noted there in, the preparation of those reports requires management to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature and uncertainty of those estimates, actual results could differ, and the differences could be material. As of December 31, 2022, the Town has recognized all statutorily required contributions to the plan. Unless additional assessments are imposed by the NHRS Board due to insolvency or some other circumstances, all future obligations to the plan will become due as a percentage of qualifying wages as they are paid by the Town. At this time, management understands that that the NHRS foresees no likelihood of additional assessment beyond normal contribution rates, which are established every two years by a statutorily-governed rate-setting process. All future obligations of the Town to the NHRS will be paid by current appropriations as they become due.

SUPPLEMENTARY INFORMATION

Schedule D1a
TOWN OF WARREN, NEW HAMPSHIRE
General Fund
Schedule of Estimated and Actual Revenues
For the Fiscal Year Ended December 31, 2022

	Original & Final Budget	Actual (GAAP Basis)	Over (Under) Budget
REVENUES			
Taxes			
Property	\$ 438,118	\$ 440,120	\$ 2,002
Timber yield	10,800	13,224	2,424
Payments in lieu of taxes	52,970	52,970	-
Excavation tax	1,000	1,015	15
Interest and penalties on delinquent taxes	14,000	17,945	3,945
Overlay	(51,449)	(79,300)	(27,851)
	<u>465,439</u>	<u>445,974</u>	<u>(19,465)</u>
Licenses and permits			
Motor vehicle fees	150,000	182,945	32,945
Other licenses, permits and fees	9,000	10,402	1,402
	<u>159,000</u>	<u>193,347</u>	<u>34,347</u>
State Support			
Meals and rooms tax distribution	72,145	72,145	-
Highway block grant	37,305	68,959	31,654
Other, incl railroad tax	1,136	123,731	122,595
	<u>110,586</u>	<u>264,835</u>	<u>154,249</u>
Federal Support			
ARPA Grant	133,300	48,995	(84,305)
FEMA (write-down noncurrent receivable)	-	(40,261)	(40,261)
	<u>133,300</u>	<u>8,734</u>	<u>(124,566)</u>
Charges for Services			
Income From Departments			
<i>General Government Services:</i>			
Town office	-	550	550
Planning & zoning	-	118	118
<i>Public safety services:</i>			
Police department	-	30	30
<i>Sanitation:</i>			
Trash collections	18,000	21,113	3,113
Recycled materials	-	2,550	2,550
	<u>18,000</u>	<u>24,361</u>	<u>6,361</u>
Miscellaneous			
Sale of municipal property	139,222	139,373	151
Interest on investments	1,500	1,837	337
Other	-	3,466	3,466
	<u>140,722</u>	<u>144,676</u>	<u>3,954</u>
OTHER FINANCING SOURCES			
Proceeds of long term debt	125,000	-	(125,000)
Operating transfers in - Interfund Transfers			
<i>Capital & Noncapital Reserves:</i>			
Fire Department Expendable	1,200	4,729	3,529
Paving Fund	34,875	34,875	-
Community Development	5,000	-	(5,000)
	<u>166,075</u>	<u>39,604</u>	<u>(126,471)</u>
Total revenues and other financing sources	<u>1,193,122</u>	<u>\$ 1,121,531</u>	<u>\$ (71,591)</u>
Amounts voted from unassigned fund balance	6,524		

See independent auditor's report and accompanying notes to financial statements.

Schedule D1a
TOWN OF WARREN, NEW HAMPSHIRE
General Fund
 Schedule of Estimated and Actual Revenues
 For the Fiscal Year Ended December 31, 2022

	Original & Final Budget	Actual (GAAP Basis)	Over (Under) Budget
Unassigned fund balance used to reduce tax rate	150,000		
Total revenues and use of fund balance	\$ 1,349,646		

See independent auditor's report and accompanying notes to financial statements.

Schedule D1b
TOWN OF WARREN, NEW HAMPSHIRE
General Fund

Schedule of Appropriations, Expenditures and Encumbrances
For the Fiscal Year Ended December 31, 2022

	Reserved From Prior Fiscal Year	Voted Appropriations	Expenditures Net of Refunds	(Over) Under Budget
EXPENDITURES				
Current				
General Government				
Executive		\$ 70,302	\$ 66,014	\$ 4,288
Election, Registration & Vital Statistics		21,300	17,819	3,481
Financial Administration		24,624	21,921	2,703
Revaluation of Property		20,000	17,700	2,300
Legal Expenses		20,000	37,426	(17,426)
Employee Benefits		35,501	34,250	1,251
Planning and Zoning		600	-	600
General Government Buildings		69,450	64,535	4,915
Cemeteries		18,500	15,427	3,073
Insurance, not otherwise allocated		54,348	49,273	5,075
Advertising and Regional Associations		3,702	1,950	1,752
Other general government				
Tax Collector		20,625	13,877	6,748
Town Clock		250	250	-
Contingency		1	-	1
	-	359,203	340,442	18,761
Public safety				
Police Department		80,103	65,812	14,291
Fire Department		37,691	79,629	(41,938)
Emergency management		3,501	2,500	1,001
Other public safety:				
Animal control		1	-	1
E911		350	350	-
	-	121,646	148,291	(26,645)
Highways and streets				
Administration		88,985	56,634	32,351
Highways and streets		55,600	69,652	(14,052)
Bridges		4,100	20,621	(16,521)
Street Lighting		8,500	10,746	(2,246)
Other		57,606	64,612	(7,006)
	-	214,791	222,265	(7,474)
Sanitation				
Administration		23,240	20,132	3,108
Solid waste collection		26,468	23,053	3,415
Solid Waste Clean-up		2,601	-	2,601
Recycling		7,720	6,197	1,523
	-	60,029	49,382	10,647
Health				
Health Agencies, hospitals & other		127,562	127,262	300
	-	127,562	127,262	300
Welfare				
Administration & Direct Assistance		1	-	1
Vendor payments & other		3,500	256	3,244
	-	3,501	256	3,245

See independent auditor's report and accompanying notes to financial statements.

Schedule D1b
TOWN OF WARREN, NEW HAMPSHIRE
General Fund

Schedule of Appropriations, Expenditures and Encumbrances
For the Fiscal Year Ended December 31, 2022

	Reserved From Prior Fiscal Year	Voted Appropriations	Expenditures Net of Refunds	(Over) Under Budget
Culture and recreation				
Parks and Recreation		4,510	5,388	(878)
Patriotic Purposes		650	876	(226)
	-	5,160	6,264	(1,104)
Conservation				
Administration & Conservation activities		1	-	1
	-	1	-	1
Debt service				
Principal of long-term debt		15,200	15,200	-
Interest expense - long-term debt		743	743	-
Interest expense - tax anticipation notes		1	-	1
Other debt service		1	-	1
	-	15,945	15,943	2
Facilities acquisition and construction				
Machinery, vehicles & equipment:				
SCBA Units		140,000	-	140,000
Buildings:				
Town office upgrades - security & fire		3,600	3,043	557
Town hall floor		5,300	5,547	(247)
Improvements other than buildings:				
Pine Hill Road paving		125,000	-	125,000
Major road projects	141,342	-	135,430	5,912
Beech Hill Road paving		34,875	34,875	-
Sanford Memorial Field Improvements		1,000	-	1,000
Grant Writer		5,000	-	5,000
	141,342	314,775	178,895	277,222
Operating transfers out - Interfund transfers				
<i>Special revenue</i>				
Joseph Patch Library		38,908	38,800	108
Old Home Day		9,200	9,200	-
<i>Capital & Noncapital Reserves:</i>				
<i>Capital Reserves:</i>				
SCBA		20,000	20,000	-
Fire Department/Public Safety		15,000	15,000	-
Police Cruiser		5,000	5,000	-
Fire Truck		5,000	5,000	-
Highway Equipment		5,000	5,000	-
Redstone Missile		200	200	-
<i>Noncapital Reserves:</i>				
Veteran's Memorial		200	200	-
Dam Maintenance		1,000	1,000	-
Major Road Projects		1,000	1,000	-
Joseph Patch Library		500	500	-
Community Development		1	1	-
Paving		25,000	25,000	-

See independent auditor's report and accompanying notes to financial statements.

Schedule D1b
TOWN OF WARREN, NEW HAMPSHIRE
General Fund

Schedule of Appropriations, Expenditures and Encumbrances
For the Fiscal Year Ended December 31, 2022

	Reserved From Prior Fiscal Year	Voted Appropriations	Expenditures Net of Refunds	(Over) Under Budget
Fire Department		1,024	1,024	-
	-	127,033	126,925	108
	\$ 141,342	\$ 1,349,646	\$ 1,215,925	\$ 275,063

See independent auditor's report and accompanying notes to financial statements.

Schedule D2a
TOWN OF WARREN, NEW HAMPSHIRE
 Balance Sheet
 Non-major Governmental Funds
 December 31, 2022

<i>Special Revenue</i>						
	Joseph Patch Library	Housing Improvement Revolving Loan	Old Home Day	Friend of Parks & Recreation	Permanent Funds	Total
ASSETS						
Cash and cash equivalents	\$ 31,627	\$ 6,766	\$ 14,786	\$ 2,300	\$ 98,940	\$ 154,419
Accounts receivable		2,900				2,900
	<u>\$ 31,627</u>	<u>\$ 9,666</u>	<u>\$ 14,786</u>	<u>\$ 2,300</u>	<u>\$ 98,940</u>	<u>\$ 157,319</u>
FUND BALANCES						
<i>Nonspendable</i>						
Permanent fund - principal					74,332	74,332
<i>Restricted for</i>						
Permanent fund purposes					24,608	24,608
Special revenue purposes	31,627	9,666	14,786	2,300		58,379
	<u>31,627</u>	<u>9,666</u>	<u>14,786</u>	<u>2,300</u>	<u>98,940</u>	<u>157,319</u>
	<u>\$ 31,627</u>	<u>\$ 9,666</u>	<u>\$ 14,786</u>	<u>\$ 2,300</u>	<u>\$ 98,940</u>	<u>\$ 157,319</u>

See independent auditor's report and accompanying notes to financial statements.

Schedule D2b
TOWN OF WARREN, NEW HAMPSHIRE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-major Governmental Funds
For the Fiscal Year Ended December 31, 2022

	<i>Special Revenue</i>					
	Joseph Patch Library	Housing Improvement Revolving Loan	Old Home Day	Friend of Parks & Recreation	Permanent Funds	Total
REVENUES						
Miscellaneous	\$ 6,036	\$ 1	\$ 11,711	\$ 1	\$ 2,564	\$ 20,313
	6,036	1	11,711	1	2,564	20,313
EXPENDITURES						
Current:						
Culture and recreation	40,522		14,254			54,776
	40,522	-	14,254	-	-	54,776
Excess (deficiency) of revenues over (under) expenditures	(34,486)	1	(2,543)	1	2,564	(34,463)
OTHER FINANCING SOURCES (USES)						
Transfers in	38,800		9,200			48,000
	38,800	-	9,200	-	-	48,000
Net change in fund balances	4,314	1	6,657	1	2,564	13,537
Fund balances - beginning	27,313	9,665	8,129	2,299	96,376	143,782
Fund balances - ending	\$ 31,627	\$ 9,666	\$ 14,786	\$ 2,300	\$ 98,940	\$ 157,319

See independent auditor's report and accompanying notes to financial statements.

Schedule D3
TOWN OF LOUDON, NEW HAMPSHIRE
Statement of Changes in Assets and Liabilities
All Custodial Funds
For the Fiscal Year Ended December 31, 2022

	Beginning Balance	Additions	Deductions	Ending Balance
ASSETS				
Cash and equivalents	\$ 255,858	\$ 24,435	\$ -	\$ 280,293
	<u>255,858</u>	<u>24,435</u>	<u>-</u>	<u>280,293</u>
LIABILITIES				
Agency deposits:				
<i>Warren School District:</i>				
<i>Non-expendable Trust Funds:</i>				
<i>William Little</i>	7,667	127		7,794
<i>Frank Little</i>	1,067	18		1,085
<i>Ezekiel Dow</i>	3,831	64		3,895
<i>Capital Reserve Funds:</i>				
<i>School Improvement</i>	139	2		141
<i>Noncapital Reserve Funds:</i>				
<i>Technology Fund</i>	50,454	841		51,295
<i>School Building Maintenance</i>	89,971	21,670		111,641
<i>Special Education Reserve</i>	101,014	1,684		102,698
South Main Street Water District:				
South Main Street Water	1,715	29		1,744
	<u>\$ 255,858</u>	<u>\$ 24,435</u>	<u>\$ -</u>	<u>\$ 280,293</u>

See independent auditor's report and accompanying notes to financial statements.